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#### **CALL TO ORDER**

[Time: 00:00:02]

Mayor Lane: Good afternoon, everyone. I would like to call to order February 16th, 2016 city council work study session. We will begin with a roll-call, please.

#### **ROLL CALL**

[Time: 00:00:10]

City Clerk City Clerk Carolyn Jagger: Mayor Jim Lane.

Mayor Lane: Present.

City Clerk Carolyn Jagger: Vice Mayor David Smith.

Vice Mayor Smith: Present.

City Clerk Carolyn Jagger: Councilmembers Suzanne Klapp.

Councilwoman Klapp: Here.

City Clerk Carolyn Jagger: Virginia Korte.

Councilmember Korte: Here.

City Clerk Carolyn Jagger: Kathy Littlefield.

Councilwoman Littlefield: Here.

City Clerk Carolyn Jagger: Linda Milhaven.

Councilwoman Milhaven: Here.

City Clerk Carolyn Jagger: Guy Phillips.

Councilman Phillips: Here.

City Clerk Carolyn Jagger: Acting City Manager Brian Biesemeyer.

Acting City Manager Brian Biesemeyer: Here.

City Clerk Carolyn Jagger: City Attorney Bruce Washburn.

City Attorney Bruce Washburn: Here.

City Clerk Carolyn Jagger: City Treasurer Jeff Nichols.

City Treasurer Jeff Nichols: Here.

City Clerk Carolyn Jagger: City Auditor Sharron Walker

City Auditor Sharron Walker: Here.

City Clerk City Clerk Carolyn Jagger: And the clerk is present.

Mayor Lane: We do have opportunity for public comment on this. I just want to explain these are work study sessions so the protocol and how we operate in work study is just slightly different in that there is no action on any of the items we'll discuss today. This is really an attempt and a sincere one to make sure that we are able to communicate with staff between staff and council as to the kind of direction we would like to see followed in addressing some of the questions we on hand. Today specifically we have the special event ordinance update.

Just for the record, I'm sure it's been well-identified the downtown entertainment district which was one on the agenda at one time has been removed for a future date. That will not be a topic of conversation today.

**PUBLIC COMMENT**

[Time: 00:02:17]

Mayor Lane: But for our work study, we do allow for a certain amount of commentary from the audience. We set aside 15 minutes, a total of five individuals can speak, there is no bundling of time. Just three minutes to give some idea of their thoughts on the matter as we enter into our conversations and discussions in putting together the appropriate as we decide how to continue in this process. So -- and we do that testimony, I should say first thing before there is any presentation by staff or any

questions from the council. So we do have two requests to speak. We have French Thompson who will start us off, if you would like to come to the podium, please, French.

French Thompson: Good afternoon. My name is French Thompson. I live at 8322 East Vernon Avenue, Scottsdale. Thank you, Mayor Lane, and Vice Mayor Smith and councilmembers. The bricks and mortar businesses, the 5th Avenue Merchants Association, Old Town Merchants Association and Scottsdale Gallery Association have submitted this -- it's almost an attachment to go in with the consideration for the special events ordinance. It's an interesting thing. I mean, you guys know me a little bit. I'm a merchant in downtown Scottsdale. We really want to work with the city. We're heavily involved in the city because we are here year-round. We pay taxes here beyond, rent, electricity, all this stuff.

I almost feel like I shouldn't have to be here. I feel like the city should be supporting us and protecting us, and they should be going out of their way to watch over us. And, yet, there's issues that go on with people that want to put on events in the city that have a negative impact on the downtown businesses and the private businesses here. And I think that it should be the other way around. You guys should be protecting us from those people. And having events that don't have a negative impact on our businesses where we shouldn't have to scream and holler and complain about this stuff.

I think there is really great potential to have events that are an enhancement, that make things better for the city, make things better for the merchants but some of the stuff that seems to be going on are low-hanging fruit that are literally seriously have an impact on our downtown merchants. Day before Valentine's Day I had four people come into a jewelry store I own, four people on a Saturday because there was a big parade right before Valentine's Day, the day before Valentine's Day. That's one of the biggest years -- days of the year for the jewelry industry. These things have to be a little bit more thought out.

And I'm not against special events. I don't think anybody in these merchant associations are really against special events. But I think the city has a tax base, they have businesses here, they have individuals that live here pay income tax, all this stuff, and they should be protected because we are the basis that the City of Scottsdale has grown from. The gallery association and the galleries that are in downtown, that's what the city markets to tourists. I mean, they market the arts. We are the arts. I think the arts should be protected as the foundation and the groundswell that brought the city to where we are.

And I think you guys are -- you know, I think you really do want to work with us. I know I want to work with the city. That's why I'm here. And I really appreciate all the work that you do, and I would like to see it come to a positive fruition. Thank you for your time.

[Time: 00:05:44]

Mayor Lane: Thank you, Mr. Thompson. Next would be Sean Gillespie.

Sean Gillespie: Thank you, Mayor. I'm here on behalf of the Scottsdale League of the Arts, Scottsdale Culinary Festival, and the Grand Prix Scottsdale. And I just want to make sure that the council realizes that there are a lot of people that move into the downtown Scottsdale area for the vibrant lifestyle. They like to be able to walk out and attend events. That's why Scottsdale has such a great connotation. That's why when Super Bowl comes, they're not in Glendale. They're having events in Scottsdale. So events like the culinary festival, events like the grand prix, events like the Italian festival which is also attending here today, they bring people into Scottsdale. They bring dollars into Scottsdale. They bring shoppers into Scottsdale. They fill rooms.

And I just want to make sure that is always taken into consideration because some of the parts of the ordinance may have a negative effect on these events happening in Scottsdale in the future. Thank you.

[Time: 00:06:47]

Mayor Lane: Thank you, Mr. Gillespie. Bob Littlefield.

Bob Littlefield: In the 12 years I was on the city council, the special events or process, I should say, rather than the ordinance was a thorn in my side many times. Mostly it was residents. Food trucks appearing in neighborhoods out of nowhere driving people crazy. But there were also the merchants, too. This isn't the first time the merchants have complained about special events hurting their business. So I'm glad to see that it's being revisited. But I'm even more glad to see that rather than just the routine revisiting that originally was envisioned that you are actually looking at some substantive reforms and changes. It's too bad that the momentum for those changes had to come from complaints within the community as opposed to just happening organically, but I guess that's the way it goes.

Now, I've seen what the downtown merchants and the gallery owners have proposed. All their reforms are worthy of consideration. But there's one reform that's the most important and that is having special events, all special events, approved by the city council in a public vote at a meeting. The biggest problem with special events has always been the lack of transparency and accountability. People will sit there and all of a sudden out of nowhere a special event will appear and then they had no chance to either complain or even not so much to stop it but merely to modify it so that it wouldn't be such a problem. Doing that on your agenda is huge because then it will be agendized beforehand, people can look at it, they can see if it's going to be in their neighborhood. They have an opportunity to call their councilmembers and say, hey, wait a second, this is going to have a negative impact on my neighborhood. It is going to have a negative impact on my business, we need to do something about it.

I've heard complaints that, oh, well, that would be too much of a pain. You can't do it. I'm sorry. That's what you're here for. You're here to make be accountable. You are here to make it that the citizens who might be negatively impacted by this, whether they be business owners or whether they be residents have an opportunity to come to you and say, well, wait a second we need to did something about this. So of all the reforms that are proposed -- and I suppose you're going to be here for quite some time tonight talking about them -- that is the number one. All special event permits should be brought before the council and the council should vote on them in a public meeting and their application should be agendized. Thank you.

[Time: 00:09:42]

Mayor Lane: Thank you, Mr. Littlefield. I believe it's Ken -- pardon me, I can't quite see the handwriting on this. K-O-Z-I-O-L. Oh, yes, Ken, I'm sorry.

Ken Koziol: Thanks for having me here. I'm Ken Koziol. I was writing fast. I got here a little late. I wasn't even going to speak. I didn't know we could. I figured why not, let's give it shot so I'm not really prepared for this I'm a professional event producer that the merchants despise, I understand, and a volunteer of the Parada Del Sol committee. My bottom is still aching over the beating we got the last six months from the merchants. I get it. We work with a lot of merchants. Our company works all over the country. We shut down roads in towns and cities for the rock and roll series. I guess it is a disruption.

Going through this process, council and Mayor, with the merchants, one thing that really -- sorry, this microphone is just weird. One thing that really dawned on me is why -- and I'm not trying to diss you guys, the merchants in the audience, but why for 364.5 days a year the merchants and their clients and their customers get to use the right-of-ways, the alleys, the public parking that's paid for by the entire community. And for half a day when an event like Parada comes along, it's like the world is coming to an end.

And I think there has to be a balance. This is important. A lot of cities are going through the same process of revamping their special events permits because events are becoming so big with runs and walks. They've become tremendous volume of events. So this is a very important process you guys are having here. But it's funny how the merchants will -- that are down here will complain about a Parada or an art walk -- I'm not getting into the art walk here but they don't mind the Phoenix open and all the roads that are closed around there and all the people that live around Phoenix open, they are not fighting their cause. The bottom line is events are an important part of the community and the fabric of a community. And everybody needs to balance the benefits and Cons of it. If these events bring foot traffic and these people come back it's hard to track but make sale in the future, that's the benefit to the merchants.

Using 1st Avenue and Scottsdale Road for a street festival, the whole community pays for that, not just the merchants for those streets and I think there has to be a good balance. I hope you will use your best judgment and come up with a billion. I'm sorry I was rushing here and I'm still -- my heart is still beating. Not a very good public speaker. Thank you for your time this afternoon. And good luck with this process.

Mayor Lane: Thank you, Mr. Koziol. That completes our public comment -- well, completes it for the evening. Thank you all for your comments on that. It's helpful to hear.

#### **ITEM 1 – SPECIAL EVENTS ORDINANCE UPDATE**

[Time: 00:12:57]

Mayor Lane: So we'll start with our order of business then. It is our special events ordinance update. And I have Brent Stockwell, assistant city manager, Karen Churchar, tourism and events director and Cheryl Sumners, events manager, all here and directly in front of me. I don't know who is going to launch, since you are center punch, Brent, I assume you can call the shots. Please begin.

Assistant City Manager Brent Stockwell: I will. Back in September you directed to us proceed with the public outreach process, take into consideration the six concerns listed in the citizen's petition and return to you with a draft ordinance in early 2016. So that's why we're here tonight. 11 public meetings were held from October to January. More than 250 people attended those meetings, answered surveys or provided online input. All of this information is out on the city's Web site. Just go to [Scottsdaleaz.gov](http://Scottsdaleaz.gov). the draft ordinance was shaped by your direction back in August and September. The input from the public meetings, businesses, merchants and event producers looking at best practices from other cities and through reviewing other Scottsdale ordinances and plans and others of discussion with the small staff team aimed at crafting the ordinance broad enough to cover the many unique situations that a wide variety of events present.

So what we want to do tonight is we want to get your direction on what changes we need to make in the

draft ordinance before we bring it back for ordinance adoption. So that's what we're here for.

A lot of the discussion centered around managing and mitigating impacts associated with events. We put this graphic together to illustrate how difficult it might be to have an event that takes all of those boxes. So we know that citizens want events to attend with their friends and family, but they don't want negative impacts on their neighborhoods from noise and traffic. Merchants want increased sales from increased foot traffic from events but don't want unfair competition or to take away the limited parking they have in the area. Restaurants want increased sales -- increased foot traffic as well, aren't as worried about vendor sales but are also concerned about parking. Services such as salons and offices don't benefit from increased foot traffic. If you have an event that puts more foot traffic in that area, that just makes it more difficult for their employees to park and for their clients to get there. And they also don't want parking restrictions. They also don't want any street closures that make it difficult for their customers to access them. When you think about hoteliers they want high-quality events to attract guests to stay in their rooms and events to keep them busy when they are here. If you think about the visitors, they want fun, unique activities while they're here, experiences they don't get at home and they want things that are easy to get to from their hotels or wherever they're staying. When you put this all together, while there can be a lot of overlap between the individual areas, it's very difficult to please everyone.

So this is actually probably what we're aiming for, this little triangle in the middle. If that's our goal, that may be a very difficult one to achieve. But if we can take these concerns into consideration and planning and approving events, we can work together so that the positive impacts at events are maximized while the negative impacts are minimized.

So to walk you through our approach and to summarize our approach in reviewing the public input and revising the ordinance, our mantra was this: How can we require the minimum amount of regulation necessary to achieve the desired results? And actually brought to you a visual aid today. I know this is always risky. But this is a graduated sieve. This is what -- you probably have seen something like this if you have ever put gravel on your lawn. This is what they use over in planning development services to make sure they get the right stuff screened out and the right stuff going through. So if you look at this through here, you can see there's a whole bunch of different screens or filters that are going through there. This is the 1 inch and it goes down from here, 1/2 inch and 1/4 inch and whatever is left ends up in the bottom. I wanted to show this to you tonight because this was an image we would use over and over again as we would think through this.

How do we get this right? How do we put the right amount of regulation to let through easily the types of things where everybody wants, where there's no problem with that but then to hold up at a higher level and get more review from those things where they warrant more review and they have more impacts. And so you might hear the others here tonight talk about that. But that's one example that we used as we went through. The other example we would use as we would talk about this, when you are driving down the interstate -- and every once in a while on the interstate there is a commercial truck lane and it says all trucks over a certain weight or certain axle got to pull over to the side. It's not like border patrol, they don't make everybody go through it. They just make those people that are a certain threshold come over there. They get a little bit more regulation, more look at, and then they're back on their way. Meanwhile, everybody else that doesn't have that is heading down the interstate at their right speed. So that's where this approach -- and I spend a little bit of time on it because it became part of the discussion point as we would talk through this. Okay. Is that too much regulation? Is that screening it out at the right level or not? We're actually going to use this graphic as you go through this tonight to illustrate the different types of filters or screens that we put on this overall ordinance to try

and get a good fit for this community.

So said another way, our philosophy was to make it easier to do the right thing, to have events that benefit the community while making it harder to do the wrong thing, having events that are bad for business or disruptive for residents. So one thing to think about as you review the draft, are the regulations sufficient to achieve the desired results? Are they necessary regulations to propose? And are the regulations complete? And when we were thinking about desired results, we were thinking about the way to maximize events that benefit our residents and business community while minimizing negative impact.

So to run through for you the major changes that are included in the ordinance today -- so we're going back from the version that was passed back in the early 1990s, here are some major changes. The new ordinance covers both events on private and on city property clearly. It expands the criteria to evaluate event impacts. It would improve notice and notification processes. It would propose criteria for evaluating events proposing to use city property. It would use different processes for different impacts. One of the big things we talked about back in September was the special events committee. And everything had to go through that committee rather than recognizing that there are probably some things that are small enough that could be handled on a strict administrative level, whereas there are certainly things up that are complicated enough and involved enough that they do warrant sitting with a group of professionals from across the city to work through the impacts of those. It also provides some enforcement for non-compliance with possible incremental fines and adds fees for the use of city property and rights of way. Those are kind of the major changes. They actually fit into this filter or the sieve that we talked through. We found the components of the ordinance are interrelated and collectively they'll serve to kind of screen out what you want, what you don't want by allowing through what you do want.

But here we have them in order. The purpose and definition, so if you figure out how you want what the purpose of events in Scottsdale is and how you want to define that, that serves as a filter. Beyond that, the criteria, the impact criteria, that also serves as a filter. Notice and notification, how do people become aware that event has been proposed that an event might impact them or that an event is occurring? Locations, where are they allowed? And do you use different criteria for different locations than others? Duration and frequency, how long can they occur at one time? How often can they occur in a year? And then administration, it's actually red there for red tape because we recognize that sometimes people think that by the time it gets down there, it's regulations. And then fees are green, too, because we realize that's the money that's coming through. There is some intentionality here.

Mayor, if you could, we'd like to present each section and then stop and ask questions and have discussion on that thing and then go onto the next one. We figure that might be a way to get this -- through this discussion, if that's again.

[Time: 00:22:39]

Mayor Lane: Brent, that's fine. I do have just a couple of things. And it likely will be covered in your explanations and your discussion on each of these items as you go through it. But I will have -- I'm sure other members of council will, too, as it relates to some of the criteria and frankly the quantification of impacts and also enforcement mechanisms and how do we objectively quantify other things other than just impacts but also the nature of the kind of event and that kind of thing that we have some -- I've had some real questions about because if, in fact, if it is more subjective than objective or specific, the regulatory process will become very complicated and very challengeable on almost all levels. And,

frankly, to develop the kind of staffing in order to quantify and enforce are elements I'm hoping there's at least some investigation into how we might go about those things, too. I'm a believer the simpler the better without the gotcha moments that might crop up when we have things that can be reinterpreted or, frankly, are not just that specific.

Assistant City Manager Brent Stockwell: Mayor, when we looked at this, we looked at things on a continuum from pretty comply subjective to completely objective. When we started out in the special events ordinance back in the '90s it was probably on the far side from objective. We tried to move that along the continuum to objective. As we get your feedback tonight, you might say, hey, here's a point where you're probably too subjective and you need to be more objective on this. There might be a point there where we have been, too, objective and we need to give ourselves more room there.

It's important to note something you will get at the very end of the presentation when Karen comes back and talks about implementation, it's a very important point, something we're proposing that's different from the early 1990s ordinance now is that we're proposing that a guide regulations for event organizers spells out any additional details that aren't in. We will have more flexibility as we learn and grow from that. Just like the ordinance is approved by the council and out there for everybody to look at, we propose the guide is posted out on the Internet for everybody to look at for 30 days or so before it gets implemented. That's a common process for other regulations that are used to implement ordinances we don't have to get all of the detail in the ordinance. We are hoping the ordinance could last us for another 10, 20 years. The reality is if we can have a guide that goes along with that, that would be helpful.

[Time: 00:25:47]

Mayor Lane: I agree with that. I think it's important that the ordinance, the law itself is more or less the outline of what we're looking to and how we want to regulate the industry and frankly enforce it. Enforcement mechanisms may be in an ordinance but, nevertheless, sort of an overall scope of how things are intended to operate maybe with greater specificity when it comes down to the regulatory process.

Assistant City Manager Brent Stockwell: It's the broad yellow lines we have to operate in. But because you had almost 290 separate special event applications in the last year, that's a lot of different ordinances. We have to have an ordinance for things that have been proposed in the past but for events that we haven't even thought of that might be good for Scottsdale that might be proposed in the future. So we have to figure out how to get those parameters right, yet giving some flexibility as new methods comes along.

Mayor Lane: One final thing, your illustration of the circles is very, very revealing really of the contrary and differences of opinion as to what may have impact or not impact positively or negatively on various areas of business and frankly tourism or hospitality industry and all of those things that play into this. So it's a -- it's somewhat of a complicated course. And at the front end, I'll say given somewhat of the tenor of the conversation that's ensued getting to this point, I want to certainly give you on the front end -- we'll see how it ends up. Nevertheless, on the front ends the accolades for confronting and working with a variety of opinions.

I know there has been some come-together on this but there are also some variations even within that are going to be interesting for us to try to quantify. I don't think anybody hasn't suspected that had there aren't some specific changes that need to take place to an old ordinance. But at the same time,



we -- it's a careful process to make sure we're balanced with regard to all those circles are concerned. Let's follow that process. As a council, I would like to -- let's make this clear so we don't rehash it each and every time over and over again possibly. This is a guidance session. So get your feelings on the table and your thinking about it -- well, feelings, stay away from that. Let's get down to your comments and your advice and your assertions on the different areas. But let's go through each one and make sure that we're all -- get what input we need to give you in order to advance that particular section together. I'm presuming the way you've got this laid out that these can stand alone. When I say that, there may be some intermingling of one versus another, but if we address purposes and definitions, we should be able to do that, move on to impact criteria and do it somewhat separately.

Assistant City Manager Brent Stockwell: Mayor, we had some thought into how we structured this and ordered this because there's some sequence to it. And so we figured you really needed to talk about the purpose and definitions first. And in the impact criteria, there's a downhill effect of all these things on other things.

But we may be --

Mayor Lane: Well, yeah. And I appreciate that. As you just said, the sequencing of it. And I think it sounds to me like it probably does follow that order. I mean, that seems like a logical one. I think the only thing I'm trying to say is if we can complete a conversation about purposes and definitions, I rather not necessarily at the end of this -- these seven items have to go back and rehash them because they intermingle somehow or other and somebody has a difference of opinion. We'll see what we can do, I guess that's the intent going out.

[Time: 00:29:51]

Tourism and Events Director Karen Churchard: We want to review with you the draft purpose and definition of an event. We noted that events are an important part of the Scottsdale's economic and tourism well-being and we've also noted that regulation is essential. So you may have noticed that in our draft ordinance, we've taken out the word "special" as there were many comments about what constitutes a special event. Because this ordinance in our opinion should refer to all events, we are recommending that the new ordinance be titled "event ordinance." And our draft event definition means an organized, temporary activity or series of temporary activities held outdoors on public property or private property that is inconsistent with the legal use under the zoning ordinance.

We've also noted that within the draft ordinance there are a few exemptions. The first being for events occurring at the Scottsdale airport, WestWorld or on land that the city does not have jurisdiction over. The second exemption would be events in whole or in part by the City of Scottsdale because the city obviously owns its own property.

And the third exemption specific to the permit and fee process within this draft ordinance would pertain to events occurring entirely within city parks, McDowell Sonoran preserve, Scottsdale stadium and Scottsdale Mall because those facilities already have their own processes and/or fees in place. So with that, Mayor, I'll turn it back to you for any council comments, questions, or further direction on the purpose and definitions portion of the ordinance.

Mayor Lane: Okay. Thank you, Karen. Councilwoman Klapp.

[Time: 00:31:55]

Councilwoman Klapp: The third section there that says the administrators of the parks and the preserve and the stadium and the mall have their own processes in place, I understand that. Are their processes being reviewed in light of changing this special event ordinance in order to make sure their processes are following some of the thought processes taking place with the special event ordinance itself? There may be that there are some refinements they could make to their own internal processes for utilization of those particular venues?

Assistant City Manager Brent Stockwell: Councilwoman Klapp, Mayor Lane, to that point, not specifically yet but we can share that out with the lessons we have learned. One important thing to note is that the definitions and the impact criteria that you'll go through next will -- the city does have to follow those and any of the city parks, preserve, stadium, mall have to follow those as well. So in terms of the impacts, they have to make sure those impacts are addressed and taken into consideration. That's new and that will impact that. And then once we have the new ordinance in place and the guide, we'll also share that with them so they can improve their processes as well.

