CITY OF PRESCOTT
Everybody's Hometown

AGENDA

PRESCOTT CITY COUNCIL
STUDY SESSION
Tuesday, April 19, 2016
1:00 PM

Council Chambers
201 South Cortez Street
Prescott, Arizona 86303
(928) 777-1100

The following Agenda will be considered by the Prescott City Council at its **Study Session Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending this meeting through the use of a technological device.

- **CALL TO ORDER**
- **ROLL CALL**

MAYOR AND CITY COUNCIL

Mayor Oberg	
Mayor Pro Tem Lamerson	Councilwoman Orr
Councilman Blair	Councilman Sischka
Councilman Lazzell	Councilwoman Wilcox

I. DISCUSSION ITEMS

A. Update on Upper Granite Creek Watershed and Watson Lake TMDLs and Stormwater Quality Monitoring Plan

B. Introduction and discussion of the draft Alternative Water Allocation Policy for the remainder of Calendar Year 2016

C. Discussion and public comment re a draft ordinance for implementation of a City business license and changes to transient merchant licensing requirements

D. Legislative Update

E. Requests for information re the April 19, 2016, Voting Meeting agenda items

II. ADJOURNMENT

EXECUTIVE SESSION

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- **(i) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));**
- **(ii) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));**
- **(iii) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));**
- **(iv) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. §38-431.03(A)(4));**
- **(v) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));**
- **(vi) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6);**
- **(vii) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).**

Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. §38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed $500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless City Council takes a legal action at a properly noticed open meeting to approve of such expenditures prior to incurring any such obligation or indebtedness. A.R.S. §38-431.07(A)(B).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on _____at _____m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

_____

Dana R. DeLong, CMC, City Clerk

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: STUDY SESSION 4-19-16

DEPARTMENT: Public Works

AGENDA ITEM: Update on Upper Granite Creek Watershed and Watson Lake TMDLs and Stormwater Quality Monitoring Plan

Approved By:		**Date:**
Director:	Hash, Henry	04/05/