Councilwoman Klapp: You are saying you would be discussing with them consideration of impacts and the events that they're administering on their own properties as well? There's some consideration given to impacts of neighbors and businesses in the area of those particular venues as well? Okay.

Tourism and Events Director Karen Churchard: Yes.

Councilwoman Klapp: Thank you.

[Time: 00:33:40]

Mayor Lane: Councilwoman Milhaven.

Councilwoman Milhaven: How would you define an event that was in whole or in part by the City of Scottsdale?

Tourism and Events Director Karen Churchard: Mayor and Councilwoman Milhaven, that would be an event that potentially down the road the city would eventually create the event, not produce it because we don't have that kind of staffing. But part of our current tourism plan is that we bring forward events that are actually considered to be owned by the city. That's what we would clarify. Cheryl, are there any events that you would classify as city only?

Events Manager Cheryl Sumners: Yeah, thank you. So it would be things like Mighty Mud Mania, Holiday Harmony, things that some of our own staff is organizing and coordinating and managing that event.

Assistant City Manager Brent Stockwell: The city has a management services agreement with the Cultural Council. And the Cultural Council is required under that agreement to produce events that are free and open to the public.

And so those events, native trails, Sunday affair, canal convergence, all those things that are done pursuant to that agreement, I think those are things that could be considered events organized in whole or in part by the city. Here's why that would be important. We pay the Cultural Council management services fees to do these things for us. It doesn't make sense to have them turn around and pay more permits and fees for us to do the things that they -- we're requiring them to do. That's another example.

Councilwoman Milhaven: So it would be events -- I think this needs more clarification, right? Because

if the city gives bed tax money to an event, have we technically contracted with them to do that event? And, likewise, I know the Parada was this weekend. I know the city has a significant investment and part of the cost in Parada. I think there was a police officer on every corner in the downtown. And since we invest in that event, is that in part a city event? I think that needs further clarification.

Assistant City Manager Brent Stockwell: I think up with of the things we'll have to think, too, is that something we need to clarify in the ordinance or is that something that needs to be clarified in the guide or a little bit of both. This is a conversation that we've had a lot of discussion around to try and figure that. I think Parada is a great example. In its current form, Parada is run by a non-profit committee that puts on the parade. They may come to a certain point where they need to partner more with the city to make sure that is a successful event. But I think we got to be careful about the sponsored one because we're certainly not intending that all events that event sponsorship funding from the city, that that exempts them from --

Councilwoman Milhaven: If you say it's a non-profit putting on an event, the Cultural Council is a non-profit putting on events. I think, again, just repeat what I think needs clarification.

[Time: 00:36:57]

Mayor Lane: Thank you. Brent or whomever, to that point, I understand you to say if we simply sponsor something either with advertising dollars or matching dollars or funds to spread Scottsdale's name across their marketing base for that and I'm thinking about -- as I'm looking at the events -- ordinance doesn't apply to events occurring entirely on land over which the city does not have jurisdiction. This is sort of an expansion on private property. The ordinance does not apply to events on land over which the city does not have jurisdiction. Is that what we are meaning to --

Assistant City Manager Brent Stockwell: That's referring to other governmental entities that we cannot regulate, the federal government, the state government.

Mayor Lane: Okay.

Assistant City Manager Brent Stockwell: Other political subdivisions of the state. We do have regulatory power over private property that's within the city limits.

Mayor Lane: Salt River Project.

Assistant City Manager Brent Stockwell: Yes.

Mayor Lane: And you say or at Scottsdale airport or WestWorld. Scottsdale airport, we are talking about a combination of things. Scottsdale has an ownership interest in it.

Tourism and Events Director Karen Churchard: Correct.

Mayor Lane: So we're accepting those and saying we do not apply to events occurring entirely on -- well, now I'll just say occurring on Scottsdale airport or WestWorld. WestWorld because it's B.O.R.?

Assistant City Manager Brent Stockwell: There are a couple of filters on this slide. The first filter is what does not have to follow the ordinance at all. It's narrowly defined that if it's another governmental entity we can't regulate, they're exempt. And the airport and WestWorld. WestWorld primarily because it's an event facility already. It's designed for that purpose. And Scottsdale airport because of

the uniqueness of that airport as well.

Then the second filter goes under the other one. And it exempts the ordinance in part but not in whole. It only exempts the parts having to do with processes and fees because they have their own processes and fees in place. So for events organized by the city, we don't need to get a permit or pay a fee because, you know, it's -- they're ours.

And then on the other ones, because you've already passed fee schedules and you already have in the community services department responsible for parks and then the preserve has its own fees and what you can and can't do in there, the same with the stadium and the Scottsdale Civic Center Mall which you have your own ordinance in place for that is correct those are exempted in part from having to follow the ordinance. That's at least the concept here.

Mayor Lane: And just on this, continuing the concept, we mentioned the Parada. And I know we'll get to fees and that kind of thing and what applies to it, but the Parada would be something that would certainly the regulations of an event would apply to as would Hashknife?

Assistant City Manager Brent Stockwell: They would usually unless they moved to a different status where the city was really organizing in part that event. If that makes sense. And I talk about them because of their legacy -- their history.

Mayor Lane: It would apply unless the city were to move to a more commanding role in it.

Assistant City Manager Brent Stockwell: Yeah. If the city began to take on a role where we were helping organize that event, in part, then that would kick into another category, at least conceptually.

[ off microphone ]

Assistant City Manager Brent Stockwell: I hear you. I that's what we are trying to work through, what gets exempted and doesn't get exempted. I think you pointed out what's organized in whole or in part perhaps by having a definition that clearly spells out what that includes and what it doesn't include.

Mayor Lane: Okay. Councilwoman Littlefield.

[Time: 00:41:06]

Councilwoman Littlefield: I just would like to say on some of the things we have been talking about here, talking about your circles, there's some little gray areas inside these little circles. And we want to make sure that where we have these -- and most of these kinds of events are obviously things we want to continue having because they're great for Scottsdale and all that. We want to make sure that we don't have something that's directly opposed to what every other event in Scottsdale has to go to. So, in other words, if you have these things, they should be -- they don't have to follow a checklist and be directly in compliance on A and B and C all the way down to Z. But they shouldn't be able to do something that is counter to all of our other events because it's not good for Scottsdale or not good for business or something like that. So they should be workable together, if you know what I mean, along the same lines, along the same road.

And I think that's something like what Linda was saying. We need to bring that along because they can't be totally separate. They have an inner-related activity that needs to -- all the parts need to work together in the same direction, if you know -- if you see what I mean.

Assistant City Manager Brent Stockwell: Yeah, absolutely. And that's in part what this is trying to get to by exempting a part of the ordinance but not all the ordinance. They still have to meet the impact criteria for events that the city organizes or the ones at the parks, et cetera. The other thing that's really important there -- there's always a lot of language kind of intentional throughout this. If you look on the first line, ordinance doesn't apply to events occurring entirely. So there's also this understanding that there are events that go beyond the boundaries of those property lines. And those -- once something begins to go beyond those lines, they are required to go through the event process. It's exactly how we handle the Civic Center Mall -- Scottsdale Civic Center Mall today. If an event is entirely contained on that, it's permitted through the Scottsdale Cultural Council under the management services agreement. Once it begins to get beyond that, if it's going to start using city streets and impacting other things, then it's going to work through the permit process. That would be the same thing through all of this. The thought process that you are going through is very similar to the thought process we were trying to go through and figure out what's the right level of screening to do for this.

Mayor Lane: Thank you, Councilwoman. Vice Mayor?

Vice Mayor Smith: Thank you Mayor. In particular, two things, I understand why you've omitted the word special. I think you'll find all of us here tonight will still refer to it as the special events ordinance. We were quite comfortable with that term and I don't know that it adds anything to delete it but I'll try to work with that. I think a word that you might have used in here somewhere would be "unique." Looking through the way you drafted the ordinance, not the slides that we'll be looking at but the ordinance itself I see in Section 22-4 [a] [1], you say that event organizer, when they apply that they should demonstrate that their event produces a unique organized activity. Kind of like the word "special," I think the word "unique" connotes something that's valuable to retain in this ordinance. Whether we have understand what special is or unique, I think there's value to having that adjective -- one of the adjectives.

The other thing -- and this is really a more substantive question about your sieve example, one of the earliest sieves we should put any event through is a basic sieve that says is this primarily a retail or non-retail event, special event, unique event, whatever. In other words, is it primarily organized for the purpose of selling food and merchandise? Or is it primarily organized for the purpose of entertaining the public and giving them unique and special experiences? And I'm mindful of the fact that the whole reason we're here, the whole reason this thing all blew up in our face a year ago or whatever it was is because we were dealing with was purportedly a special event but in most people's minds was just a retail exercise. I mean, the purpose was to sell merchandise and it did that. So I thought we were going to have some early sieve that said, you know, if it's primarily to sell merchandise and food and whatever, it goes this way. And if it's primarily for entertainment, whatever, it goes that way. And the two would have, therefore, different criteria.

So if you're looking for guidance in how to finalize this, I'm still at this point -- and I probably will be the next time we talk about this -- looking for an early sieve that challenges each event, special event, unique event, whatever, on whether it is primarily for the purpose of selling merchandise or whether it's primarily for the purpose of entertainment activation and so on. Thank you.

Assistant City Manager Brent Stockwell: Mayor Lane, Vice Mayor Smith, I think it's important to know at this point in time as we were going through the ordinance one of the pieces of advice we were given is that the purpose and definition sections don't have any kind of real regulatory authority. Once you get into the criteria, that's where the real regulatory authority is. And so it may not be in the very first sieve but it's certainly in this one as you correctly identified, that's in the impact criteria which is the things that

you would be -- as the Mayor said -- putting the guidance around which that staff has to stay within in reviewing any proposals for events. And you're correct, it's right there in that next piece.

Mayor Lane: Okay, yes, thank you Vice Mayor. Councilman Phillips.

[Time: 00:48:17]

Councilman Phillips: Thank you, Mayor. First off, I want to -- I support what Councilwoman Milhaven is saying. I support what Vice Mayor Smith is saying although you are saying it's going to come up in the next one. I was thinking along those same lines, that there's different levels of events and maybe some are unique. If it's unique, what's the definition of unique and all that. Hopefully that comes up because we don't want to lose that.

Did I get this right, that you were saying that Parada is not going to be considered an event according to what you're coming up with here?

Assistant City Manager Brent Stockwell: Councilman Phillips, Mayor Lane, members of council, no I'm not saying that.

I'm saying that if Parada got to the level where it was organized in part -- I was using it more as a hypothetical. So that event because it's been around the community for 60-plus years, it could be at a point where it really needs city participation, city involvement in that. If it was in that situation, it would be in whole or in part. It's not today, no.

Councilman Phillips: The first one is event definition and the next one is exemptions. It sounds like you said exemption of the events definition, Parada would have been one of them.

Assistant City Manager Brent Stockwell: No, I was just trying to use that as an illustrative example. Perhaps I jumped to it too quickly. It's an event that's conducted by an outside party, so it would be an event under the ordinance. It would require to follow all the impact criteria. I was just saying as an example when Councilwoman Milhaven asked what's an event that's organized in part by the city, because that was so fresh in my mind, I was trying to say, oh, well, with a certain level of involvement that could become an event that's organized in part. Sorry for the confusion.

Councilman Phillips: Then I guess the next sieve or whatever is going to be the level of events because I can see -- you can obviously see level of events. You can have Parada or you can have Girl Scout cookie sale. There's huge differences in what comes to council and what doesn't. And maybe this is coming up, too. But separate "organizing" from "funding." When you are talking about organizing an event, it's a lot different than funding an event or partially funding an event or whatever means of bed tax or whatever. But when we specifically the city itself is involved in it, that's more like organizing. I don't really know how many events we organize even though we are through the police.

Assistant City Manager Brent Stockwell: That's why we used the word "organized" rather than "sponsored." A lot of times you will hear the phrase "sponsored in whole or part." We deliberately used the word "organized." When you look at the tourism five-year strategic plan, it kind of foresees the involvement of the city through using bed tax funds and planning events that specifically meet criteria that are beneficial tourism in the community. What we are trying to do is anticipate a situation where the city would actually be more actively involved in organizing events. We want to make sure the city's funds went all the way, that they wouldn't have to then pay those permits and pay those fees as well. The impact criteria would still have to be followed by the city.

Councilman Phillips: Back to the event definition, Vice Mayor Smith says it used be special event and you are trying to get that word out of it because it pretty much covers everything. So event definition is going to be broken down into different types of events, unique and otherwise later on in this –

Assistant City Manager Brent Stockwell: Yeah, we'll talk about that later on.

Councilman Phillips: Okay, thank you.

[Time: 00:52:13]

Mayor Lane: Thank you, Councilman. Brent, if we you mentioned the Cultural Council is under a contract to produce a certain amount of events if you will maybe by certain criteria that's already laid out within that contract, we also indicated that the city really can do anything it wants on its property as far as that's concerned as long as it creates the event. And if we contracted with somebody else, not unlike the Cultural Council, are we outside the realm of this and is it exempted? And the Museum of the West, are the events that occur or contracted there by the museum contractor -- and they're a contractor for the city in the operation of that facility -- do they fall in under this or not?

Assistant City Manager Brent Stockwell: Okay, Mayor. Let me take that on. I wasn't trying in any way, shape, or form to say the city could do whatever it wants.

Mayor Lane: Maybe it's a poor choice.

Assistant City Manager Brent Stockwell: The intent definitely is to have it follow the same overarching guidelines as everybody else.

Mayor Lane: You just don't need to apply for permits.

Assistant City Manager Brent Stockwell: I have read the agreements for the museum a couple of times. I can't recall if there is anything in that agreement that requires them to do outdoor events. If it did, though, yes, that would be something in whole or in part. That would be the way I see the management agreement with the Cultural Council that says we pay you this money, you will do a certain number of events that are free to the public. That's part of a contractual arrangement in the same way if we had hired an event promoter using, say, city bed tax funds to go out and promote an event at the Waterfront or here. That event promoter by extension would have to follow the impact criteria but wouldn't have to get the permit and pay the fees because that's the city going through that process.

Mayor Lane: Okay. As with the Cultural Council -- and I'm not trying to get down in the weeds quite yet on this but I think clarity in this area is going to be very, very important and I think that's already been expressed. That's an area that we share some concern about. But Cultural Council obviously depends significantly on income that they derive from the leasing of properties for special events. Therefore, that is something that's in their -- more or less goes according to their rules given the contract we have with them. They oftentimes have -- and I know there's some stipulation at what level of retail or otherwise that might be defined later on. They certainly do do that.

Now, the other thing is the Museum of the West is certainly going to be looking to try to develop income streams from the use of what is considered property under their control, inside or outside and whether or not there will be either competitive or whether they can entertain those kinds of events that would help them in their fund-raising, if you will. So that's something if you don't get that answer right now, I think it's something we definitely need to address when we talk about exemptions and/or defining this

with some clear and specific but standard criteria for what's in and what's out so that it's fairly applied.

Assistant City Manager Brent Stockwell: Mayor, we'll go back and look at that agreement and see if there is anything specifically on that and include that when we come back to you.

Mayor Lane: Okay, thank you. Yes, Councilwoman Littlefield.

[Time: 00:55:59]

Councilwoman Littlefield: Thank you, Mayor. I would just like to kind of go back since this kind of started in a different spot than where I did. And I will probably continue saying special events, so I apologize. That's how I have been thinking. To me, one of the main -- and trying to get to a definition here that we can all kind of understand, one of the main definitions of a "event," "special event" is that it is an event that is outside of the norm of the zoning codes for that particular area. And that is pretty much all of them where they are unique. That's again another term. These events need to be unique. They need to have something -- how can I say it -- that are outside of the norm for our zoning codes. And the zoning codes are there to protect our businesses, our residents, our people. So when we go outside of that, then we need to make sure that there's something in place for the event criteria that makes sure that those businesses, residents, people, uses are still in place, that they are protected and that we're not allowing negative impacts into any of those areas by allowing the event. Events are unique. They are supposed to be a positive to Scottsdale for whatever, cachet, reputation, national renowned, bringing tourists in, all of these different things. So those are the kinds of things to be looking at for some of these things.

Another unique criteria of a special event is timing. It's not a permanent fixture. It's a part-time, very temporary thing. So what are the terms and times that would define an event? Is that one of the ways perhaps that we should break it down into various categories, the timing of the event, the number of days, how many do we allow. So there's a lot of different things. Another thing is how many people do we anticipate coming to an event? Is it going to be ten? Is it going to be 2,000? We might need to have different criteria for what the impacts of a different event will be in different areas of town.

So those are some of the things that would, to me, be a part of a definition and then break it down as to how you take that definition -- or how you take that event and do the paperwork and stuff may be very different from a very simple one-night affair to something that lasts for a week.

Assistant City Manager Brent Stockwell: Councilwoman Littlefield, members of the council, I think you're doing a good job transitioning us to the next piece on impact criteria. Actually, I do. You did mention a couple of things that are included in that definition, though.

So that last bullet point there, that is inconsistent with the legal use under the zoning ordinance. If someone is proposing a temporary activity or series of temporary activities, that's consistent with the zoning ordinance. They don't have to come through the event process. That's a really good reason to exempt WestWorld because that whole area is for the explicit purpose of doing events on it.

But there's also hotels throughout the community that also are event venues. There's one right on the other side of Civic Center Mall here that's a private event venue. Those are part of their uses, right? So these are allowing temporary uses.

You're right by saying that's got to be defined somehow. And we're going to get that in one of the later



sieves, but it's right there in the ordinance. So that temporary and that thing that are inconsistent with legal use, that language is really important to get in because, remember, we're pulling this out of the zoning ordinance. We got to make sure that there's still ways for people to use their property on a temporary basis for events that are compatible with the city.

The other thing I'll mention, too, is we've put the criteria out separately. We've defined that piece separately from the definitions. But as we went through this, there were times where we had unique in the definition. We had the whole definition -- the whole first criteria point that Cheryl is going to go through in a minute. We had that in the definition. We were worried from a clarity standpoint about having that both in the definition and in the impact criteria. And so since it's something that you definitely want to have the event organizer make sure they're checking that box and taking care of that issue, that's why it went over in the event criteria area rather than definition. You have to look at the whole thing together. But if the council wants us to put it in both places so it's very clear in the event definition, that it includes "unique" and some of these other things, I don't think there's going to be any huge objection from the attorney's office on that.

Mayor Lane: Thank you, council.

Assistant City Manager Brent Stockwell: I will find out in a hurry if there is.

[Time: 01:01:09]

Mayor Lane: Thank you, Councilwoman. It has been mentioned of pulling the away the use of "special" and just a general category of event. That's fine. In how I hear you saying in this particular application, event definition, we're saying it is a unique or a special use of that zoning ordinance. Again, I'm okay with it here and then we describe somewhere else the uniqueness or the specialness of it because really what you're trying to say here is it's not essentially allowed in the zoning and that's part of the idea of an event. It's not technically allowed in the zoning.

Assistant City Manager Brent Stockwell: Each one of those points is very strategic and very deliberate. Organize means that it doesn't cover a spontaneous event. If you are doing a picnic at the park, that's -- or picnic out here.

That's not an organized event in most cases. There might be picnics that were but there are spontaneous types of events. Held outdoors. What?

Mayor Lane: What about public demonstration?

Assistant City Manager Brent Stockwell: Public demonstrations, my understanding, doesn't need to be covered in this ordinance. So the police department already knows how to handle those things when they come up. But held outdoors, too. So it's going to be something that's not inside. It's got to be outdoors and inconsistent with the legal use. We tried to be intentional on this but I think you have to look at the whole thing as a collective rather than -- that's the one downside of using the sieve example. We're just looking at this narrow part of the ordinance rather than looking at the whole thing.

Mayor Lane: Thank you, Brent.

Assistant City Manager Brent Stockwell: So the direction I got from the council under this section, I'm going to try and do this each time is we need to provide better clarification around events organized in whole or in part, be very clear about what that means. We also promise to get some research back to the council before the ordinance comes forward on whether -- how we're -- how events at the Museum

of the West would be handled. And it sounds like even though, Mayor, we wanted to deal with each piece and each section as we go through, it sounds like we have to go through the impact criteria section in order to figure out from at least a couple of councilmembers the definition be broadened to include unique.

Mayor Lane: Maybe that's where we need to go. But I would try to stay with your large whole sieve to begin with as what describes the criteria than further describe it and the impact and other issues that will take it down. Because I think the clearer you are in just exactly what's included from the get-go, if you don't try to include everything in that first sieve, you say -- personally I like the exemptions to be broader scope so we know what you're playing with. I think as we go through this, we'll probably see collectively that you're going to be addressing some of the issues that we're trying to now quantify at this level. And I think, hey, you got a great prop here. You brought it forward and I think it illustrates pretty clearly a sequence of events and how we get this down to where we looked.

Assistant City Manager Brent Stockwell: Mayor, fair enough. It's our perspective that a number of the issues that were addressed will be addressed in subsequent sieves. We would be happy with going forward.

[Time: 01:05:03]

Events Manager Cheryl Sumners: If I can step you through the next sieve which is the impact criteria. What's interesting about this level is that we began the public outreach in October and we ended with scheduled public meetings in January and we had 11 of those. One of the interesting things we heard from the community is not as much emphasis related to the type of event or the location of the event or how many people were attending the event but there was a lot of focus related to the impacts of the event and what those were.

So one of the things we realized early on was that was a key component, that we needed to make sure got into this draft ordinance because these are things that aren't in our current ordinance. I want to take a minute step you through those things we heard have potential impacts to others. The first thing I'm going to start with is kind of those impacts that are overall on events. First it was to make sure that the events were unique, that they were providing an activity or an experience and so we went on to further define, well, what is that? And we say such as raising awareness or that they are focused on cultural, education, entertainment or recreation. Also secondly that it's a good fit, that what someone is proposing for where it's going to be and the amount of people attending, that it works.

Next, from a safety viewpoint -- thank you very much. From a safety viewpoint that traffic is being managed adequately so that it doesn't interfere with the normal use of our streets, that parking is evaluated to make sure there is sufficient parking for any events being proposed, and that, if needed, security is being provided and there is a security plan in place. Impacts related to health and aesthetics is maintaining public health. Let's say there is an event serving food, that they have the appropriate food handlers --

>> [ off microphone ]

Events Manager Cheryl Sumners: Thank you.

[Time: 01:09:43]

Mayor Lane: Sorry. Could we go back to the previous slide?

Events Manager Cheryl Sumners: Absolutely.

Mayor Lane: I'm always a little concerned when we -- I know I'm not looking at the legal language in the ordinance here but it's a careful thing when we talk about things, does not unduly interfere with the normal use of city right-of-way. I'm not trying to get into wordsmithing it right now. But it's really very important for anybody who is thinking about having an event that they have a pretty clear understanding of what what's accepted and what's unduly and how is that measured and how do they determine that ahead of time. Obviously they can't shut down a road without special arrangements but, nevertheless, what involves that. Again, it goes to somewhat of a definition but some kind of quantitative kind of language I think would help.

And then sufficient parking is provided, another term. Again, I understand the need to do this kind of thing but what exactly does that mean? If I'm anticipating 5,000 people out of that event and I think I have sufficient parking for 5,000 and maybe there's a study I have to conduct to do that -- again, I don't know -- working with the city, what's required to establish that, number one? And then if I do determine that it's sufficient for 5,000, what do I need to do? Limit ticket sales at the gate or otherwise? Say, that's it, we're there, how many people were in your car or whatever the case might be. I'm not trying to be silly about that, but, nevertheless, some of these things in quantifying could be difficult and could pose problems later on. Doesn't mean we shouldn't be addressing it but we should be as clear as possible.

Councilwoman Milhaven: You make a really good point, Mayor. If we make it easy we know what the rules are and they are clear. I think you are making a good point. I wonder if that's something that belongs in the ordinance or the user's guide. Maybe when we see the companion piece you will get more of the clarity you are asking for.

Mayor Lane: It's not something we want to put in ordinance. I agree as far as that's concerned. You want something that people can legally comply with. The regulations will have to clarify those elements with greater detail. I guess what I'm saying is right now, even in ordinance, if you decide to put this in ordinance, it becomes careful language. I don't want to develop a gotcha moment for people who may be trying to invest in an event. Vice Mayor?

[Time: 01:10:50]

Vice Mayor Smith: Thank you, Mayor. First of all, I agree with many of your comments that some of these things they are fairly subjective. I'm also wondering, I guess, whether we're putting all this under stuff that the event organizer shall ensure. And I really wonder if this isn't the staff responsibility to ensure. I mean, I don't know how the event organizer is going to know whether there's stuff parking or not unless he goes out and counts all the parking space. But you all probably do know. Or should know and you'll bring into consideration things that the event organizer may not bring into consideration.

For example, on sufficient parking, it's not just do we have 5,000 parking spaces around the area where he wants to do his event but do we have 5,000 incremental, unused, not otherwise called for parking spaces. And that's the issue that arises in so many of these events, is that they chew up parking with otherwise previously dedicated businesses in the area.

To say it again, I'm not sure the event organizer is going to be the best person to make this determination. They should certainly -- their event should comply with this. But maybe that's something that evolves from a discussion with city staff.

While I have the microphone, flip it back to the previous slide if you will because we paused here. So let's pause a bit longer. That middle slide here, when it's saying that the event provides a unique organized activity or experience such as raising awareness or for cultural education, entertainment or recreation, I say again that this is something that I think that belongs in the very preamble of what we're talking about, is the very preamble of what an event is, whether we call it a special event or whatever. We should always be promoting something that's going to increase the awareness of the cultural, education, entertainment and recreation. If we do that, and I think we should, then it will again raise the question that I raised before, don't we need some separate ordinance or separate designation and early sieve, to borrow your example, that puts retail-oriented activities on one track and non-retail on another track because I doubt that any retail activity would be able to comply with A1. I mean, their objective is to make money. I don't know how you -- you tell me there's going to be a retail sieve later on but I don't know how the retail activity ever makes it through A1.

Assistant City Manager Brent Stockwell: Mayor, members of council, that's the sieve. If the purpose is for solely providing outdoor retail, it will not make it through that level. So the event organizer needs to make sure their event is conducted that it provides some value just beyond outdoor retail sales. We had that --

Vice Mayor Smith: Where does a retail event go then? Or is it -- is that the end of it? It hasn't made it through the sieve and that's the last we talk of it?

Assistant City Manager Brent Stockwell: If an event is solely for retail and it can't show how it's helping raise awareness or culture or education or entertainment or wreck relation, it wouldn't be able to make it past that point. That's if you are the one -- you are the one of the ones who is going to be approving this ordinance, if it's not clear to you, we need to make it more clear. What that intent is if you have an event that has retail sales, you are going to need to demonstrate how that's a unique organized activity or experience for entertainment or education or culture or awareness or recreation.

We had it in the purpose statement at one point. We had it in the definition at one point. Right now in the version you have right now it's in the criteria. When it's in the criteria, then the person that's approving or denying that event application, can use that criteria for approving, denying or adding additional conditions. It would be in the purpose in the definition but it definitely has to be here so we are spelling out for anyone who is applying for an event that the criteria that their event is going to have to go through.

Vice Mayor Smith: If that's going to screen out the retail, that's fine. I mean, later on you're going to have -- you're going to discuss with us pricing criteria for things that actually anticipates the pricing for a retail event, what they will pay for a street or what they'll pay for an area of the city. Is that not true? If they have already been screened out, then why do we have to have a pricing structure for them?

Assistant City Manager Brent Stockwell: I'm going to handle that question in the fees section, if I could.

Vice Mayor Smith: Okay.

Assistant City Manager Brent Stockwell: Would you be okay with that?

Tourism and Events Director Karen Churchard: Mayor, may I make a comment, too? That we're using the word "retail" a lot and we need to remember, too, that this ordinance does apply to Christmas tree sales, fireworks sales, pumpkin sales, seasonal sidewalk sales, auto car sales that are special events as well or events. And that's where that idea came from, that some retail events that are held outdoors,

that's where that definition came from, outdoor on public or private property inconsistent with the use of that property is important to keep in mind because there are some events that go through this process that are retail oriented.

Vice Mayor Smith: If I'm an event producer, I'm going to sell Christmas trees. I'm going to come in and you tell me I have to prove my event selling Christmas trees is to raise the awareness of culture, education, entertainment or recreation, which one of those four do you think I'll pick?

Assistant City Manager Brent Stockwell: You don't have to do that because seasonal sales do not require a permit. They're administrative approval and they have a special definition. So this is a good example, if there's something that you want to exempt out and cover separately, you define it and then outline what process it has to follow. So this is intended for either events on private property or events on city property that have these types of impacts. And it's trying to get at what the impacts are so we know what process it has to go through. Does it go through a simple process? Does it go through a standard process? As much as we tried to anticipate these layers and everything, we've gotten to the point when you get into the impact criteria that we start to dive down in a hurry to the administrative levels and the fee levels and everything else.

Vice Mayor Smith: I'll willing to be proven wrong or proven otherwise. It seemed to me it would be a simple bifurcation, take this turn to go retail, take this turn to not go retail. If you choose to do it later on, I guess I'll wait and see how it works out.

Assistant City Manager Brent Stockwell: I think it's fair enough to address it at this point. The zoning ordinance doesn't allow outdoor retail sales in zoning districts. So it's a challenge that we'll have to get to if you want to have outdoor retail on private property. It's one of the issues as they came up we would say that's not really an event. It doesn't mean it doesn't need its own process. It needs its own process. We deliberately when we wrote this provided a screen so that an event that was going to come get an event from the city had to provide something. It has to be entertainment. It has to be experience. It can't just be selling stuff. That was the feedback that we have gotten so far. If you want us to handle it in a different way, we're certainly open to doing it. That's just the way it's developed to this point.

[Time: 01:19:38]

Mayor Lane: Thank you, Vice Mayor. Just one clarifying point real quick and that is what we do address what the quantification of any retail component in any event later on, is that not right?

Assistant City Manager Brent Stockwell: Mayor Lane, yes. So what's embedded in this is if one of the criteria that we're going to use is the event provides a unique organized activity or experience such as raising awareness or cultural or education other entertainment or recreation, it's almost impossible to have an event without some sales component. In the ordinance, it refers to them as concessions. So that could be food and beverage, alcohol. That could be retail sales, any of that component.

So when staff would be looking at this -- and this is probably something for in the guide -- we'd say you look at your event and when it crosses a certain threshold, retail becomes primary rather than ancillary to the event. And that's what this is continuing to get, is events that are coming through this process that one of the pieces of feedback we were getting as we went through this is that we need to encourage events that have that experience or entertainment component. That's why that's so primary including that. That would make the other ones secondary or ancillary. You might have a threshold.

The other people that you're getting to is a couple of slides down the road when we talk about the use of city property, it also proposes some criteria when you're looking at someone proposing to use city property and there's two competing events, one of you using city property, how you analyze that. I think specifically even at the Waterfront, we have a proposal out there we will get through in five or six slides from now that's going to say, based on the feedback that we've got around the use of the Waterfront area -- which is one thing you asked us to come back with -- we will have a proposal to make sure you don't have any events that have more than, say, 50% retail because of the restaurants and the merchants and everything that are in that area. You say that you need something else. So I think that's probably where we're pulling that out. I could answer it both ways.

Mayor Lane: Thank you, Brent. Councilwoman Korte.

[Time: 01:22:04]

Councilmember Korte: Thank you, Mayor. Do we really want to be so restrictive on retail? That's my question here. I know that are a retail special event called the Artisan Markets has driven this whole process for the last six, eight months. And is this a knee jerk reaction to that? I just really question -- I just think we need to think restricting retail for retail sake.

How many vendors, how does that make us as a city uncompetitive in activating our downtown? And I don't know. I just think perhaps we need to look at this just not within the context of our own city and what has driven us to this point, but we need to perhaps look at what other cities are doing many in relation to retail and the existing merchants paying property taxes and income taxes and all of that. What are the solutions of other communities? I'm just having a little heartburn on this one.

Mayor Lane: Thank you, Councilwoman. Councilman Phillips.

[Time: 01:23:44]

Councilman Phillips: Thank you, Mayor. I got that. And I appreciate A1, and it seemed to me that was the purpose of A1 is, basically, saying, if you are just selling retail for the purpose of selling retail, it's not considered an event. It's considered a business. I'm assuming that's why you put it in there. I thank you for putting it there.

You said the other one, though, like Christmas trees and fireworks and stuff like that where it is a retail sale is through administrative approval. So that, basically, just is to say we want to sell Christmas trees on the lot and it goes to admin and they say okay and pay the fee. What I'm worried about is the retail sales will try to get into that market and say, well, we're just selling for a little bit, too. They need to be more up front about it. But I don't think that should be included all the seasonal sales items. I don't know if that's a different ordinance that's not included in this whole thing, the seasonal sales.

Assistant City Manager Brent Stockwell: Councilman Phillips, members of the council, the outdoor sale of seasonal materials and is limited to fireworks, pumpkins and Christmas trees. So it is narrowly limited.

Councilman Phillips: Okay. Just to throw one more thing out there, there's been talk about the Celebration of Fine Art, too. But I think when the first time we talked about, are they being exempted from this because they usually have theirs on state land?

Assistant City Manager Brent Stockwell: No. They have a condition annual use permit that was granted by the city council that allows that as a use on that property. And so it would not be -- I hate it when I do

a double negative there. It is not inconsistent with the use of that land under the zoning ordinance. It is consistent with its use under the zoning ordinance. That would be the reason on that, because it's already gone through a publicly vetted, public hearing process and the prior council had approved that permit. And it has its own procedures that the prior council put in place in how that goes to the process and how that can be approved, revoked, denied, et cetera.

Councilman Phillips: So in another example, Artisan Markets could probably go through that same CUP also if they wanted to do that?

Assistant City Manager Brent Stockwell: I don't think so. If you look at the seasonal art festival definition in the section in the conditional use permit, in its form it was at previously at the Waterfront, it wouldn't have met the criteria for that, no. And that would be something that would go through a public hearing and the council would have to vote up or down on.

Councilman Phillips: Which I agree on. And Artisan Markets, they could also go through the Scottsdale Mall or through the Cultural Council to hold their event. Wouldn't that be more under their jurisdiction?

Assistant City Manager Brent Stockwell: Under the current ordinance, everything the way it is today, yes. Artisan Markets could have gone over to the Scottsdale Cultural Council and applied to use area in the Civic Center Mall.

Councilman Phillips: All right, thank you.

Mayor Lane: Thank you, Councilman. Thank you, Brent. Yes, Councilwoman Milhaven.

[Time: 01:27:17]

Councilwoman Milhaven: So the Thunderbird Artist sale was this weekend on the canal bank. That would not be allowed?

Events Manager Cheryl Sumners: As long as it was providing an organized activity or experience. So that one actually does a fine art and wine festival. So one of the components of that event in addition to the art show is, in fact, a wine experience where you would purchase a glass. There's multiple wineries and distilleries that are there that you would be able to sample. So there is an additional component to that particular event.

Councilwoman Milhaven: Artisan Markets could be considered culture. Why isn't Artisan Markets would not qualify but Thunderbird Artisans did? If Artisan Markets sold you wine, then that would be okay?

Assistant City Manager Brent Stockwell: This is a good discussion. So we get to look at the criteria and see how well they work.

So you would look at that criteria and say is that a unique organized activity. And I think in that circumstance, is the product that's for sale there, is that unique to -- and you can't go just around the corner and purchase similar items. That would be one thing we would ask.

Councilwoman Milhaven: How far away would I have to drive to buy a similar item? And how do you define what's similar?

Assistant City Manager Brent Stockwell: That's what --

Councilwoman Milhaven: I could get a glass of wine within a few hundred feet of the bridge.

Assistant City Manager Brent Stockwell: Again, you want to look at all of these criteria in collective with each other. And we stopped at F. So if we get through the rest of them and look at that and see if it fits or not, we may not have this right. We completely understand that.

Councilwoman Milhaven: I would like to ask a clarifying question. You said one potential way to define sole retail would be 50% sales. 50% of what?

Assistant City Manager Brent Stockwell: What we were looking at is retail sales, the primary activity that's going on there or is one of the these other unique organized activities or experiences –

Councilwoman Milhaven: How would you measure whether or not retail was primary? Earlier you said 50%. But I don't know of what.

Assistant City Manager Brent Stockwell: So we talk through this a little bit. And so one of the things that's going to be required for an application is that they provide a site plan of the area. So you look at the site plan and you see how much area is dedicated to entertainment or demonstrations.

Councilwoman Milhaven: The Thunderbird Artists they would be 100% sales because every booth was selling something. That would not be allowed under that sales criteria.

Assistant City Manager Brent Stockwell: And the other thing about this is because these aren't in place today, they would also influence that. So someone wanting to come in for an event knowing that they have to ensure the event is conducted in such a way, it would actually change the events that get proposed for Scottsdale because you would want to look at how do you make sure that you meet those criteria.

Councilwoman Milhaven: Or potentially eliminate any events in Scottsdale.

Assistant City Manager Brent Stockwell: If the sieve is too narrowly done, that's correct.

Mayor Lane: Thank you, Councilwoman. Councilwoman Littlefield.

[Time: 01:30:51]

Councilwoman Littlefield: I like to know where in something like what we've been talking about, where then does the criteria of not negatively affecting neighborhoods or businesses in the surrounding area come in? Okay. It's coming up.

Assistant City Manager Brent Stockwell: It's coming up. I pulled this out a while ago during the discussion. I actually pulled out the language that's being stricken from the original ordinance. I just wanted to read it to you so you realize how this is an expansion of what we had today. So it says to determine what measures, if any, are necessary to protect the public health, safety and welfare during the special event and meet the requirements of the zoning ordinance. It goes further to say which will include but not be limited to the employment of security or traffic control personnel, proof of adequate insurance, securing appropriate business licenses, and providing the sanitation, cleanup plan. That's the extent of these criteria now.



And so when I talked about, Mayor, earlier about the continuum between objective to subjective, that was starting out pretty subjective and we moved along this continuum. We may not have it right but I wanted to make sure you have that context what that was starting out as.

Mayor Lane: Thank you, Councilwoman. And thank you, Brent. You can continue.

[Time: 01:32:14]

Events Manager Cheryl Sumners: Sure. And I just wanted to make a comment because I know a few of you had raised questions initially on the parking. And I think that one of the things we answered was kind of this idea of the handbook. Our hope is that we drill down further with that handbook so that we do have the expectations and we put out to anybody that's applying for events what we would -- what we would be envisioning for parking plans and making those suggestions. Does it have to do with offsite parking and requiring shuttles? Does it have to do with a certain percentage is Uber? If so then where you are loading and pickup areas. Does it have to do with valet and what parking lots are being used there.

Are you nearby any surrounding city parking lots and do those have available parking? I think those things are definitely on the forefront of our minds and, again, a lot of the hope and desire is to have that further defined in the handbook that also provides expectations to both the event producers or applicants that are applying as well as to our community what expectations we're anticipating when somebody applies for an event.

I will keep going.

[Time: 01:33:39]

Mayor Lane: I'm sorry, Cheryl. Let me throw something out that I think is something. It's a little bit of a nuance as far as the parking is concerned. If we eliminate those that adversely impact the bricks and mortars which are the merchants in the area and we are technically bringing in by virtue of a high-line event of culture and frankly entertainment and other things that are not in competition with it, how do we break off the idea that now these people are coming into downtown. They're not coming in for competitive reason, but they all are potentially now coming into downtown to complement the normal groups of people that would be downtown and, therefore, not necessarily taking away parking but bringing in customers to fill that parking, even for their businesses.

Assistant City Manager Brent Stockwell: Mayor, I think one thing to think about this is if -- that's something that needs to be taken into consideration, is there sufficient parking. It is possible --

Mayor Lane: I'm sorry, Brent. Only from the standpoint that the parking or the users of that parking are not necessarily at odds another mall customer base.

Assistant City Manager Brent Stockwell: If it's not at odds, that's not a problem. Something that could not otherwise -- that would not otherwise negatively impact merchants in the area could negatively impact if it took away the parking that was there to support it. That's why the criteria was in there, to make sure that there was sufficient parking.

Mayor Lane: Yeah. I'm sorry. I might have missed my point. I guess what I'm trying to say is the whole idea of events or special events was to bring activity and bring people to downtown. Now, we run into -- and that's why we're all sitting here is because we have conflicting interests. I'll go back to your

circles. Frankly, what's one man's manna is somebody else's dirt. If you are truly moving toward a direction where there's not conflict but it is an ad of bringing potential customers to a whole group of folks why would we want to penalize them by the idea we would impacting their parking?

Assistant City Manager Brent Stockwell: I wouldn't necessarily think of these as negatives but really to be things that an event organizer would need to take into consideration to do an event in the City of Scottsdale. So, when we look through event applications that were coming in for the Waterfront for the last six months, we would regularly hear from people -- I'm just going to use existing public parking. As you heard at the last work study session, they are struggling with sufficient parking at certain parts of the day. This gives us the ability to have the discussion about, hey, what if you look at this further out lot and direct your participants to park in that lot.

Mayor Lane: I certainly understand the logistics of what you are talking about and how that's important. I'm trying to add to the equation not to make it more complicated but it is a bit complicated to try to weigh the benefit of filling up the parking with people that are potential patrons for shops downtown. I don't know how you weigh one against the other in entirety. I wouldn't want to say, you know what? Those five spaces out in front of my building, they're not available because those are for my customers. It becomes a little bit of a balancing act to determine maybe we're bringing five potential customers. Maybe that's the idea. Particularly as we change the criteria for the kind of events we are look to have. Just a thought in that regard.

[Time: 01:37:50]

Events Manager Cheryl Sumners: Thank you, Mayor. I appreciate that. I'm going to keep going. We were on public health and aesthetics, specifically on number 7. Again, this is that impact criteria, the things that we have in that draft ordinance that says these are the things that we want to look at and consider when an application comes through. We might want to make sure they have enough rest room facilities for staff, participants and spectators. We want to make sure trash is adequately managed. A we want to make sure that the site is cleaned up and it looks like an event never happened. It should look to the state before the event happened or possibly even better?

Mayor Lane: Is that in the ordinance right now?

Events Manager Cheryl Sumners: There is a small little line.

Mayor Lane: It seems like we do that now.

Assistant City Manager Brent Stockwell: Providing the sanitation cleanup plan. We just spilled it out in two criteria.

Mayor Lane: Okay, very good.

Events Manager Cheryl Sumners: So the other event impacts that we heard throughout our process related to impacts on others. So noise, how is that being managed? How is it being minimized on the impacted to the neighboring residents and businesses? Economic impacts. We just spent a little bit of time discussing retail and those sorts of things. That the event is able to be accommodated for the duration and its location if, in fact, city services are needed. And also that the event does not unduly conflict with or negatively impact other events that are occurring at the same time.

The last thing that we wanted to put under kind of the event impacts is something that is probably very

important. And that is any past practices that somebody has done with events, we want to make sure that an applicant can demonstrate that they can successfully plan, organize, and coordinate an event and also if they have done events before, we like to make sure any permit conditions were being adhered to. So with that, we have now had maybe three slides dealing with some more event criteria. Did anybody have thoughts on that or even –

Mayor Lane: Thank you, Cheryl. Vice Mayor Smith.

[Time: 01:40:35]

Vice Mayor Smith: Thank you, Mayor. I guess I will take you back to items like 11 and 12 -- no, not 11 and 12. I'm on the wrong page here. Well, 10 and 11, I think. When you say noise is going to be managed to minimize the impact on neighboring residences and businesses, if I'm an event producer, I'm not even sure I know what "minimize the impact" is, I mean, if they're not deaf at the end of the evening? Is that -- some of these terms are going to trip you up, I'm afraid. And on number 11, when you say that economic and other impacts to other properties, blah, blah, blah are adequately addressed, again, I'm not sure what that might mean in the mind of an event producer or what it might mean in the mind of staff as you are reviewing the application.

I think it would be a better way to state this that you are simply -- the event absolutely should not have an adverse economic impact on a business or a neighbor or whatever. We're just fundamentally not in the business here of trying to recruit events that are going to screw up the life of the citizen or business. So say we're going to adequately impact something and minimize the impact, those are such soft terms that I don't -- I would almost rather leave them out than say them in a way that is going to be a big loophole for somebody to drive through. Am I making my point?

Assistant City Manager Brent Stockwell: Vice Mayor Smith, Mayor, we understand it. These were some of the things we were taking into consideration when putting this together. You have noise ordinance that exempts special events if they have a special events permit. To close the loop we wanted to make sure one of the things they will talk to us about because most events have some sort of live entertainment or amplified sound as part of it is that they have to have a process to manage that.

The other thing to think about, too, here is these are policy statements that are going to be implemented with guides. We may not have the policy statement language right but the question is is noise something you want staff to take into consideration in considering an event. If the answer to that is yes, then we should put something in here and we should look to get that language right so there's not a loophole in it.

To the -- number 11, when we looked at that one, that one definitely started out with the comment of adverse economic impact because that's the concept behind this. And as we looked at this and talked about not just one or two events but hundreds of different types of events that go out and try to do things -- remember, these are temporary uses that aren't consistent with their legal use understand the zoning ordinance. So by their very nature, they're outdoor. They're different than what's going on there. We also know that we're dealing with everything from a small, relatively -- Councilman Smith, Girl Scout cookies sales that wouldn't be covered but a small wine tasting event that wouldn't on private property outdoors all the way up to the Phoenix open, if you are going along that huge scale, we have to make sure we have language that's sufficient that addresses that. What we found here is that there are oftentimes when something would negatively impact a business or a portion of an event will negatively impact a business and that can be mitigated.

Here's a couple of examples. Streets proposed to be closed, the merchant doesn't have a problem with the street closure per se but they have a problem with where the port-a-potties are located, right in front of their business. They don't want that. If you move the port-a-potties to another location, then the negative economic impact associated with having port-a-potties right in front of their property is mitigated. Other people say, I live above my business. I don't want to be here for New Year's eve and event promoters say, where would you like to be? We will buy you a hotel room elsewhere so you don't have to be here during that event and everybody else can go along with it. There have been other situations where people have said, well, I don't really want this but they'll say, what if you get ten complimentary tickets to go in the event.

I guess this is trying to say -- again, back to the very first slide we took out, if we felt that if negative economic impacts was going to be the deal breaker on this and you don't give event organizers the possibility to mitigate those through a variety of other things, then that might be a screen that will screen out more things. Just like you have identified before, if the retail language is too strong and it screens out everything, that was one of our thoughts on this one.

So back to the point, though, it's trying to make sure that that is something that an event organizer does take into consideration. When you're planning an event for this area, whether it be the Waterfront or private property, are you thinking about the impacts -- and, again, it's primarily going to be negative because people aren't worried about positive impacts on their property but that can event from happens as well. Are you making sure that anything negative that happens to other people, are you making sure that's adequately addressed? Again, it will be a judgment call to a staff member that's ultimately going to have to look at that. It's going to be a judgment call that is informed through a guide that we will put out in advance. And it's also a judgment call that they have the ability to challenge that condition or criteria as well. That's the first time we mention that because it's a farther filter down.

Vice Mayor Smith: Let me just make a last observation. In the original draft, we had words to the effect that the special event would not impair the welfare of somebody. But you used the word "welfare." It wasn't going to adversely affect the welfare of businesses or residents or whatever. You have taken out the word "welfare" probably intentionally because it's probably an ambiguous term to define. I think also protecting their welfare is better than what we have in number 11 which is rather than protecting the welfare of these properties, businesses I'm just going to adequately address them. And I think I have moved backwards. Why do I feel that way?

Assistant City Manager Brent Stockwell: Two things. One, protecting the public health, safety and welfare, it's in the purpose statement at the very beginning. As I mentioned to you that's not something that we can use to approve or deny an event. One of the reasons we got away from public welfare was it was going to ambiguously be undefined. If we replace that with things that are ambiguously undefined, that's not the right direction. That's the intent.

Remember, too, that's public welfare, too. This is getting more narrowly defined. If you don't want any adverse economic impact on anybody's welfare that's a much more narrow thing and would he need to think through that.

Mayor Lane: Thank you.

[Time: 01:48:51]

Councilwoman Klapp: You have said these are, basically, policy statements in reading through the rest of the ordinance, am I correct that when you refer to this number 11, economic and other impacts to

other properties are adequately addressed, is that addressed in the procedures that you've established later on in the ordinance that you're going to set up for notification to neighborhoods and outreach to people that would be impacted by an event? Is that your intention? This is a statement that has to be addressed and then later in the ordinance you are referring to things that have to be done in order to address those things. Am I correct about that?

Assistant City Manager Brent Stockwell: That's correct. The intent is that within the parameters that the council directs is to say exactly how staff would carry out that requirement.

Councilwoman Klapp: You will be getting into something later that will address the actual procedure for making sure that is addressed, correct?

Assistant City Manager Brent Stockwell: If the council gets to -- once you figure out what the event criteria you have -- that you want staff to review all the events again, what we'll do is we'll flesh out the policy or procedures, the guide that's consistent so that any event organizer, any business, any member of the public would know exactly how we're going to handle that situation.

Councilwoman Klapp: I think it's very important that out of this becomes -- there is a process and a procedure for addressing these issues and the neighbors in a surrounding event. If it isn't in the ordinance, it has to be understood that there will be a companion booklet that says these are the things you need to do. This is the process you need to follow in order to make sure the impacts are addressed.

Assistant City Manager Brent Stockwell: And I think we would outline the same types of things. If there are concerns throughout this, have you considered -- some event producers consider providing an alternate location for people during that event and sometimes they provide tickets. I think one of the challenges whether it's residents or businesses because going back to that second one, it's very possible that you have merchants in an area that are supportive of an event and services in an area that are not supportive of an event and restaurants in an area that are very supportive of an event and residents that live in the area that aren't supportive of the event and that's the challenge that we're going to have to come around.

That is the reason for a broad policy statement like that to be able to say to an event organizer, you need to work to adequately address it. In the end, that determination would be made by a staff member and that's going to be subject to review or appeal. 289 separate event last year, all different types of things, trying to figure out something that will work for all of them plus all the events that we don't know might want to come to Scottsdale in the future.

Mayor Lane: Virginia?

[Time: 01:52:32]

Councilmember Korte: I will take the opportunity. I will go back and express my concern that we are creating a set of criteria that will create a very uncompetitive landscape for Scottsdale, good quality events. I understand number 11. For it to be more restrictive, I wouldn't understand it.

I'm concerned about number 13 and 13 -- so give me an idea -- give me -- where does this come from? Number 13, the event does not unduly conflict with or negatively impact another event.

Events Manager Cheryl Sumners: I think there are times when we will get event requests that are maybe in the general or same vicinity. They can't both have 4,000 people coming to the event because

we can't overlap the parking on that. I would say the most recent example was this last weekend, we had the 63rd Annual parade and the festival. One of the things that we heard from the merchants from last year in 2015 was that they felt their customers and their employees, there was no nearby parking for them to go to.

The one that is were really focused in the festival area. This year, as a way to address that, we dedicated the old town parking corral at 2nd and Brown to be specifically to the merchants for their employees and their customers so that their business wasn't interrupted with this half-day festival. And we are going to go back and make sure that worked effectively for them. But in exchange, one of the things that we could not done was approve the old town farmer's market for use of that lot on their normal weekly Saturday. That's an example of somebody looking to do an event in the same general location but we can only really accommodate one.

Councilmember Korte: That could be something that could be contained in an ordinance. I look at this and I immediately went to Barrett Jackson and Russo Steele, two events that take place in relative proximity. I see them conflicting but two very important events. I would like to see number 13 completely deleted.

Assistant City Manager Brent Stockwell: I think Cheryl outlined this very well on the way that we intended the statement and we were not intending it the other way. This would actually encourage collaboration among events.

You can not unduly have a negative impact, you can make it better by working together. I understand your concern and I saw a public comment earlier today that actually said that this seems to be a repetition of the number 11 one before and that may be the case as well.

Councilmember Korte: So that belongs in the user guide, not in the ordinance and it needs to be rewritten.

Assistant City Manager Brent Stockwell: The one thing to think about there, in the situation that Cheryl talked about, farmer's market was fine in the end with not working on the same weekend at Parada. As a matter of fact she told Cheryl she appreciated the weekend off. If there was a circumstance where we really felt there was a strong conflict between that, we need some grounds on which to tell that person they can't have that event. So it may already be covered in other ones and we can do without it. That's just something to think about.

Mayor Lane: Thank you, Councilwoman. Did I understand, Councilwoman Milhaven, that you are –

[Time: 01:57:10]

Councilwoman Milhaven: I think Councilwoman Littlefield wanted to make a comment but since you called on me twice, I will take advantage. The example you gave is a good one but I think that would be captured. I think if you are looking for a catch-all. If Craig Jackson says I don't want Russo Steele, it competes with me, and he points to this, you say, gosh, you have a point, you have the opportunity to object. The other concern I would have what is the Lexus dealer said Russo Steele competes with me, do we say 11 or 13 allow them to shut down Russo Steele? Is that really our intention? If you are using this is a catch-all I think it might be dangerous and we need to let the others capture the impacts.

And I don't see -- so that's 11 and 13 and I don't see why we need 13. I don't see why we need 13 but 13 I think is even more dangerous. So how would you judge? The event does not unduly conflict with or negatively impact another event. How would you judge that? What would be the yardstick against which you would measure that?

Assistant City Manager Brent Stockwell: Even for the same weekend, there was a business that's on the south end wanted to do a bunch of food trucks. Well, there was already an event that was planning food trucks in the area.

So that event was denied, correct?

Councilwoman Milhaven: That would be caught by the other, like you can't put two things in the same place.

Assistant City Manager Brent Stockwell: It might be. That's a question for you all. Have we gotten unnecessary regulation there?

If the goal is to put the minimum amount of regulation necessary to achieve the desired results, if you have achieved it had by another mechanism, then there would be no reason to include it in there.

But the origin of this statement also came from the very beginning from the council discussion on September 21st where you were looking at the petition criteria. And one of the criteria was that events should not conflict with Art Walk. That was the origin of taking this into consideration. Is two events on the same night downtown, do they unduly conflict with or negatively impacting another event?

Councilwoman Milhaven: In my opinion, not unless one of the other criteria was met. I think it would be caught by some of the others. I'd like to see 11 and 13 go away.

[Time: 02:00:00]

Mayor Lane: Thank you, Councilwoman. Councilwoman Littlefield.

Councilwoman Littlefield: Just because I'm ornery, I would not like to see 11 and 13 go away. I think they are important. Do I have a problem with the way some of these are worded. I do understand these are overall goals, at this point overall statements of where we're going to be generally looking. But I think that they need to have a measurable standard somewhere because if it's been adequately addressed, Councilwoman Korte is right. How do you measure that if it has been adequately addressed? You have to have a standard to say it has met these things so it has or it has not been.

One of the ways to do that is to prioritize this to say this item 13 is more important. We want to make sure this one meets the standard. If it does, then we go to the next one. So it might be a kind of a weaning out thing to see if the event falls into that. I do think that it's very important that we keep 13, that we do not unduly conflict with other businesses or other businesses in the area.

The whole purpose of a special event is to add to Scottsdale's cachet, to increase its economic base, its vitality, its business, its people. And if we have a continued success in that area, to me it would be counterproductive to allow, basically, the cannibalizing of existing businesses by new event type businesses and then have them go away and then we end up with the remains of what's left and that's somewhat an has been happening. I don't think that's good for Scottsdale. I think we need to be aware of it and watch it.

I don't think -- I'm not suggesting that we should prevent competition. That is not the purpose of the city. We should not be picking losers, winners, in a realm of business either by the council or by the staff. But by the same will token, we shouldn't be deciding you're going to be advantaged over someone else because we like you better or something like that. It's just -- it's not the purpose of this ordinance. It's not the purpose of this city to do those kinds of things.

A major concern with the for-profit events, if we have those, is the cannibalizing of existing permanent businesses. So I think that's something that I think would really be an important addition of to that, that we take a look not necessarily on an item but we take a look if that's happening or not. And one of the things that could be used as a criteria for at least some of these is the outreach that we do for existing businesses, neighborhoods, residences. What is their response? Is it a positive response? Maybe that's something we go ahead with on a more positive, initial feel that this is going to be good because the businesses, the people, everybody's happy with it or if it's extremely negative, then what's wrong and maybe that's when we come back and say, okay, how can we modify this event?

How can we nullify some of the negative? That would be a pointer into that direction, not necessarily to say you can't absolutely do something but how can we make it so it fits within what we want for Scottsdale to be and that gain in our tourism or economic base, our business, all of that kind of stuff. And I think that there are ways, if we think about it, that we can get a much better quantitative grasp of what it is. It's very hard -- when I'm looking at this saying we want these things to be adequately addressed, well, yeah, that makes sense. But what does that mean? It doesn't have any real hard core economic connotation for either businesses or businesses that don't want it. It may be better in the user's guide because people who are bringing event to Scottsdale, they have to know what these criteria are or they can't plan. And that's not fair either.

Assistant City Manager Brent Stockwell: Once again, you did a good transition to the next layer which is notice and notification. I should have mentioned earlier, it is also the way we will evaluate number 11. When you go out for notice, notification for an event is approved in terms of street closures and stuff like that, those are ways that we're going to be able to flesh out, it's very hard for us as staff to be able to determine whether any individual business or groups of businesses are negatively impacted. We really have to take their word for it. That's in part how we look at this. If we can figure out a way to make this more objective and less subjective but still allow it to apply to the widest variety of circumstances, I think that would be fantastic.

Mayor Lane: Thank you, Councilwoman and Brent. Councilman Phillips.

[Time: 02:05:53]

Councilman Phillips: Thank you, Mayor. I had a different question but now I have got to weigh in on this. We all got this paper from the galleries and 5th Avenue Merchant Association, Gallery Association and the Old Town Merchants association all signed off on this. So that's very serious. This is our downtown. This is where Scottsdale came from. This isn't some people that just now came in here and decided to run businesses and don't want competition. This is how Scottsdale got popular in the first place. We can't throw them under the bus at this point. I fully appreciate what you're doing here.

I think everybody knows number 13 was for the Art Walk. So if you don't want 13 or you want to include 13 or 11, according to all of the downtown associations, what they would like to have is Thursday night's should be reserved exclusively for Art Walk as the only art-related event on the Thursday night. If we can somehow include that in here, then I would be -- I would go along with eliminating 13 because it's true. You have Russo Steele and Barrett Jackson, if you leave that in there, Jackson is going to give you a call and say, hey, who are you going to pick then? That's just too tough of a thing to put in there. The reason it's there is for Thursday Art Walk. If there is a way to give them some exclusive -- whatever that word is -- exclusivity for Thursday night without any undue competition downtown, then we should be able to include that.



Mayor Lane: We are a little out of order, number one. I don't even know whether you were finished. I wasn't finished but I can all see that point. The thing I wanted to bring up is where do we talk about and the duration, how many times it can be done.

Assistant City Manager Brent Stockwell: It's coming up.

Councilman Phillips: We'll come to that. If the idea likes to having Thursday nights exclusively for Art Walk and taking out number 13, then I would go for that.

[Time: 02:08:30]

Mayor Lane: Thank you, Councilman. I want to add a few things and if you want to come back, just let me know whether you want to speak again. In any case, a lot of things have been said on these items 10 through 13 that are very, very important. If this were to translate to the kinds of things that an event producer was going to have to address, I think you're -- if they say, look, you need to minimize the impact of neighboring residents and businesses, the noise, you're going to get a blank stare from them. I mean, I just -- I think they're going to say where am I even starting there.

I think Councilwoman Littlefield item we need standards on something like this, it needs to be more defined. Even in a broad sense, it needs to be some kind of measurable deal.

And the other is if, in fact, we ended up with these things, what's the consequence if it doesn't turn out in reality and the actual impact of the event as we thought it might be? It wasn't minimized by whatever standard we had, what do we do then? We just say, look, you are never coming to town again or what the deal is. It's an interesting exercise.

I think it was said earlier by Councilwoman Milhaven that we're really trying not to overcomplicate these things. We don't want people that have to be rocket scientists to try to figure out how they maneuver their way through this.

There is one basic point I wanted to throw in, too. When we talk about competition versus sort of the collection of things, I think it has been previously thought that the more intensity in the given area, not necessarily how am impacting this person and the example was given of Russo Steele and Barrett Jackson, that has been a struggle for a number of years. If the city had listened and said, look, we'll protect you, we're not going to allow for any competition for you, we probably wouldn't have had the classic car sort of capital -- auction capital of the country if we had shut that kind of thing down. And, instead, they build the market. And I think that's one of the basic things we've considered throughout this process or has been not considered that even whether it was motor mile, even in bricks and mortar kinds of things, generally speaking, you build the marketplace and everybody does better with it.

So the impact on others, I think this is going to take some thinking. And I'm real cautious about this, including them or excluding them, they need to come in some different form than what we've got here. This isn't really criticism. I know this is a first run of these things and we've got to sort of fine-tune it. But the last thing I would want to see as a consequence is to become so complicated that nobody's willing to even consider it. We've already got somewhat of a hostile environment developing and we are losing attention to Scottsdale on the basis of just that hostility toward these kind of events. It's going to be cautious ground for us to be walking through. That's my only final comment as far as this area is concerned.

Now, Councilwoman Milhaven.

[Time: 02:11:59]

Councilwoman Milhaven: I agree with Councilman Phillips. Everybody mark the date and time. If we're standing on our head and trying not to say something, let's say what it is. If we are concerned about events under 12 to compete with bricks and mortar, why not put something that we will not have events between Osborn and Camelback and between Goldwater and Scottsdale road on Thursday nights, period. And then we don't need 11 and 13. If that was your suggestion, I would second that motion to direct staff.

Councilman Phillips: I don't know if we can direct staff or whatever but we can make a consensus.

Assistant City Manager Brent Stockwell: The motion would be to include in the draft ordinance when it comes back for the council and a public comment and vote at that time that. Okay.

Mayor Lane: Unless there's some observation, that's some direction, that's a thought. Frankly I'm not even sure whether or not what's desired in that respect, whether or not –

Assistant City Manager Brent Stockwell: If we could ask for clarification, what I have heard is art-related events in the downtown at the date and time.

Councilwoman Milhaven: Specifically, they all agreed on number 10.

Assistant City Manager Brent Stockwell: So no art-related events are permitted on Thursday night except for Art Walk.

Vice Mayor Smith: I might want to include an area and size.

Assistant City Manager Brent Stockwell: The interesting thing is this one doesn't talk about downtown in particular. So no art-related events will be permitted in downtown Scottsdale for Thursday nights other than Art Walk.

Councilwoman Milhaven: I think you need to be more specific about the geography. The Scottsdale Arts Festival, I can't remember if that starts on Thursday or Friday. That's not part of that. So I think you really need to limit it to between Scottsdale Road and Goldwater -- we will see if people are comfortable between Scottsdale Road and Goldwater and between Osborn and Camelback. I think that captures most of what's considered the gallery district, includes the Waterfront, the bridge, and any other streets in that area. I think that includes all of the galleries.

Mayor Lane: That has responds to conflicting events. We are being very specific. So you may not need 13.

Councilwoman Milhaven: Or 11. Maybe modify 11 impacts to other properties and residents and take economic.

Assistant City Manager Brent Stockwell: Could you repeat that.

Councilwoman Milhaven: Modify 11. I'm seeing if anybody agrees with me to say impact other properties and residents and take out the first three words in that sentence.

Councilwoman Klapp: I don't agree with that. I think you might want to look at 11. I don't want to wordsmith all of this. I think the intent of 11 needs to be there in some way. If the addition of language about Art Walk specifically is put in, then we can eliminate 13. I think you need to review 11 because there's a lot of events that need to be considered not just Art Walk when you are looking at 13.

Assistant City Manager Brent Stockwell: That was certainly our intent of that. Yes, it had its origin in that item that you were talking about, but it manifests itself in other ways. We didn't want the unintended consequences which a number of you identified where a longstanding event would be prohibited as a result of that language.

Mayor Lane: One thing I wanted to stress is the fact that one of the things that was mentioned is some kind of standard, some kind of measurable deal. If we said it can't be within 1,000 feet or something that would define some of the criteria for this conflict.

Assistant City Manager Brent Stockwell: Mayor, we can draft language back that's consistent with that and include that in the draft ordinance. The other feedback I was hearing generally is we need to do a more careful look throughout all these impact. I'm not necessarily hearing that the subject of the impacts is problematic. But some of the language is unduly, that type of stuff, we need to look at that and make sure it can be objective. It actually sounds as if we need to bring back for your consideration how we would implement that in the guide so you have a little bit more of a comfort level. If this is the impact, this is the guidance that we would be providing to the event organizers.

Councilwoman Littlefield: I would like that, thank you.

Assistant City Manager Brent Stockwell: That was my attempt to capture the direction we have been hearing from a number of people.

Mayor Lane: Councilwoman Littlefield.

Councilwoman Littlefield: I agree with that. I think that's good. I also agree with Councilwoman Klapp's analysis. I think she is right on target. Thank you.

Mayor Lane: Councilwoman Korte? Okay. Vice Mayor Smith?

[Time: 02:17:49]

Vice Mayor Smith: You're yielding your time?

Mayor Lane: No, not her time. Just her position. Just her position.

Vice Mayor Smith: Well, first of all, I agree in any way you can to define and protect the Thursday night Art Walk and the arts district and its importance as a tourism venue and foundation for the city. With that said, I still think it is important that we refine this language in terms of the economic impact. The economic impact on whether you are talking about the galleries or any other business area is far more than just the Thursday night exposure and the Thursday night competition and the Thursday night events. I think many conversations ago Councilwoman Littlefield made the point that the whole purpose of these is to somehow attract events where 2 plus 2 equals 5 and not where 2 plus 2 equals 3. And that's the kind of analysis somebody is going to have to figure out on these events, is whether they are adversely affecting the welfare or the economics or whatever words you use but be able to with a straight face to reassure everybody that you have done the analysis and you really think this is going to be a net plus for

the city.

With that said, other people have made the comment -- and I do agree that if we're not careful, we're going to make it so intimidating that nobody will come. And I want to emphasize for myself, and I think the others here, we do want events. In fact, one of the other comments I'm going to make later when it comes up is we need not to be reacting to events that come to us. We need to be proactively seeking events, recruiting events, bringing events in, bringing them in in compliance with the rules but bringing in events that we can with a straight face say this is a 2 plus 2 equals 5 opportunity for the city. We, the city, the residents, the businesses are proud to have it. Let's not overcomplicate it, but let's do protect the citizens and businesses that are the foundation of the city. Thank you.

Mayor Lane: Thank you, Vice Mayor. Councilwoman Korte.

[Time: 02:20:19]

Councilmember Korte: Thank you, Mayor. In the document that we received from the Scottsdale Gallery Association and others, 5th Avenue and Old Town Merchants, item number 10 that Councilman Phillips referred to regarding Thursday nights and we're going to carve Thursday night out within a specific district for Art Walk, they go on to say that Art Walk not being an event -- so I know it's been a long time standing cultural experience for Scottsdale. But should not Art Walk become an event and follow similar criteria that we're setting out?

Assistant City Manager Brent Stockwell: Councilwoman Korte, members of the council, Mayor Lane, that statement refers to the fact that Art Walk as it exists on Thursday night is primarily a jointly marketed attraction of people to come and go from private business to private business to private business to private business. It doesn't have the type -- indoors. It doesn't have the type of activities most times that would trigger the event permit. They also call out their -- except for the signature Art Walks because what that is saying, a special Art Walk, because what that's saying is that from time to time currently they're approved community event funding application has five years a year them going out and doing some additional activities outdoors to try and attract more people to those special Art Walks. Those types of things, live entertainment that they might bring in, additional signage, additional vendors, all that stuff would trigger that.

The interesting thing about that event, though, is that because it's downtown and the city does activate the downtown with live entertainment, the live entertainment that's currently downtown on Thursday nights is actually the city pays for it through the bed tax funds and that's how that is out there. It's not expressly part of that event. It's just part of what the city does on Thursday nights to attract people downtown and support events like Art Walk.

Councilmember Korte: Thank you.

Mayor Lane: Thank you, Councilwoman. Councilwoman Milhaven.

[Time: 02:22:56]

Councilwoman Milhaven: I was wondering if the city spends any other money to promote any other private business promotions?

Assistant City Manager Brent Stockwell: Yes.

Councilwoman Milhaven: [ off microphone ]

Assistant City Manager Brent Stockwell: Sure. So the event funding programs that the bed tax funds, those are one way it's done.

The city also done live entertainment on Saturdays in downtown, and that generally helps businesses throughout downtown. We have done signage for specialty districts to do that. So those are some things.

Councilwoman Milhaven: Can you give me an example of an event, of something we gave bed tax money to that was not required a special be event permit?

Assistant City Manager Brent Stockwell: Any of the ones that were happening at WestWorld. That would be any of those. Oh, yeah, so the new event development funds that happen at the stadium. So the Rugby Festival, the Polo at WestWorld, those types of things.

Councilwoman Milhaven: They don't need a permit by virtue of their location rather than by virtue of their -- I just want to point out I think we are going above and beyond in support. If Art Walk doesn't require a permit because it's private businesses promoting themselves and we are putting money toward that, I just want to point out we are being very generous and supportive of the galleries in doing that and it is unique to them.

Assistant City Manager Brent Stockwell: And we do it for Old Town and we activate in Old Town and the Gallery Association and 5th Avenue. All three of the merchant associations do derive some benefit from city investment in that.

Plus we do market -- we spend marketing funds to market downtown as the destination and they all benefit from that as well.

Mayor Lane: Thank you, Councilwoman. Vice Mayor?

[Time: 02:24:58]

Vice Mayor Smith: I just want to give another opinion on all this. I don't think we're being generous at all. We advertise ourself and we are reputedly are an arts and culture community. I think it's absolutely cheap of us to sit around and spend \$30,000 in support of what we think is the foundation of our community. We do not give money to Costco. We do not give money to Walmart. I know that. But they are not the foundation of our community. What we are trying to do is perpetuate the image of Scottsdale as an arts and culture community. I think we should be giving multiples of what we're giving right now. But that's just my opinion.

Mayor Lane: Thank you, Vice Mayor. I think we're ready to -- I think you have gotten pretty --

Assistant City Manager Brent Stockwell: The direction we got from that area is twofold. More objective and clarity on how this would be interpreted by staff in approving or denying events and then a motion talked for specific area no art-related event on Thursday nights. Correct?

Councilwoman Littlefield: Mayor?

Mayor Lane: Yes.

Councilwoman Littlefield: And keep it simple.

Assistant City Manager Brent Stockwell: I appreciate it. We're going to go onto the next one which is notice and notification. Cheryl is going to pick that up.

[Time: 02:26:27]

Events Manager Cheryl Sumners: Thank you. So we're going -- can you just go back real quick, Brent? I want to see what number we are on. We are on the third sieve. Third sieve. All right.

And so what we have up -- we're going to have a matrix come up here in a second. This matrix is illustrating why we need notice and notification, why it's important. It's going to illustrate the timing of when it needs to occur. And then also who's responsible to provide the notice and notification. So I'm going to tackle notification first. That's going to apply to columns 1 and columns 3.

Now, essentially what this is, this is an awareness document. The goal is to inform anyone that's interested in requests both on the front end and on the back end. So what the city would do is we would create on our Web site the ability for anyone -- any interested parties that want to sign up for this kind of email notification that we would let you know every single week what event application requests had come in. And what we feel like is that this is going to be able to provide some time. We haven't gotten to it yet, but we are proposing new with this particular draft ordinance to increase the time of submittal for standard applications from 30 to 60.

So if I kind of go right on down the line, on applications, those requiring those 60-day events, we have the ability to hear from people any concerns or issues. It helps to enhance the communication. The sufficient time, helping to promote that early awareness and being able to identify any issues and, again, this would be on our Web site and it would be automatically emailed to those that are interested. For events that are approved, we said on the front end and back end that we would also be sending out notification via email as a reminder -- here's the approved events coming up. This would occur one to two weeks prior to an event. It helps from an awareness perspective.

The noticing part is focused on column number 2. And that's when street closures are involved. If a street closure is being proposed, the event applicant would need to go and obtain input from those nearby business and residences on that street and those that are impacted through either vehicular or pedestrian access. And it might be submitted as part of their event application. The city would create the form that would be used that they would submit. Having this as part of the event application allows time for the events administrator to be able to evaluate what those concerns are to see if there's any ways to mitigate those impacts. This is a change in the ordinance because only right now our current ordinance, it doesn't address notification or obtaining input. So this is a way to kind of place this in the draft ordinance so that everybody has the same expectations of being aware and having abilities to provide that input in advance.

Mayor Lane: Councilman Phillips.

[Time: 02:30:38]

Councilman Phillips: Thank you, Mayor. I don't know if this is the way you're going to put it out. I think any applicant for an event is going to go what? It's just confusing the way you did it. Everybody's mind works different. Maybe this is easy for one and hard for others. Maybe it is a different way you could present it.

Assistant City Manager Brent Stockwell: So the way this is going to be presented to the applicant is after they do the application, they have the obligation to do the street closures. And the big thing is they have to do it in the format and to the parties that the city has approved. In the past, we've had some challenges where the event organizers have just gone out kind of on their own and we haven't known if everybody was notified and all that. That would take care of it.

The other pieces will just be administratively handled. They don't need to be addressed to the ordinance. As soon as we get an application, it gets logged in. It's on the Web site. And every week we will do an update here's the new event applications that have come in. A couple of weeks before the event, staff will just handle it. Here are the events coming up in the next two weeks. Here's the link for more information. Just a way to build that into the process.

Councilman Phillips: Might I suggest that instead of emailing everybody or trying to email everybody, you can email the organization. Might be easier to let them disseminate it to members of their group. It would just take forever.

Assistant City Manager Brent Stockwell: It would just go out to the list that people have already identified that they're interested in that information. Whenever anybody is interested in an event, we can let them know here's how you register for that. If you decide you don't want to handle it, you can unsubscribe.

Councilman Phillips: I hate to bring this up. When you go to apply for an event and you think it will go through two weeks and you haven't heard back half the people and the people have issues, it's just not going to happen. I don't know if there is a way to tell event producers or people that are coming up to say, you know, you're not going to be able to do an event tomorrow. There's a process and it will take time.

Assistant City Manager Brent Stockwell: Councilman, members of the council, Mayor, the way to think about it is if you want to do a street closures as part of your event, then this is a process that you have to go through to identify people so we have -- far enough in advance of the event so we know what those impacts are on those businesses and residents around there. You can do events on private property that don't involve street closures or an established event venue, and you wouldn't have to do that type of notification. The notice the city would handle would handle that. The thought being if you want to use -- if you want to close a street as part of your event for other intended use, then one of the steps in the process has to be notify everybody --

Councilman Phillips: This is mostly for the street closures.

Assistant City Manager Brent Stockwell: Yeah, we were trying to be clear on that by having street closures.

Councilman Phillips: Sorry the chart confused me. Thank you.

[Time: 02:34:03]

Mayor Lane: Thank you, Councilman. A question as to the timing on this. Now, I understand if we're going to have a street closure, you have to be out ahead of it and this kind of thing even to these applications. I'm wondering because I don't have firsthand knowledge of what kind of timetable these things normally work on. I can tell you that liquor licenses that are associated them come in oftentimes within days of the event. So I know sometimes there is a very tight timetable. Would we be in now a

position frankly if they weren't able to meet the 60-day that somehow or another they would not be able to do it? I mean, would that be a fallout consequence as far as that's concerned? At the same time would they be preparing the thesis of information to generate in order to consider whether or not they are an event that qualifies? I'm just thinking -- I'm just trying to wonder what the timetable you are setting out and what is our commitment, what do we as a city produce for them in some of these evaluating points versus them going out and hiring somebody.

Assistant City Manager Brent Stockwell: Mayor, you are going straight down to the red tape, the administrative piece. We agree we've got this somewhat out of order here.

Mayor Lane: I will tell you what. I'm fine to wait as far as that's concerned. You are talking about one thing here. I guess I was just concerned about the timing on this as to whether or not it fits into the overall --

Assistant City Manager Brent Stockwell: The big thing on here is the city is going to provide notice when we get an application. We will put it on the Web site and send it out to everybody who wants to get an email. If it's a street closure, they have to get the signatures on a form approved by the city. And we'll double-check that.

Right before the event happens, a couple of weeks before, we will remind people of the event. Remember, sometimes these events have six-month time frame and you might have looked at something six months ago and you don't remember that the event is coming up.

Mayor Lane: Let me leave it at this. It doesn't have to be a qualified event to set this in motion. It can be something that comes up later. Thank you. Councilwoman Littlefield.

[Time: 02:36:23]

Councilwoman Littlefield: Thank you Mayor. I had a couple of suggestions on this as well as putting out the notification to individual businesses. I notice on one of the emails I receive, there's three major associations in the downtown area and there's probably others in other parts of the city where they have merchants associations. One is 5<sup>th</sup> Avenue Merchants, Scottsdale Galleries and Old Town Merchants. You might make sure that presidents of those associations get this notification with a cover letter if your members -- if you think your members would be interested in this, please make sure they fill out this form and return it to us and then also send back a reminder notice 30 days ahead or something like that to these folks. You can put some of the onus on them as an association that represents these people that we haven't received a whole lot so maybe you ought to get these people in gear and send it in. That's kind of what HOAs do a lot of and stuff like that and other business organizations to try and make sure their membership is aware of this because sometimes people just keep going down deleting, deleting by accident. Just a thought. Thank you.

Mayor Lane: Councilwoman Korte.

Councilmember Korte: Thank you. Thank you, Mayor. And this may be in administration also. So you can tell me we'll deal with it later. But we have time lines for applicants, applications, all the material. Is there a time line once an individual applicant has gotten all their forms and attachments and everything, that they can expect a response from the city? And is that in administration? Okay.

Events Manager Cheryl Sumners: Yes, it's coming further under processes.

Mayor Lane: Thank you, Councilwoman. Vice Mayor.



Vice Mayor Smith: Thank you, Mayor. Perhaps along the same line, is there some time by which a notified party does something with the notification, in other words, if they don't like it or they have problems with it or whatever, is there a process -- maybe it's a later slide where they enter the process and apply their objections?

Assistant City Manager Brent Stockwell: Vice Mayor, Mayor Lane, members of the council, so particularly on the street closures one, if I can, yes, that form should have both the event organizer's information on it. It should have the city contact person's notification on it. And it should have a date by which the decision needs to be made so that people know when they need to get their comments back. And that's the piece, if you look on the win column, it says after application, prior to decision between 30 and 60 days prior to the event.

So it anticipates Councilmember Korte's question that there has to be a certain amount of time that we will approve that event and we need to make sure those two processes occur between those two time periods.

Mayor Lane: Thank you, Vice Mayor. Okay.

[Time: 02:39:38]

Tourism and Events Director Karen Churchard: Locations would be next. And we addressed several different types of locations whether it's on -- whether it's on private property, public property that's not owned by the city and city owned property such as right-of-ways, streets, sidewalks, parking lots. We mentioned earlier about the events whose impact goes within some of our city-owned facilities. But we also -- they could impact beyond those so we would want to look at that as well as well as downtown event venues.

That's the primary purpose of the location site, is to really identify for you the downtown event venues at your direction. We've identified those as Marshall Way Bridge and Stetson Plaza. And if you don't allow trolley access that's interest 12,600 square feet of space. If you do continue trolley access, it's 5,200 square feet and this provides access to the SRP canal banks. The next event venue is the Soleri Bridge and Plaza, 87,000 square feet. Next is Horseshoe Falls about 4,400 square feet. And the fourth location is the Main Street Plaza at 7,100 square feet.

So in those areas, we also talked about what if one event applies to -- more than one event applies to use the same area. So we want to look at some of the criteria that we would utilize in selecting which event might happen in that location. And we want to do that on a comparative basis. So the event would have to demonstrate whether they're partnering with Scottsdale businesses to encourage retail and restaurant sales, whether the event attracts regional, national or international attendance based on hotel room nights. Does it promote Scottsdale in event-related marketing? And does it feature or include entertainment or attractions that might bring in regional, national, or international quality or interests? And then does it promote a cultural benefit as well? A civic or cultural benefit.

Mayor Lane: Yes, Councilwoman Milhaven.

[Time: 02:42:14]

Councilwoman Milhaven: Karen, can you clarify what A would look like? What does partners of

Scottsdale business look like? Is that like a sponsor?

Tourism and Events Director Karen Churchard: It could be a sponsor. It would be a fact they are really working with some of the retailers or in the case of restaurants to participate in the actual event, actually come and have a booth or do some of the vending so that they are just showing that they are working with the restaurants and the retail primarily in the location of the actual event venue surrounding it.

Assistant City Manager Brent Stockwell: A couple other things that are related to that, concessioners for the event would not directly compete with the established businesses that the event would not be fully enclosed or gated and allows participants to enter and exit and reenter at will. Those would all be considered partnering with area businesses. And the event not inhibiting access to parking. Those are all the things that would be detailed criteria under that partnership piece.

Councilwoman Milhaven: Are we lending a level of complexity we don't need? If I partner with the Marshall Way Bridge and the restaurants and erect fencing and you have to pay to get in, I'm partnering with a local business even though it's gated. So I get sort of the broad definition it could be sponsorship, it could be they are participating, helping promote the event in some way. When you start lending that other stuff, then I don't wonder if you are adding a level of complexity that wouldn't be caught by some of the criteria we've already added.

Mayor Lane: Thank you, Councilwoman. Vice Mayor?

[Time: 02:44:01]

Vice Mayor Smith: Thank you, Mayor. I want to understand the draft ordinance that you have provided us indicates that these criteria would be used on a comparative basis when more than one event applies to hold an event in the same city location. Is that the only case it will be used, where you have competing events? Or will this be used for sort of all events?

Tourism and Events Director Karen Churchard: Right now this particular piece is for when an applicant -- we receive more than one application for the same venue in the same time frame on city property we would look at this criteria.

Vice Mayor Smith: To that point then, I think these are all great criteria. I mean, maybe you're overloading the thing, as somebody said. But these are all good criteria for any event, not just when it happens to conflict with another one. I mean, I think any event producer that can show that they have partnered with Scottsdale business, that they're going to attract regional, national, international attendance and so on and so forth, this is good stuff. And this could be, in my mind, a criteria for allowing an event, in my mind, far more importantly than whether they have enough rest rooms. But that's just my thought.

Mayor Lane: You wouldn't if you thought there really weren't enough rest rooms. It becomes a priority issue. Thank you, Vice Mayor. Councilman Phillips.

Councilman Phillips: I'll agree with Vice Mayor on that. You have criteria for events on city property, but you're saying these are for dual events on city property. Just leave it at that, criteria for events on city property. I think that pretty much covers it.

[Time: 02:45:59]

Tourism and Events Director Karen Churchard: The other item that we wanted to review with you is the usage of the Waterfront. Again, based on your direction, we've come back with some criteria that we would consider using which is some of the things we just mentioned, would be at the forefront and we also would suggest potentially limiting the Waterfront use to events that are open to the public. Doesn't mean it's free, but it does mean they would be available to the public as opposed to a private closed event. Not allowing events where the primary purpose was just for retail or for food and beverage sales and consider whether this use of the city property is primarily or solely programmed and organized by the city that would attract visitors.

Turn it back to you, Mayor, for questions or comments.

Mayor Lane: All right. Thank you. Yes, I'm sorry Virginia, did I see your hand up?

[Time: 02:46:56]

Councilmember Korte: We can't get married on the bridge. It's a private event. I'm concerned about the primary 50% in retail. I'm concerned that creates an uncompetitive landscape for the best public venue that we have in downtown Scottsdale. I would like to see that gone.

Mayor Lane: Thank you, Councilwoman. Councilwoman Milhaven.

Councilwoman Milhaven: I would reiterate, 50% -- the concern I had before was 50% of what.

Mayor Lane: Thank you, and I would sort of go with 50%. I think number one it's a tough one to measure on any basis. And then, of course, what's the consequence if it doesn't work out quite that way on whatever measurement it is. It's a tough one. I think if we address ourselves to some of the other impacts on the area around rather than just focusing on retail, I'm talking about to the surrounding businesses as we've talked about, this may not be a necessary component. Vice Mayor?

Vice Mayor Smith: Thank you. I guess I'm confused by why this is even a discussion item now because I thought retail got screened out with your big screen already. I don't know whether we would ever be looking at retail as being an event such as we've been talking about now. I thought it was going down a separate path. But maybe I'm wrong.

Assistant City Manager Brent Stockwell: Fair enough. I think this slide was prepared before we got the other piece taken care of in the draft ordinance. So you are absolutely correct. If you had that impact criteria screened out, it would also be screened out for the Waterfront. I think we were anticipating at a certain point you might want to have separate paths for retail and other events, and we were -- this was one item that the council asked us to specifically come back to with some suggestions for how you might want to use the Waterfront because, remember, we don't have an ordinance governing the use of the Waterfront now like we do for the stadium and Civic Center Mall, et cetera.

Vice Mayor Smith: You're absolutely right. Speaking for myself, I would like to see two separate paths. One for retail and one for non-retail. With that said, though, I mean, I don't know that I would necessarily limit the Waterfront only to non-retail events. I mean, part of the problem is that somebody made the comment this is some of the prime real estate that we have. And, indeed, it is. And so we have to be careful that we don't unfairly advantage a retailer by letting them sell their product on the prime property that we have in the city to the disadvantage of other people who are trying to sell product on premises that they've rented.

I don't know that there is a use criteria for the Waterfront as much as there is a caution that if it's going to down the retail path, it's one set of criteria, pricing and usage and number of days and so on. And if it's going down the non-retail path, then it's a different set of criteria in terms of cost and number of days and so on and so forth. I'm a little confused by this whole slide for that reason.

[Time: 02:50:48]

Mayor Lane: Thanks, Vice Mayor. I think we did talk a little bit before about even a non-retail event do have a retail component. I mean, very often. Frankly it's a matter of convenience of amenity to people attending. It may not be in conflict with anything around, but it does help provide a revenue stream. Frankly, that's a positive good. We are not trying to eliminate the convenience of something that may be supplied for a cost. Whether somebody makes money on that or not, it's been my understanding all along that one of the things -- and we sort of focused on the idea that it's just Thursday night we're not going to have competing events and we've addressed that in a variety of different ways already, but the idea of having just retail and non-retail, I think, if you try to encapsulate and have a whole set of different fees and everything else for non-retail events, I think we're going to find ourselves in a real jigsaw puzzle of how we put the pieces together. But that's just my opinion on that.

But I do feel strongly that it complicates it in defining it and in measuring it and in enforcing it. And I don't necessarily think it lends itself to the end that I believe is how we started with this. And that is simply for the conflict of events in the fine arts area of things. I just don't want to go over the edge on how we -- we talked early on and frankly, Brent, you mentioned we don't want to overregulate this thing. We don't want to overcomplicate this thing.

And the question really has to be asked: Do we want events? I was heartened to hear the Vice Mayor say that, yes, we do want to have events. And so we want to do these things that are necessary not only from a competitive standpoint with other communities. My question would be: How much -- and I know this doesn't directly relate to this slide. How much have we studied what our competition holds in this if we do want to have events? How do the terms as we'll eventually get to it, fees, how does that impact what kind of draw we're going to have? Now, we can be proactive and go out and hire a sales force to go find events we want to have here. In the past, we have been in a good enough market and we can probably do some quantification on terms and fees that still keep us in a good place because we are a good market and we're increasing fees.

Another element we talked about a lot and that was simply, hey, we're giving this land away. I don't think there is a person here on the council that didn't agree that some adjustment needed to be made there just to make things fair. If you increase the fees as in perusing this earlier, if you increase the fees to market conditions, not necessarily competitive conditions but market for the space, you really have even the playing field. And we do know events spend an overt amount of money on marketing to make sure they draw in the proper crowd here. Those are all good things for us. I think it's important that we don't get ourselves out of the marketplace either from terms or fees but if we even the playing field on fees alone, we're now just talking about trying to eliminate competition. I don't think that's what we're in the business of doing.

So I think it's a careful area when we start talking about all -- well, retail component and a non-retail component and how we define that. So that's just my feeling about it right now. And, frankly, it is my feeling about it. I think we've got to be careful how we proceed in this area, Waterfront or other areas. That's another thing, a standardization of the law is going to be important. We have exemptions.

Otherwise, it needs to be something that works throughout our community. I'm sorry. Okay.  
Councilman Phillips.

[Time: 02:55:07]

Councilman Phillips: Thank you. Speaking solely on Waterfront usage, which is what this is, I don't consider retail sales an event. Retail sales is a business and getting a permit for somebody to have a business over the weekend doesn't cut it as an event to me. Might bring some people depending how they market it.

You talk about competition. An event isn't a competition either. An event is a special thing that happens that brings people down there to visit for a special reason. It's not to come down and buy a product that may be 20% less than the surrounding markets. An event is something special, it's not a business. Then I think that's where we come in for this.

But I will agree with the fact that how do you quantify that? How are you going to say that -- I guess the guy can say, we're going to teach CPR but at the same time we're going to sell T-shirts. How many T-shirts are you going to sell? You don't know. So it would be very difficult to do. To me, retail is a business.

Mayor Lane: Thank you, Councilman. Yes Councilwoman Milhaven.

Councilwoman Milhaven: I think there's a lot more discussion we have to have around this, retail versus non-retail. How would you define that? I would also argue that every single event, whether we call it special or not is, in fact, a business and that if they're not selling something, there is no event. And you start down a slippery slope. I will have a music festival on the bridge and all of these musicians will show up for the love of it and they're going to play for free. That's not going to happen. So I'm going to show up and play for free but now I want to sell my CD, now I'm selling something. Is that retail or an event? It's really a slippery slope.

If we're going to say -- so if we define retail versus non-retail, retail means I sell stuff. If we say we're not going to let events sell stuff, they're we're not going to have events because events are businesses. If the concern is how it competes with businesses in the area, then I think we look at how we mitigate the impact. So to simply say you can't sell stuff, it is essentially shutting down the special events business in Scottsdale.

Mayor Lane: Thank you, Councilwoman. Councilman Phillips.

Councilman Phillips: Yeah, I fully understand your point. And we would have to define, I think, a business because maybe a business is a business license. You're solely there for the purpose -- my business is air conditioning so I get a permit and I set up on the sidewalk and put a bunch of air conditioners and I'm selling them. That's a business. If bands come up there and play their music or they want to sell a CD, that's not a business. I don't look at that as a business because they don't have a business license. They don't pay a business tax. Maybe depending on how big the band are, something like that, for the most part, they are doing it for entertainment. I guess we would have to define what a business would be in order to go further with this.

Mayor Lane: Thank you, Councilman Phillips.

Councilwoman Milhaven: I would like somebody to identify a special event in Scottsdale that isn't

selling something. I pay an entry fee to go to the culinary festival, to the picnic. I pay an entry fee and then I buy food and beverage and I pay an entry fee to go to the Scottsdale arts festival, and then I can buy art fare. I pay money to go to Barrett Jackson, and when I get inside I buy food and beverage and they have got all kinds of boots to buy and all kinds of other stuff. I pay to go to the Arabian horseshoe and they have booths set up to sell horse stuff and western wear. If somebody would like to point out an event to me that isn't selling something, I'd like to know what it is.

Mayor Lane: I wanted to make a comment, too, just to add to that, that truly is my perspective on it as well. In recent years, we've been able to attract really after a couple of years of talking with them two major cultural events -- actually, there has probably been more than that. Two that come to mind immediately. That's the awareness of venue. They sell something. A lot of cultural awareness but they are selling things all over the place whether it's food or otherwise. It's part of that exchange of information and cultural experience.

Same thing with the Arizona Asian American association. They had a successful -- and frankly they loved being here but they do also sell things. I think it's had a positive impact on our growth here in Scottsdale and it's been a good thing. There are other associations, the Italian American association that was here doing much the same thing. And, of course, the Hispanic cultural community has done the same thing exactly, too. They're all selling something.

Some of it may be a little bit more not as well identified but they are selling something. There's some kind of return. It's not a philanthropic kind of endeavor. Otherwise, we are paying for them to come in. It's not an event, it's just paying for entertainment. Yes, Vice Mayor.

[Time: 03:00:50]

Vice Mayor Smith: Well, I think we've had this discussion before about retail versus non-retail and we ended up with some verb or adjective that predominantly retail. We all agree that every event is going to sell the T-shirts and trinkets and whatever that go along with their event. But way back six slides and two hours ago we said that an event would be something which provides a unique organized activity or experience such as raising awareness of culture, education, entertainment or recreation. I think I can figure out whether a tent that's selling key chains is raising the awareness of culture of our entertainment, recreation, I don't care their percent of sales.

The point is probably every event is going to have some level of sales. Absolutely. I agree with whoever made the statement. That's not the question. Is the event predominantly for the purpose of retail sales? That we can figure out. I think any one of the seven of us can go down and figure out what their purpose is. You have the criteria to wean out those people that are predominantly there to sell a buck selling key chains versus the people that are actually contributing to the culture, education, entertainment, recreation of the city. If you follow the guidelines, I think you'll screen them out without any difficulty at all. Thank you.

Mayor Lane: Thank you, Vice Mayor.

Assistant City Manager Brent Stockwell: Again, looking for some direction, so we build that back in the draft ordinance -- and I may be reaching here -- I heard from some that the criteria for events on use on city property were a good start. They should actually be used for all events on city property. And then with the Waterfront usage, it was clearly pointed out that the third bullet point there is already covered by other things we have already covered, didn't need to be called out specifically hear. I didn't -- I mean, based on that, we can move forward with that.

Mayor Lane: Yes, I'm sorry. Councilwoman Littlefield.

Councilwoman Littlefield: Thank you. I think Vice Mayor Smith had a good comment there, too. Is the event primarily for the purpose of retail sales or not. Everything is going to have some selling to cover costs but is it predominantly retail or is it predominantly something else. It's going to be up to you to draw that line as to what -- where that line should be as far as -- and you need to have some sort of criteria to do that. I think that's what you need to be looking at at this point.

Assistant City Manager Brent Stockwell: We're going to help draw that line by that impact criteria that we talked as the Vice Mayor pointed out several hours ago on is it cultural, is it educational, is it promoting awareness, all those kinds of things.

Mayor Lane: Councilwoman Klapp.

Councilwoman Klapp: I will weigh in on this. I agree with the Vice Mayor. It's covered in the almost original slide so you don't need bullet 3 on this one. That's pretty much what I agree to.

Mayor Lane: Okay.

Assistant City Manager Brent Stockwell: Now we're going to talk about duration and frequency.

[Time: 03:04:34]

Events Manager Cheryl Sumners: We're going to continue making our way through the sieve here talking about duration and frequency. So this is focused on how often can an event occur. How many days a year and how many days in a row. We know our current ordinance has limitations in there related to both of those two aspects. I want to be able to say when we went through the public outreach meetings by no means was there a unanimous voice on this particular topic. I mean, we heard everything from there should be a limit to one weekend a year to why are we even talking about limits. If the ordinance has criteria in place, shouldn't they be based upon their own merits?

What we tried to do --

Mayor Lane: Excuse me, Cheryl. Councilwoman Milhaven has a comment.

Councilwoman Milhaven: I don't know if this will get us where we want to go. I'm wondering if this conversation is very similar to the conversation we just had about retail versus non-retail. If all of the other criteria are going to protect the downtown businesses, would that suggest that now we know longer need to have any restrictions because it would have otherwise been covered? I might throw that out to my colleagues.

Mayor Lane: Councilwoman Korte, did you want to weigh in on that?

Councilmember Korte: Yes. My belief is that restrictions should not be in the ordinance because I think we need more flexibility regarding events. So, for example, Cavalia, if this restriction had been in place when Cavalia has been in town three times, I believe now, they wouldn't come to town. So I believe that the restrictions need not be in the ordinance.

Mayor Lane: Thank you, Councilwoman. Vice Mayor.

Vice Mayor Smith: Just so we have somebody on the other side, the reason I think they're important to have these restrictions -- and it really goes back to a discussion we had again two hours ago but the omission of the word "special" or "unique." We used to be talking about special events. I think that adjective carried some meaning. In my mind, an event is not special if it happens every single day for three weeks or every weekend for six months or whatever.

So I think the purpose here -- maybe you'll end up with exceptions to this for the Cavalia and other things like that. You bring them forward as an exception and then council decides whatever. But the template of what we're trying to get here I think are, indeed, special events. And in my mind, it loses its speciality, if there were such a word, after a certain amount of repetitiveness which is not to say it's not a bad event. It's just not a special event. Perhaps it's a continuing business or perhaps it's a continuing event.

I think the original language, the revised language, and some of the other language you have had suggested even more restrictively, all of them are trying to preserve the notion that these events are truly special, extraordinary, exciting, unique and something that brings a crowd downtown.

Mayor Lane: Thank you, Vice Mayor. You know, I think there's one overriding thing that we probably need to get past or we need to at least come to some conclusion. We have determined, I think, collectively that we want events. So now how do we define them?

The next is whether or not we want any kind of business being conducted on leased property from the city. We started this discussion probably over a year ago now but, nevertheless, as it related to the idea of unfair competition because our ordinance didn't really charge anybody anything and they were spending a lot of money -- or I should say, they were recovering a lot of money and it was in direct competition or at least that was the contention, it was in direct competition with bricks and mortars in an unfair way. I think there was a lot of variables in there.

I want to say I am for business. I am for competition when it's healthy and fair and appropriately applied. I don't think the city in any way, shape, or form should be somehow giving into the idea that, hey, if you're here, you're a protected commodity. We are trying to do some very significant things in downtown. Now, is there a level of fairness in how we allocate the resource and activity level? Yes. And I'm all for doing just exactly that.

The fees, the cost, I want to look at that as we get to that. I won't try to jump ahead again. Nevertheless, that's something that we need to consider. Any kind of redundancy of restrictions that don't necessarily add some new component to leveling the playing field and making it work within our downtown or anywhere across town, I'm not for. I hate to see when we have something why are we addressing this if somebody or else -- I'm talking about the number of days. If it meets the other criteria and we're in agreement, what happens here?

[Time: 03:10:35]

Assistant City Manager Brent Stockwell: Mayor, if I may, so two things there. One is something that you need to screen out or is it already screened out in another way. The one reason why it is important to define this is because of not the word special but the word "temporary." So we need some guidance on when does something go from temporary to a regular use. And so one of the things we kept thinking in our mind is how often you could do something in a time period under the current ordinance or the proposed ordinance. When you can do something 48 times a year, you can do something once a week



or twice a week for half of the year or three times a week for a third of the year. And so we were always thinking through that.

We do need some guidance on what the council thinks is temporary so we can figure out if something is an event or not.

Mayor Lane: I have to say -- and you make a very good point. If we are talking about something temporary, there must be -- there has to be something in here to address that issue. I'm not sure where it lies exactly but, nevertheless, maybe there is a component that has to be made there. Councilwoman Korte.

[Time: 03:11:53]

Councilmember Korte: Thank you, Mayor. So the tourism task force is complementing the five-year strategic plan and one of the five or six goals that event has are events because it drives heads and beds, right? And economic -- bed tax, all that kind of stuff so where is the tourism task force on this particular issue? Have they reviewed it in respect to their plan and their goals, their objectives and how they're going to implement that? And perhaps that's where the answer is.

I completely understand that you need some boundaries. I just believe that the 10 and 24 are too restrictive and, again, places in that competitive landscape that I have echoed many times tonight. So is it somewhere between a 10 and 24 consecutive days and 30 and 48 total calendar days? I don't know. But perhaps the task force and the work that the tourism industry is doing on this could provide some answers.

Assistant City Manager Brent Stockwell: Thank you, Councilwoman. Councilwoman Korte, Mayor Lane, members of the council, we presented to the task force. The task force members range from no duration limitations and there are some that would weigh in with the maximum of seven consecutive days and 14 total days which is consistent what the document that Councilman Phillips shared earlier. We have that all across the board. We didn't get to a point where they were reviewing this ordinance. They came in during the last public comment outreach so we incorporate that had into the version you have today. I can tell you with some certainty that the task force opinion on this ranges and there wasn't a vote taken on where they land on that.

Mayor Lane: Thank you. I'm sorry.

Councilmember Korte: I will reiterate the restrictions reduce our competitive and I don't think that's what any of us want.

Assistant City Manager Brent Stockwell: If I can, too. I mention this as part of my preceding remarks, the other thing you can look at is some of the events, the handful of events that did were either up against the limits of the 30 days or 48 days. Have they already been screened out by some other things? I think in many cases they already have or they could be handled through another process.

One of the things we talked about in the actual ordinance draft is it says that these restrictions don't limit the council's ability to enter into a license agreement for the use of city property. If a Cavalia situation did come along, something that wanted to use say city property for an extended period of time, we could propose that to you, get a license agreement. Get that in place. The other two events that were more than those times were the farmer's market, recurring activity on city property, that could go through a license agreement that works out the details of what they do and what the city does. Not really an event

per se as it is a recurring activity on city property. Food truck caravan, again, same type of thing.

A couple of the other ones were [technical difficulty] They went through the event process by default. Those are recurring uses of city property by private person and they are not events. If the city wants to do it, they need to go through a separate process as well. I say that, you might have already taken much of those situations out anyway and then you would be comfortable that all the things in the past fit into those 24 total days or you could say, hey, we've taken care of some of these other issues so why don't we leave it at the level they were at before the 30 for 48 or something else.

[Time: 03:16:52]

Mayor Lane: Let me suggest it would be interesting going through this sieve process, if you take a look and see. I mentioned before sort of the competitive situation as relates to other communities. Now take a look, we don't want this to be any more complicated than is necessary. We want an end result that is going to be presumably a combination of all sides to get to the right place as possibly can. If you can take some examples and see how -- and we have some readily at hand. See how there may be some redundancy in restrictions and weed them out before they get to a further restriction.

Assistant City Manager Brent Stockwell: Mayor, we had gone through that. I was able to rattle all those that were those situations. I think for the most part they are taken care of. I think Cheryl would mention one more thing.

Mayor Lane: I'm sorry. We have got a couple of people, Councilman Phillips and then Councilwoman Littlefield.

Councilman Phillips: Nice try, Brent. While, this is all good conversation, I do support the downtown associations and there's an item number 4 in talking about the term temporary which is what we're talking about should be limited to no more than seven consecutive days or ten total days per calendar year but in no event no more than seven days per quarter versus a proposed 10 and 24 days. That's for the temporary event. If you have a series of things like farmer's market, then they go under a different heading. They are not really counted in this. Cavalia, they did a fantastic show and they did so good they added an extra week to it. That would be a separate event, too. I don't think it would be underneath this temporary designation.

And the other point is by restricting this -- and I know that most of this is because it's downtown and they're thinking downtown downtown downtown. Cavalia was on Scottsdale road and 101 or something. You are almost thinking you have to have a separate ordinance for downtown.

The other idea behind restricting it, it allows other events. If you have an event that's here every weekend, other events that want to come in won't be able to because this guy has taken up every weekend for the rest of the year. We have to have some kind of means allowing other events which might actually be more fun and more productive than the one there. We have to have some restriction. I can't say what they are but I will support downtown's decision on that. That's my two cents on that.

Mayor Lane: Councilwoman Klapp first.

Councilwoman Klapp: You mentioned something I wanted to say. And that's, first of all, like the Vice Mayor, I do support events. I think we should look at limitations and the length of time the event can occur. And one is because I'd like to encourage a lot of events, not just one event that ties up an area for the entire season. In my mind, the ten days consecutive is a good number.

And I also do agree with a comment that was made by the merchants that if there is going to be allowed 24 or 12 or whatever it is total days that they should be predominantly out over certain quarters and not just allowed to do 24 days which means you're going to -- as most events do, they all want to happen in January, February and March. And so that would -- we need to be thinking about encouraging special events 12 months of the year and not have a time frame set up where people primarily will tie up the special event time during January, February and March and maybe April. So if we do allow 24 total days per calendar year, it should be broken down you can do no more than ten days, if you have can have ten consecutive days do them in different quarters.

I like the limitations that were put here because it does encourage more events and more varied events. I feel in some cases we have put too much emphasis on events in Scottsdale that lead to retail and not enough on the whole kinds of other events that could occur in the city and hopefully -- and I don't believe that we're going to kill all competition or kill all people coming to town for events by limiting the number or the days that are available for events. I think it actually will, in some ways, encourage other events to come in.

I just have a different perspective on this. I believe events are temporary and there should be limitations. And I believe the 10 and 24 could work with also some consideration for spreading those 24 days over several quarters rather than somebody being able to do two events per week over a month. That would be eight which means they would do 24 days over the period of three months. I don't think we should make that happen. I think we should force the events to be spread out during the year so that we aren't just event crazy here for three months and then for three months there's nothing.

Mayor Lane: Thank you, Councilwoman. Councilwoman Littlefield?

[Time: 03:23:00]

Councilwoman Littlefield: Thank you. I think we need to have limitations on public property like the bridge. Whenever you have any major event on the bridge it's closed to the public as far as public, transportation, the buses, the ambulances, the trolley. You don't want to have something that's just going to say I'm a special event, I'm temporary but I'm going to be here 365 days a year and I'm going to park myself right here. That's not right.

If you're going to have temporary events like this, you have to have a limitation on it. And you have to have a limitation on events that do directly take customers away from other businesses. You have to have it so it's a reasonable limitation. I am like Councilman Phillips, I like the 7/14. I know they had 10 on here. I think 14 is good. It's two weeks. They can divide one week in the fall, one week in the spring, one week at Christmas, one week at Easter, however they want to do that.

I think there has to be a limitation and a certain number of days per quarter. Any business, not just a market any business can't come in and say this is the best season for selling stuff so I want to take it from Thanksgiving to Christmas and then I'm out of here. Well, that's not right for the overall well-being of the businesses in the area. You have to take a look at that. I think I would go with the seven consecutive days. I have 14 day total calendar year, no more than seven days in a quarter.

Mayor Lane: Thank you. Councilwoman Milhaven.

Councilwoman Milhaven: I imagine we have very few days with people waiting for an event?

Events Manager Cheryl Sumners: That's accurate.

Councilwoman Milhaven: If we had people waiting in line, then I think it makes sense we don't want you to be more than ten days. I don't think the problem is whether we have variety, it's whether we have an event or not. I don't think that's where we are today. So limiting it is going to limit the number of events we have, it's not going to drive more variety.

If we are going to put a restriction on it, my inclination is to allow more, rather than less, to go back to 30 or 48 if we need a restriction. I do think there's some value, though, to say we're not -- you can't come and get a permit for all 48 days. Maybe there's something to say every application will grant so much so we're not boxing out any potential competition but we're not restricting anybody from doing an event where we would otherwise with nothing.

My preference -- let me restate where I am. I think that most of the concerns would be addressed by the impacts and impact mitigation criteria you have already identified. If it's not impacting the local businesses then let's go ahead and do in anyway. We have already addressed it. If we absolutely need to put some kind of limiter on it, I tend to be 48 by 30 and maybe we limit per application. I want to make sure there is an exception, it's administrative because depending on how difficult -- if you say you can have an event but it's an exception, an event promoter will walk away I will not take a risk or put in the additional effort. I want to know what the rules are. Thank you.

Mayor Lane: Thank you, Councilwoman. Councilman Phillips.

[Time: 03:27:09]

Councilman Phillips: Thank you. You threw in that last line which threw me off a little bit. That's a point well-taken that if we restrict this and then there is no event and then the event producer says I was going to be there now nobody will be there, it doesn't make sense. There could be a provision that if nobody is there, you can continue but if somebody comes up, you can get first choice because you have your allotted time. Maybe we can do it that way.

Mayor Lane: Thank you, Councilman Phillips. Vice Mayor Smith.

Vice Mayor Smith: Two things. I just want to put my voice in with people that are encouraging some seasonality in the consideration. Maybe as you noodle around on this, the compromise you might come up with is in season an event can be no longer than seven consecutive days. Out of season, if they want to come here in June, July, and August let them stay for 10 days, 20 days, 30 days. Seriously, I think you can tweak this around seasonality without overly complicating things.

And I think to the question of, you know, if we have nobody there, I hope at some point in this document before the evening is over we talk about how we proactively solicit events. I don't want to see us just be a responsive organization in the future. I want us to actively try to fill the slots. Same thing they do at WestWorld, try to fill the dates. Hopefully we will do that for events in the other parts of the city. Maybe we'll talk about that. Thank you, Mayor.

Mayor Lane: Thank you, Vice Mayor. Okay.

[Time: 03:28:56]

Events Manager Cheryl Sumners: I know I didn't go into details related into comparison last year, did we

have any events that exceeded ten consecutive days. No, we did not. We had two that were a week long, we had our golf tournament and our Scottsdale fan fest. Super Bowl was last year. And then also in terms of Brent mentioned we had six events, 3% of our applications that wouldn't necessarily meet the 24 days because they would have exceeded that.

But as I'm listening to this -- and I'm not sure if Councilwoman Milhaven, you asked for this, but one of your comments was that could possibly be restrictions related to events. When it comes to timing and the quantity, if it's started to restrict or limit, I know over at Mace rich on the north side of the mall, they had the fan fest that was seven days. They had the Gooding car auction. That was four days. They had the new culinary festival that was three days. I know I'm missing a couple of events in there. It is true people would need to begin picking and choosing their events that they're allowing based upon any restrictions if that's what we desire.

I know when we did our benchmarking, we looked across both locally and nationally in between 20, 24 cities. And in those, we did not find any that had any limitations or any restrictions. Now, that's not to say that I'm sure there are cities out there that have them. We just didn't stumble across any. We relied heavily among the event criteria based on their ordinances and based them on their own merits. I just wanted to be able to address that.

Mayor Lane: Let me weigh in on one thing, I suppose. This idea of the duration of consecutive days or total days in a year. I do think that we probably need to have some judgments on not only the event itself and season as well as what the demand is. I think we had a good event, I would hate to see us necessarily restrict it unnecessarily if it's something that moves forward.

Something else that was mentioned if it goes on to a long-term event, maybe there's a different kind of a category all together. If, in fact, the farmer's market is included in something like this and some other longer term events, I think we need to have a specific provision for that, whether it's licensing. Now I'm talking about rental of properties and facilities and a different category which I think you were talking about before Brent. I want to make sure that's an established component so we are not losing an event that may be outside of whatever we determine it to be as far as temporary is concerned but it is something we certainly would -- doesn't interfere or meets a lot of the other criteria. It's a good event for us to have.

I guess if I were to make an equation and say if Barrett Jackson wanted to go 30 days, I'm not sure we'd necessarily turn it down. I'm not sure that's in his plan.

Assistant City Manager Brent Stockwell: Fair enough. We did check with WestWorld and the stadiums. All the events fit within 10, 24. We weren't proposing something that weren't existing.

Mayor Lane: I understand.

Assistant City Manager Brent Stockwell: But the point that has been raised number of time by people is we can't just think about what we've had in the past, we need to think about what might come in the future. So you think about how to balance that and we have a lot of other criteria that we've developed to filter possible events through. If something met all those other criteria yet missed this duration frequency, there's a possibility you might want to have it particularly if it's out of high season and there's not another -- a lot of demands.

Mayor Lane: Thank you, Brent. Councilwoman Korte.

[Time: 03:33:20]

Councilmember Korte: Just one last comment. You talked about benchmarking this and how many cities did you look at their event ordinances? 20, 24? And none of them had any of these restrictions, I think that's a telltale that our criteria to this point is sifting these events and to restrict it. This doesn't provide the flexibility we're looking for because who knows what's going to come our way. We've got to look to the future and make decision that is accommodate future events. Who knows what that is.

Assistant City Manager Brent Stockwell: If we came back with ordinance language that addressed kind of the seasonality and put some restrictions in the time period -- we'll bring back language that takes into consideration that we have heard. I didn't hear majority of anyone on any one thing. I think we can take that and come back with some more specific language here that gives a little bit more flexibility at some times of year and maybe a little less at others.

Mayor Lane: Very good. Thanks.

Assistant City Manager Brent Stockwell: I've been fair in telling you if your question was going to be addressed later. The Vice Mayor did raise a question that isn't going to be covered tonight so I did want to address that quickly because it is related to all the things we're talking about. The event ordinance is about how do we regulate proposals that come to us and you ask the question about how are we handling the are going out and getting the right things. That gets easier when we have the criteria that the council wants to have. That was a piece of what our event manager has done. Unfortunately over the last year our event manager's time has been solely tied up doing this ordinance and responding to a lot of emails and specific issues. I think ideally moving forward, she will be able to do more of that.

At this morning's tourism development commission meeting we floated a proposal for \$300,000 worth of event bed tax funding to actually promote events around the holidays at the Waterfront and around our western month with Hashknife and Parada. That was received favorably. As that goes through the budget process, it gets at that other piece. I wanted to mention that because it wasn't otherwise going to be addressed.

Mayor Lane: Okay. Thank you. We'll move on then to our next item. I'm presuming that's administration.

[Time: 03:36:16]

Events Manager Cheryl Sumners: Okay. Administration. I think we've collectively grouped approvals and appeals and enforcement in this part of the sieve. We're nearly through here. What we're going to focus on first is the decision process. One of the things we know with our current ordinance is that it is the same process for any event request that comes to us. And one of the things we ask the community when we were going through the outreach efforts is: Is there differences related to processes for a simple event versus a complex event. Everybody seemed to nod in agreement.

And I guess it kind of goes back to our lovely sieve where, again, it all had to do with the impacts of events. It was generally felt like those that really had no impacts that were very, very minimal, keep those flowing through the system. Create a streamlined process that they can keep going through. Those that have impacts, let's slow those down and make sure we're getting those right.

There's a three-tiered approach when it comes to event requests and that decision process. The first one is the administrative approval. Under our existing ordinance, it actually addresses these things that

we have, which is called the grand opening, seasonal sales -- and they're very specific to those three categories, Christmas trees, pumpkin sales, and fireworks. It also addresses sidewalk sales. Now, this is for existing businesses, existing Scottsdale businesses, and also special auto sales. Those are things that are relatively small in terms of applications that we receive. The time line on those would be a 15-day application in advance. We would get those quickly turned around and there would be no permit fee. So there's no fees are involved. It's an administrative approval. That would be an administrator or staff doing those.

The next tier is what's called a simple application. This would entail those again with know or very minimal impacts. These would only be on private property. They would have a 30-day application. They would be guaranteed that 15-day approval. And the fee would be \$100. The fee is actually different than what it is now. Currently today the same application would be \$192. It's a combination between a review fee and a permit fee. So for this this is a proposal. Brent's going to get to those after this process slide. But we're going to try to encourage events on private property that have very no to minimal impacts. For that there's a reduced fee.

The last tier, of course, is what we're calling our standard application. That's what we have out there today. Any request on public property would automatically go through the standard process. So it would automatically require a 60-day submittal. Again, that is new because our current ordinance requires a 30-day submittal. What we're trying to encourage is a submittal time frame at 60 days that allows us and the event applicant to be able to get that noticing and notification out there and the public can provide input if they desire. It would also go to events that are on private property that would have concessions and amplification and structures.

I know I mentioned fan fest previously. That's a good example of one that would come through. The fees stay relatively the same. Right now today it would be \$259. It's just a touch less at \$250. But the big change will be for those that are using public property, so that is a new element and essentially fees would increase for them for anybody using public property because that fee would have to be incorporated into it. Is there any questions related to process?

[Time: 03:41:13]

Mayor Lane: Councilwoman Milhaven.

Councilwoman Milhaven: We've heard from folks that the special events committee, also known as the inquisition, is challenging part of the process and would like to see that streamlined understanding that there's many departments and many disciplines that need to weigh in on the process. We're hoping there was a way to streamline that. Is that on another slide or is that part of this conversation?

Events Manager Cheryl Sumners: I might have been mistaken in not addressing that with this slide. So the ordinance right now today has set up what's called a special events committee. That's an interdepartmental with the various different departments that do that. The draft ordinance is moving in a different direction. It has the city manager selecting an events administrator. That's who is making decisions, it may be one individual, may be multiple individuals, it may be a team. Essentially there isn't a special events committee anymore.

That doesn't mean that the individual departments do not still review those because they absolutely do. They would be making a decision -- a recommendation, excuse me, to the events administrator who would be making an ultimate decision on the event. We would still be offering out to those applicants -- certainly we have some feel there is an advantage having all of the departments together for

them such as the P.F. Chang's rock and roll marathon. They enjoy having everyone together to coordinate everything together. It wouldn't be a requirement. It would be optional.

Mayor Lane: Thank you, Councilwoman. Vice Mayor.

[Time: 03:43:09]

Vice Mayor Smith: On the standard application, you're saying it's a 60-day application, 30-day approval, 90 days all together, right?

Events Manager Cheryl Sumners: No, I'm sorry. That wasn't clear. 60 days submittal and the city would have a decision within 30 days. The idea would be 30 days out from their event they could be obtaining a permit if they provided all the necessary documentation that the city is requiring.

Vice Mayor Smith: So then a party could make their application and get an approval in 30 days?

Events Manager Cheryl Sumners: That's correct.

Vice Mayor Smith: Where does the 60 days come in?

Events Manager Cheryl Sumners: The 60 days is what we're asking that event request be submitted so the actual application. Somebody saying I like to do something, please. And here's the details of what I would like to do. Because one of the important things we want to now integrate into this review process is being able to provide that notification to anyone that's interested on what events are coming up so that there is the ability for somebody to review that and provide input.

Vice Mayor Smith: Let me ask a hypothetical. I submit on January 1 a request. I want to do a street fair on March 1st, 60 days hence. You will give me approval by the end of February?

Events Manager Cheryl Sumners: In theory, we would be giving you approval by the beginning of February, at the end of that first 30 days.

Vice Mayor Smith: Okay. I say okay. I'm still not sure I understand the math. It should be fairly simple but I'm missing it. Let me ask a different question. So I'm this applicant. I come to you on January 1st. I say I want to do an event on March 1st. You tell me one of the things I must do is go out and contact affected parties, neighbors, businesses, homeowners, whatever. And I do all of that in a timely fashion, whatever that means. Is there some point at which you as the staff are satisfied that you have heard from the neighbors and businesses and affected parties?

Events Manager Cheryl Sumners: The expectation is because of the street closure that's being submitted as part of that submittal on January 1st. If it is something that doesn't require again not a street closure but just something that we're making sure and checking with people to see if there's any interest or any input on it, staff would be sending that out immediately when we initially get that application. And so within that first 30 days, we would be having and stating a deadline for people to get us back any input, if desired.

That is an optional thing. Within that 30 days, we are also having all the different departments review those applications based upon their own expertise if it's fire or police, transportation, et cetera.

Vice Mayor Smith: In my hypothetical, the individual submits his application on January 1, staff will then shoot out some emails to people and say, what do you think. Those email responses -- however they



respond, that must be done by the end of January, in other words, within 30 days.

Events Manager Cheryl Sumners: That's correct.

Vice Mayor Smith: In the next 30 days, you will decide putting all those pieces of paper together whether to grant the application. See, I told you I'm still lost on the math.

Assistant City Manager Brent Stockwell: Let me try.

Vice Mayor Smith: You try.

Assistant City Manager Brent Stockwell: So if you look at the time line along each one of these, the administrative approval is due 15 days before. We will make same or next day approval. Simple application, no impact. 30-day application, it will be approved 15 days before the event. The same thing in this one. You have got to apply 60 days before the event and you're going to get a decision 30 days before the event. The reason why we changed it from 30 to 60 under the current ordinance is we didn't have enough time to get sufficient input back. The decisions had to be made too quickly. So by asking them, many of them submit way more than 60 days in advance but making that a requirement, that builds in enough time if you remember back on the notification slide for us to go out and have them do some notification. So the decision can still be made 30 days before the event.

Vice Mayor Smith: Then my math, I think, was right. You will in my hypothetical I say -- here's my application on January 1. I want to do my event on March 1. You'll let me know by the end of February -- or by the end of January, I'm sorry, by the end of January whether it's a go or no go.

Assistant City Manager Brent Stockwell: By February 1st. That gives us a good date as I said on the notification for people to know, hey, we're proposing this event. We'll make a decision on February 1st. We need to have any information and input you have in advance of that time.

Vice Mayor Smith: There's a 30-day window for the application to be received, the input to be solicited, the responses to come in, the evaluation, the consideration, blah, blah, blah, the decision to be made. All of that happens in 30 days.

Assistant City Manager Brent Stockwell: Yes.

Vice Mayor Smith: Then my related question is in terms of the public input, do they have an opportunity to participate or even observe this deliberation that will occur? Will it be an open meeting, I guess? Something where the applicant comes in and we say here's all the papers we have gotten and our decision is, yes, no, whatever? Will that be an open meeting that anyone can observe the deliberations?

Assistant City Manager Brent Stockwell: No, because there wouldn't be an open meeting. One of the things that said before the special event committee process goes away. All the other permits we have as a city, we have a person that's managing that permit and we are looking at it and sending it out to the appropriate departments to weigh in on that. They are getting input from the community and then they are weighing in based on the established criteria on that decision. There's not -- yes, if there was a meeting like that, there have been requests that those meetings be open to the public.

In order to streamline this process, if the criteria are well-established in the ordinance by the council and they're processing that permit, that permit has got to be done and in writing. We have removed the inquisition to use the language that was mentioned previously.

Vice Mayor Smith: Removing the inquisition is a good thing and speeding up the process is a good thing. All that have is good stuff. I want to make sure if people have responded that somehow they're not in the dark as to what happened. We had 350 people said yes and one person said no than you agreed with the no person, that hypothetical.

Assistant City Manager Brent Stockwell: Ways where the sieve and notification is really important. Notice after the application, you get your chance to weigh in before a street closure or something that really impacts that and you are notified before an event that those events have been approved and they're happy.

Vice Mayor Smith: Thank you, Mayor.

[Time: 03:51:11]

Mayor Lane: Thank you, Vice Mayor. Councilman Phillips.

Councilman Phillips: Thank you, Mayor. Where we talk about city council having some kind of say in this process? The downtown associations, number 9, they have an opposition to an event, either party can have the right to appeal to a city council and city council shall act as final arbiter. That goes back to what happened last year and I brought up the point and I believe it was our city attorney who said will task force trumps city council or something. I think we should be able to have some kind of say in some of these matters.

Assistant City Manager Brent Stockwell: In this section, yes. But it's not this slide. It's a couple of slides. The other thing to think about you have already worked through the sieve to screen out the situations that caused that situation so you don't need to have that regulation.

Councilman Phillips: I would still like to see it. You will bring it back up when we get to it. Thank you.

Mayor Lane: Thank you, Councilman. Councilwoman Littlefield.

Councilwoman Littlefield: I understand what you're saying. I have just a little bit of a question. If you are an applicant and using the standard application and you submit your application and you go away and you have a wait now for 30 days, the city sends it out and says look at this, look at that, bring it back, check it out and you go, uh-oh, don't like this part, not going to approve it, so the applicant comes back in and you say, no, it's not approved because of this item over here, can they go back during the second 30-day period under the same application and say, well, I can fix it and make it so you can approve the original application? Is that a possibility? Or do they have to start all over again?

Events Manager Cheryl Sumners: We are not expecting somebody would start all over again. Our whole hope and desire and the whole point is to see if anybody has any concerns or issues and try to mitigate those. Our whole hope is we would get to the point that there is a solution in place and we can still approve an event.

Councilwoman Littlefield: Thank you. That would just add -- as Vice Mayor said, more time and more money and they don't need to do that understand this. Thank you.

Mayor Lane: Thank you, Councilwoman.

[Time: 03:53:42]

Events Manager Cheryl Sumners: Okay, I have one more point on this slide because I know somebody will ask me this. They will say, Cheryl, what happens to somebody that doesn't submit on that 15, 30 or 60 day. In the draft ordinance right now it says if that happens, the applicant must demonstrate one of two things. Either that the compliance was impractical or impossible or that the delay doesn't impair the city's ability to review the event request. We do have events that are tied to sporting types of events and teams.

Very commonly football, basketball, baseball, it's just a good example of things that we do see.

I would say the last one we had was the Ohio State pep rally. What happens is there's all these football bowl games but it's the first Sunday in December that they decide where everybody gets to go and which teams. So once Ohio State knew they were coming here because we had two bowl games in town, then they started looking around to see where might they be able to do their pep rally. So they were able to do a pep rally right over here on Indian plaza, daytime event, fantastic, 2,000 people showed and all of the neighbors businesses and restaurants, marching band played, dignitaries spoke. It was fantastic. In that case, they would be documenting out they just received the event request, they didn't have the ability to submit 60 days in advance.

Now we can go onto the next slide. We are going to talk about -- oh, this was just a quick illustration. If somebody was interested, hey, how many sidewalks sales or seasonal sales, what do we see. I know we briefly mentioned it's relatively few. Here's a few of the numbers over the last three years.

Moving on to appeals. This is different than our current ordinance. Our current ordinance talks about the zoning administrator. So under our draft, applicant may appeal to the city manager within ten calendar days. And it can be appeal of either the permit decision like for a denial or it can be for a condition of the permit. Once the city manager receives that appeal request, then he or she would have ten calendar days to make a decision on that particular appeal. Appeals must use the same ordinance criteria that was used in making the original decision. And then lastly, citizens can still use the petition process for any oppositions to event decisions.

[Time: 03:56:54]

Mayor Lane: Cheryl, I suppose it maybe goes without saying that anyone can submit for an application earlier than 60 days for whatever is necessary.

Events Manager Cheryl Sumners: Absolutely.

Mayor Lane: And the illustration that you just gave, is that on an exception basis where they aren't notified? And is there any kind of standard to that? Is it administrative approval to accept and to put on a fast traffic? How is that handled?

Events Manager Cheryl Sumners: Thank you, Mayor Lane. Yes, the idea would be that the events administrator, whoever that is, makes a decision in terms of evaluating the criteria of could it have been submitted in a timely manner, if not why. And if so, then it would be fast tracked. Absolutely.

Mayor Lane: Councilman Phillips.

Councilman Phillips: You threw something in there that people would petition. Maybe you can add a line that the city manager can defer to city council. So city manager can defer to council to make the

decision. If you got a lot of people making a big noise, it might be best to do it that way rather than one person to make the decision and say we're going to override the city council.

Assistant City Manager Brent Stockwell: We just wanted to make sure that understand the regulatory environment here in the state of Arizona that we all operate under, whoever makes that decision, whether it's the tourism events director, city manager or the city council, you're all tied to whatever criteria you set in place. So what it will be is a review of whether or not the city manager whom you hire has adequately reviewed that and is interpreting your ordinance criteria effectively. The way -- one way to look at this is the ordinance criteria is the policy direction that the council has stated and that under our charter, the city manager is responsible for implementing that policy direction of the Council and reviewing it.

Our recommendation to you here is to have the appeal go clearly to the city manager because we had some lack of clarity around that before. It wasn't clear, special event committee, ordinance, everything. That gives a lot more clarity. That's our recommendation on this, is keep policy related to the council. If you don't like the criteria that staff is approving the events, then change the criteria. Don't get involved in the administrative detail.

Councilman Phillips: I totally understand what you are talking about. That's why I said just allow the city manager to have the purview to be able to defer to the council if he thinks that's the wise decision.

Assistant City Manager Brent Stockwell: That would be an option that the city manager.

Councilman Phillips: That would be his own option, so we know it's there.

Mayor Lane: I'm sorry. Councilwoman.

[Time: 04:00:14]

Councilwoman Littlefield: I would like to have a path. Nobody knew what was going on last time or how or where and it created a tremendous problem for the city. And I would like to have some pathway legally set up as criteria within the ordinance that if it is deemed appropriate and if the council and the city manager agree, it can come back to the city council. There has to be some way because we're the legal representatives of the citizens. We are the elected representatives, the only ones. And I think it's really our responsibility and our duty to be able to represent them, if necessary. And in a public forum like this, whether we agree with them or we don't. We may say, nope, they're right, city manager ... but it has to be under a public forum where people can see why, where, how, and who. Thank you.

Mayor Lane: Thank you Councilwoman. Councilwoman Milhaven.

Councilwoman Milhaven: I would agree it was a mess. We had a public meeting. Four councilmembers said I would revoke this if we could. And the city manager said you don't have the authority. And without being able to reading his mind, to believe that permit I believe that influenced his decision. The majority of the council had the outcome they would have liked to have gotten out of that. And so I do think it was a mess, but the majority got what they wanted.

And I'm with -- I agree with Mr. Stockwell. I don't want every single permit being appealed to the city council. We set the policy. We set the criteria. If we don't think the city manager is acting according to what we've given him, we have the right to hire or fire them. I think the city manager should be the ultimate in deciding whether or not the ordinance requirements have been met.

Mayor Lane: Thank you, Councilwoman. Councilwoman Korte.

Councilmember Korte: Thank you, Mayor. If we go back to our city charter, our city charter defines council's role as policymakers. Tonight we are working on policy. We will be approving this at some future date as a policy decision. And that's our role. Our roles do not lie in operations.

I don't know about the rest of the council, but we're here a lot on some real pertinent issues. I don't want to be approving unique event ordinances every other time that we meet. It is not our role. That's operations. We are policy. We are setting the policy tonight and a future codifying that policy.

Mayor Lane: Thank you, Councilwoman. I was just going to add to the idea that, frankly, our role is policy and, frankly, we legislate. That's our principle role. The only other role we have as far as administration is in the hirings, firing, evaluating and compensating the executive team that execute those things. Any time we have in the past gotten involved with legislating and then enforcing and then potentially even adjudicating which is essentially what we would be doing in that third step, we've created a nightmare for ourselves and it is frankly outside of our role in the context of our charter responsibilities. So I think it's really incumbent upon us to make sure that we do, as we're doing right now -- this is where we spend our time.

Frankly, Mr. Stockwell, I agree with you in your assessment and how you line that up. It's exactly the way it should operate. We are here on policy and put the ordinance together. Then it's your job and, of course, city manager and the administrative staff to execute on that job. If we have a problem with that, we need to either change the law or change the city manager, if that's the case. So -- and I also think that it creates a problem, a further problem, of creating an environment of uncertainty for people that are applying for it. If they fulfill the criteria as determined by our administrators, we need to have the ability to stand by that. And I hate to say this, even if sometimes it's a mistake, consistency in the application is something that's very important if you're going to be operating in a fair and equal kind of environment. Otherwise it becomes tainted with subjective judgments about things and creates an unhealthy environment for us.

Yes, Councilman Phillips. I'm sorry, David.

[Time: 04:05:26]

Vice Mayor Smith: Just waving to you.

Mayor Lane: I thought he was going to auctioneer and sell you something.

Vice Mayor Smith: I think the people are making a statement that we're here for policy making is absolutely true. And, in fact, I would offer that the reason we got in a mess last year and everybody has tried to define why we got there. I think we got there because we neglected to implement a policy for 23 years. Now we are here to do catchup work, write a policy that's germane to the events we hope to have.

I think I would agree with Councilman Phillips that any time the city manager wishes to forward an item to the council either because there's ambiguity, by all means, sent it to us. I don't want to slow down the process any more than what we have. To the extent we can expedite the process, I applaud that. My intent, I think everybody's intent, is to create a process that is inviting to new events and appealing to them.

So if somebody wants to send it up to us and get our thoughts, fine. Otherwise, we set the policy. They will administer it. Thank you, Mayor.

Mayor Lane: Thank you, Vice Mayor. Yes, Councilman Phillips.

Councilman Phillips: Yes. Just to reiterate what he said and maybe to reword it because I don't want to be making a judgment on every single one either. That's not the purpose. We don't do it with building permits. Let me say it a different way, that city manager may defer to council to clarify policy.

Assistant City Manager Brent Stockwell: When there's ambiguity, the manager can elevate it to council and get some clarification on policy.

Councilman Phillips: There you go.

Mayor Lane: I think that's always available to the city manager if he chooses.

Assistant City Manager Brent Stockwell: It's a challenge because you think about the way -- we don't have a process in place for the city manager to clarify ambiguity around an ordinance. I guess what we'll do is work with the city manager and city attorney's attorney between now and when the ordinance comes forward to figure out how that would happen.

Mayor Lane: He may go to the city attorney but here becomes a problem when we put it in the political environment. It might not be this council. It will be some other council trying to determine what our intent was. I think it's a careful thing. It needs to be crafted properly. I think we need to stand with it. I think the city manager always has the option if he's looking for advice on it. Councilwoman Klapp.

Councilwoman Klapp: First, in tackling this question, I think you have done a good job of sifting through all the public comment and talking with the impacted parties in trying to come up with language that's workable. This is so much better than what we had we were first dealing with the issue six months ago or whenever it occurred. I believe that this has been a healthy discussion tonight. Sometimes I'm sure it's frustrating. I know it's too long.

Nevertheless, I think we are putting together policy that makes sense for going forward with public events or with events in general. Because of that, I don't feel a great need for me to have to weigh in on decisions. I think that we've crafted policy and we should allow you appear the city manager to run the city. If we've put in place good policy, then we volunteer -- it shouldn't have to come back to us. I'm not seeing any great need for it. I think we've addressed many of the many issues that came up in the discussions previously with the ordinance and things we wanted to see happen. And those have been addressed in this new ordinance.

So because of that, I don't feel a great need to do it. I think it has been stated before, we are the policymakers. You administer whatever policies we put together. I don't feel a need for it to come back to us. I feel the decisions can be made based on the policy.

Mayor Lane: Thank you, Councilwoman. Any other comments?

[Time: 04:10:04]

Events Manager Cheryl Sumners: All right. There's one last element to the administration section.

And that's out of enforcement. So here's the good news. The draft includes penalties for violating permit conditions or lack of permits, violations are \$500 fine, escalates to thousand dollars as long as with restitution to the city. It adds a process for enforcement. If a person holds an event without obtaining a permit, if they fail to conduct an event as presented, if they fail to comply with the terms of the event, or they hold an event that violates any other laws. Lastly, permits can be revoked prior to or during an event if any of those items occur.

Assistant City Manager Brent Stockwell: All of the things we have stalked to up to this point are the pieces that are necessary to get an event ordinance it front of you for final action, okay? The next piece that I'm going through really is the start of a fee approval process that will start tonight, continue on next week with the work study more generally on rates and fees and culminate with council approval on May 17th that would take effect with the new fiscal year. This is really the first time any of this stuff has been fleshed out to anybody.

This went through a separate process. We had real estate involved and transportation involved and public works involved to try and pull in all the pieces for fees. But this is -- as much as everyone has gotten more feedback, we realize this is more unveiling for the first time. It has a little bit longer time frame.

So if I can get quickly through the thought process on here, I know you will want more information and how this fits out with comparables. We can get this out afterwards. We want to thrice get this out so we can start getting feedback on it. This is the green stuff, the fees. Both the fees charged for issuing. If reviewing proposing fees for the use of city property, we considered four factors: The real estate value of the land, the city's cost for the land including license fees we pay, utilities or maintenance, the degree to which public use or access of the land would be impacted by the event, and the rates charged by Scottsdale and other cities for similar properties, where applicable. So those are the types of things that we were taking in consideration in setting out the possible city fees.

Now, before I show you what the use fees are, I'm going to reiterate what Cheryl already showed you, and that is the administrative approval would be a no fee permit, the review fee would be \$75 for any simple or standard permit and you would add to that the permit fee. As she showed on a previously slide for a simple permit, the combined fee would be \$100, 75 for review and \$25 for the permit. If an event is reviewed but the permit not issued, they would pay the review feet, not the permit fee. For a standard permit, that would be 175 for the permit plus the 75 for the review fee, so that's a total of \$250. So that one goes up slightly. The simple permit goes down significantly. You're quizzical. Okay. So you've already seen all that information. It's just presented in a different format.

Now let's talk about the event fees. Karen laid out the events that you asked us to identify in downtown and to put fees together for that. So as I mentioned, we looked at those four criteria. One of the big things that we looked at is whether public access was going to be impacted or not. When it comes to Marshall Way Bridge and Stetson Plaza, if they close the bridge or if they design an event in such a way that the trolley and everybody else can still continue to go across the event -- across the bridge. You could say that we are incentivizing open access by having a much lower cost for event than if you want to close off the access. So that's an important criteria in there.

What we did is started by establishing a base fee based on the real estate value of the land, the comparables for that and added a portion of the SRP fees we pay. We looked at the utility cost for that area and allocated a portion of that on a daily basis and also allocated -- looked at all of our facilities, operations and maintenance costs. You are looking at that fee with all of those things taken into consideration. If you want to use Marshall Way without Stetson Plaza, that's 600. If you want to use

Soleri Plaza Bridge, it has a lower portion of those costs. That dollar amount is less for that area. And then even less are the smaller areas that are even more off of that key area in the Waterfront, \$100 for Main Street plaza or Horseshoe false -- falls.

One of the questions that came up the distinction between retail and charitable and other things. What this is trying to get is the city's kind of value of the land. So because this is the city's value of the land on a daily basis, we wouldn't distinguish between a charitable event or a retail event because it's the city's value of the land. Where we would be looking for feedback on there is this. We've included a portion of the SRP license fee which is roughly \$60,000 a fee. We included a portion of that on a daily basis included in this. You could say, yes, that's a fair thing to recover from people that use that bridge on a daily basis. Or you may say take that out of the consideration because that's what gets us to get the trolley across the bridge every day of the year plus allows people to go up and down the canal path and all that. So there is some policy guidance for us on here but it's related to that type of thing.

And so it's helpful for us at this point once you understand the types of things we took into consideration for setting those rates you can provide us feedback. If can give us support that those rates are too high. I can give you support that those rates are too high. If you want support that the rates are too low, I can give you support from other cities that those rates are too low. The challenge is really -- we got to get these out there and kind of test the market and say, would any of these events that we do want to have happen in here or not.

Other things to take into consideration, you have an event funding program in place where bed tax funds can be used for events that you want to have come to the city that need some assistance either in getting that event out in terms of community event or new development funds or in marking event and matching event advertising funds. One of the things we took into consideration, because you might feel some of you may feel the rates are too high, others may feel rates are too low, one of the things we took into consideration we do have a mechanism out there for people to apply through a separate process if they need assistance in helping that event happen. One of the things you may want to do is figure out, is the amount that's dedicated to that the right amount or need to be raised as well?

As we went through this, we cautioned -- we considered and cautioned about having different rate schedules if this is truly setting what the value of the land is.

[Time: 04:18:32]

Mayor Lane: Thanks, Brent. We do have some questions. Starting with Councilwoman Korte.

Councilmember Korte: Thank you, Mayor. Yes, I would like to see those comparative rates. Both high and low. Yes, thank you.

Mayor Lane: Vice Mayor.

Vice Mayor Smith: Thank you, Mayor. One thing is going to sound like a broken record here, and that is my desire would be to see rates that are in one case for predominantly retail versus a rate which is for predominantly non-retail event. I consider them quite different and our objectives are controlling the space and making sure it's fair market value are quite different from the two types of events. I'm still unclear as to where a predominantly retail event is, whether they I will fell out in the sieve or whether they are still with us and sitting on the plaza now. If they're still there --

Assistant City Manager Brent Stockwell: Vice Mayor, they fell out in the first sieve. But if you were



going to establish rates that are closer to that market for retail, it would be closer to that top level number because if you look at that on a per square footage basis, it's in the ballpark of what market rate retail would be for that area and takes into consideration it's still a little low because there's no roof over this area. You have to provide all your open stuff. So it's it's not really comparable. That's one of the things we took into consideration.

But on the retail sieve, that was one of the first things that went out in that impact criteria. So we deliberately didn't come back with rates if you plan to sell stuff or not because we recognize all events sell stuff to some degree and what we were trying to say is it your predominantly retail or is it predominantly an event -- an experience and entertainment.

Vice Mayor Smith: Okay. In that connection, if these are rates then would be predominantly non-retail oriented, I appreciate your explanation of the fact that there are other sources of funding from the tourism and whatever that may come in to underwrite some of these. That's good.

The other comment I would make -- I'm not trying to complicate this but I will. I would like to see some seasonality. Again to the point I made before, if they want to come, June, July, August we can give it to them for 10% of this rate. I think there's legitimate rate for relating these rates to the seasonality that's characteristic of our city. Thank you very much.

Mayor Lane: Thank you, Vice Mayor. Councilman Phillips.

Councilman Phillips: Thank you, Mayor. I'll agree with the seasonality thing. It only makes sense. When you are talking about rates comparable to one or another, I would think you would compare them to a comparable Scottsdale city. You wouldn't compare them to any city that doesn't have any events and wouldn't charge anything.

Assistant City Manager Brent Stockwell: That's absolutely correct. It's also something you have to think about within the valley cities, too, because some of those other cities don't have hardly any events and so they've set those lower no-cost events to stimulate that type of activity. Once that activity is stimulated, they see them doing the same type of conversations that we're having. Chandler then passes a new ordinance to address the proliferation of food trucks in their downtown because it's a conflict with bricks and mortar business. Chandler, their events aren't competing with the rest of the events. There might come a time when it is competitive. So you have to take that into consideration.

The market comparables we are looking at both nationally but Tempe clearly, Tempe Beach Park in downtown Tempe, those are things we are looking at. You have to make sure it's a comparable area. Tempe Beach Park is a larger area than any of these areas we have combined but you also need to take into consideration the exclusivity of this area.

When Cheryl and Karen sat down with event promoters to talk about the most important issues, one of the things that came through the Waterfront in particular is one of the best areas in the city. So we understand when you have to price that competitively. You also have to think about the prices that the Cultural Council charges for the use of this area. If we price the Waterfront below either at zero or even at 1200 and that's less expensive than this property over here, then we have the challenge where we are incentivizing events to go to the Waterfront rather than be held here at Civic Center Mall. That's also something that's counterintuitive to your manage services agreement with the Cultural Council which the Mayor said earlier expects them to maximize the revenue from these facilities. We tried to weigh in all these types of things.

But it's a judgment call on how much you want to do that and how much of the burden you want to shift. Seasonality, we can certainly do that. We applied an even factor of all of those across the entire year. What we could do is take nine months out of the year and apply a much lower factor and a higher factor in the three high months. Maybe this is the rate for the three high months and then we go lower for the other ones. But if that's something the council wants us to take into consideration, we certainly can. This is a little different because we didn't really bring this up. But I'm going to bring it up.

Councilman Phillips: It must have been the Thunderbird Arts. I don't know, it was Sunday. I had a friend of mine and his girlfriend who were down by the bridge and wanted to go over to a bar. They were told that had to go to Scottsdale road and go all the way around. Maybe he misunderstood.

Assistant City Manager Brent Stockwell: I heard the same thing, too. We do stipulate that access across the bridge remain open even if it's a paid event. But that's a good example of if that did happen –

Councilman Phillips: The city will reimburse him is what you are saying. Just kidding.

Assistant City Manager Brent Stockwell: We had a conversation with SRP before we started this process. They said the thought process -- that we got to the same point that SRP would get to for the use of the property that's theirs, that's the canal banks. These proposals are only for city owned or city-controlled property. We can't charge for SRP property.

That's the other thing you have got to take into consideration as well, and that's a little note that's at the very bottom there, that those fees don't take into consideration SRP license fees for use of the canal banks. If you think the 600 and 1200 are low, you have to add another 600, \$1,200 for the use of the SRP canal banks. That's something to take into consideration when you compare these rates with other rates that wouldn't have that type of thing.

Councilman Phillips: That's correct. You don't want to overcharge and nobody shows up. We want to make sure we don't jump the gun and go too much too fast. But in my parting comments, I'd like to say, number one, thanks for all the downtown associations for putting all their time and effort into this. This has been a long time coming. Thanks for the staff, all the work you guys have done. It's just untold hours -- it's unfathomable all the time and effort everybody has put into it and I appreciate it. Even the council we have met with people over and over and gone through this. We sit here tonight for four, five hours. Hey, whatever it takes because we're drafting a new ordinance here.

I think we're doing the right thing. I think we have had fantastic ideas and comments. We have something good going. I think all that time and effort was worth it. I'm tired but I think it was worth it. So thank you.

Mayor Lane: Thank you, Councilman Phillips. Councilwoman Klapp.

Councilwoman Klapp: I fully agree with the value of the bridge and the plaza and valuing it accordingly. I hope that we don't tie up the bridge too much because it's supposed to be a trolley bridge. And I think there's a lot of tourist that is like to ride across the bridge in the trolley. With that said, if someone is going to tie up the bridge, I think they should be paying for it.

I fully agree with the structure that you have here if you put some seasonality into it, it's probably good. I don't know if I would reduce the rates for nine months and have high rates for three. I think I would level it out a little bit more than that. But still in July and August -- June, July, August, and September, those are the really, really hot months where people don't tend to want to go down -- be outside as

much. I can see why that could be a time frame for reducing the rates.

Secondly, you had brought up -- and I also thought of this, that I'm not so concerned what other cities are doing, I'm more concerned are we going to compete with our own other venues that we have in the city? And you mentioned that we don't want to start charging a rate that may cause -- that may conflict with rates that are charged in the mall. WestWorld charges rates for different types of events that could be at WestWorld or at the Waterfront. There are different venues but, still, we need to be looking at our own internal rates. We charge some pretty hefty daily charges for use of the soccer fields. There are some good rates that we charge organizations that come in and have large events at the soccer fields. I don't think this is out of line with the kind of rates that are charged in other venues in the city. I just want to make sure that we're kind of comparable if WestWorld is charging a certain daily rate for an event that would be placed at WestWorld or here, where should we have the advantage? Should the advantage be at WestWorld or should it be at the Waterfront? I'm not sure that -- I'm sure that's something you are taking into consideration.

That's my main concern, that we look at all the rates we're charging for the various facilities we have or areas we have in Scottsdale to make sure that they all make sense in the scheme of this new rate schedule for these particular areas of the city. Overall, I think you did a good job with fleshing out the way it should be charged.

[Time: 04:30:07]

Mayor Lane: Thank you, Councilwoman. Councilwoman Milhaven.

Councilwoman Milhaven: One thing I might add, you talk about events could be eligible for bed tax. I know that there's sort of criteria that the TDC uses to say they would be eligible. I know there's also some money for startup events. So it might there be a way to write something into the ordinance that said if in the opinion of staff this would be eligible for bed tax money, that you could reduce the fee accordingly? That way we're not charging bed tax for the city to make money off of the bed tax? It feels like taking money out of one pocket and putting it in the other. It would not take advantage of bed tax and it would also simplify the process for an applicant where you could write in to say staff would have the authority if this were eligible form bed tax to reduce the fee accordingly.

Assistant City Manager Brent Stockwell: We can explore that. I think we're going to need to do some thinking through about that, how we might do it. But I understand what you are trying to say. The community benefit criteria and the event funding criteria are remarkably similar. There's alignment between those two. Something that starts to tick all the boxes on the list that Karen went through, it's also likely to tick all the boxes from that standpoint. I understand the nuance you have on how to use it to incentivize them if they meet certain criteria without using actually bed tax for that. We'll have to --

Councilwoman Milhaven: The other point is I do think it's important for us to look both regionally and nationally because events are going to choose how much more inconvenient is it for them to be in Tempe if Tempe's fees are out of line. I recognize the important of balancing it with the cost of local merchants but we need to balance that we are competing regionally and nationally for some of the better events.

Mayor Lane: Thank you, Councilwoman. I just wanted to add a little something to those last comments first. That is I think it's careful territory when we start talking about whether staff starts to make determinations on the use of bed tax and not going through the TDC. I think even though I do understand the nuances of what you are trying to accomplish. I think it's almost better if we leave it the way it is with the determination if they fall into that category.

Seasonality, I think it's is an important component. I'm all for that. When we talk about seasonality, we have two shoulder as soon as. That's certainly should be a different rate, possibly than the summer, our off season rate and our in season. I think those are important points.

Competition, I think the easiest way for us to make that assessment, I think you sort of say I can find examples that can prove it's too high and I can find examples where it's too low. I think the best example we have in somebody who has been operating in the marketplace and trying to maximize a return on city property through the contract, this is a Cultural Council. So I think that's probably as good a place to be looking toward what may be a competitive rate. I don't know if there's any seasonality particularly if it goes unused and where it could bring people in the downtown in the shoulder as soon as and off season.

Assistant City Manager Brent Stockwell: Mayor, we met with them last week to talk about that subject, about lining up those fees and looking at it.

Mayor Lane: Councilwoman Littlefield.

[Time: 04:33:50]

Councilwoman Littlefield: Thank you. I would like to thank all of you for spending your hours and your weekends and your nights and your days working on this so hard. You have done a fantastic job pulling the pieces together. And I want to let you know I appreciate it.

I would also like to just add to your workload now that I have said all that, I'd like to have as Councilwoman Korte suggested a copy of the numbers that you've been looking at for rates and fees and surrounding cities or comparable cities. I'd also like to see in Scottsdale how it compares and where we're going with that. I think that's important. And I think you need to be able to determine where we are on something like that.

I also like the seasonality. I think that summer months from June to September obviously not quite as attractive as now. So, you know -- but I'm thinking that the other cities like Tempe or Mesa or some of those, they would also have that kind of built-in seasonality in their rates and structures. If they do, I would like to see it. If they don't, I would like to see that, too. Thank you.

Mayor Lane: Thank you, Councilwoman. One thing I meant to mention as well, and that is some of the events that come to mind is Hashknife. There's not a big budget there for those folks and it's not a selling environment at all. And, yet, it is a preeminent kind of historical and western heritage and frankly it carries an awful lot of, I suppose, just history with it for us if we look at the cost and frankly if we charge them for the streets as they come into town, this could be really truly blow the socks off of that.

Assistant City Manager Brent Stockwell: I think you have to have them set so you can encourage what want and don't have what you don't want. You have to make sure you don't set them at such a point that you don't have the ability to refuse when events you don't want come in. That's why everything has to work together that we talked about together so that if you set your street rates too low, you might have people wanting to come in and close those streets all the time. And if the right criteria is in place to stop that, you can -- it can be a dangerous situation. I think that's where we a long, long time ago started talking about Parada and Hashknife and why I so quickly went to say because of the long history in this, if this is an event that we're some of the event that the city is organizing in whole or in part, we can help make that happen.

Mayor Lane: Councilman Phillips, did you have some comments?

Councilman Phillips: I just had a thought that maybe we could consider some of these events more like traditions because Parada has lots of tradition and maybe they can be looked at in a different way because of their Scottsdale traditions.

Mayor Lane: We might also want to remember that each of those things that was just named are also in line and frankly do receive bed tax dollars where they impact the criteria.

Assistant City Manager Brent Stockwell: Mayor, that's correct. Each one of those ones we have been talking about is gone through the community event funding process and have received funding. That's the mechanism we have in place. We got to be very careful from a gift clause perspective about if you have set the rate, if you start waiving it for some and not for others. Since you have all seemed to have concluded, I'm worried to tell you that there's still a few more.

Mayor Lane: We're telling you something.

[Time: 04:37:59]

Assistant City Manager Brent Stockwell: I will quickly go through that. We commit to getting you a more full packet that shows the rates and how they were determined and the comparable. Rest assured we did set fees for downtown streets and then also fees for streets citywide. So we'll get that matrix out. It's already in draft form. We just haven't had enough time to get everything done before tonight.

And really thinking through similar issues and also how do you encourage someone to use the minimum amount of space necessary from the event. In many cities, you'll find that they give a rate for a full mile closure. I can guarantee you we don't want to close a full mile of Scottsdale Road if we can get by with just closing a lane of Scottsdale Road. So when you see those per lane per mile, it's encouraging -- whereas if you are in near city in the valley that allows you to have the full street for \$1,000, what the heck, I will do the whole event on that street. We really thought about how to incentivize the right thing and discourage the wrong thing. We'll get that out to you shortly.

This also gives you a sense. This is highly arbitrary numbers. This assumes if we were to have continued events at the same levels what the possible income might be for you. But you can see that the changes in the review fees is a wash because we tried to make it easier for the events with low impact and keep the other ones the same. The other ones would raise more. The downtown event venues, because of their high quality and high attraction would raise the most of those things. I wouldn't go out and spend \$100,000 yet. We still need to do more work on that. That's the whole sieve all the way through. I'm going to turn it back to Karen here for just two quick things.

Tourism and Events Director Karen Churchard: Well, hopefully you can see through the process that we really looked at all the different concerns of the businesses primarily in downtown. We looked at our five-year strategic tourism plan. We talked to the tourism industry, event producers and so on and so forth. As we were going along we started making our list of what we needed to do in addition to bringing this draft ordinance to all of you.

And that is how can we implement this from a department perspective? So prior to the ordinance going -- being adopted, we really need to take some time to update the Web site, create online applications for the three application process we reviewed with you, create an online payment opportunity for them to do that, and then create a user guide which is really going to be the key to all of

us this of making it all really friendly and obviously updating the processes along the way.

Finally, our question to you as your next steps is we want to get direction from you. Do you want us to return on March 15th as was originally discussed or another date to be determined and, again, keeping in mind the things we need to do to be prepared for this new ordinance?

Assistant City Manager Brent Stockwell: Just a reminder, we have to do those things before the ordinance is adopted and before it goes into effect. It doesn't make sense to do all the work on the ordinance that you haven't signed off.

Mayor Lane: What's the intent as far as March 15th is bring back language and consolidation?

Assistant City Manager Brent Stockwell: We would take all of the ordinance language that you talked about tonight. We would bring it back in final form on March 15th and you would vote up or down on the new ordinance. There are -- and there also gives the opportunity for the public to come in and weigh on all of that because we have only had a limited amount of public that has been able to comment on this so far. The latest we would want to go into May and, of course, you have all the other things coming through your pipeline in that time frame because we need that time to get it in place before the fiscal year when the fees would conceptually go into place.

Mayor Lane: I would like to move on. May 15th, does that give you adequate time?

Assistant City Manager Brent Stockwell: March 15th.

Mayor Lane: Does that give you adequate time?

Assistant City Manager Brent Stockwell: I think based on the feedback and the direction you that you provided tonight, there's a few pieces we need to flesh out and I think we can turn those around in the next couple weeks and meet the item.

Mayor Lane: Agendize for regular meeting.

Assistant City Manager Brent Stockwell: Agendize for a regular meeting.

Mayor Lane: Deliberation on it. Yeah. All right. Very good. That completes -- I'm sorry, yes, Vice Mayor.

[Time: 04:43:00]

Vice Mayor Smith: First of all, I'd like to add to the comments that others have made, my appreciation for all the effort that all of you have put into it, as well as the public that has put a lot of effort into this. The only small point I want to make when you are updating the Web site or whatever, be sure that it is in some way user friendly for the public as well so that if they have concerns, there's an efficient way for them to communicate that. It becomes attached to the particular application. Make it as much as you can an interactive process. That will speed up the applications. Thank you, Mayor.

Assistant City Manager Brent Stockwell: We have 20 more pages of slides that were strictly supplemental. They addressed how we handled the petitions and other things. We knew those were issues you might want to talk about. What I would -- and we also gave you about ten pages of exams of fees. So you look at various events and what the fees would be applied under the existing structure.

But knowing when enough is enough, it seems to me that you can still -- it's way beyond. If there's something in those that you really need addressed on March 15th, please let us know sooner rather than later so we can craft that.

Mayor Lane: Let me also say the accolades from the beginning of the session, great job. Really. Thanks so very much for everybody who has participated in the process. So with that, I don't believe we have any other business.

**ADJOURNMENT**

[Time: 04:44:42]

Councilmembers: So moved.

Councilmembers: Second.

Mayor Lane: All right. We have a move and second. We are adjourned. Thanks again.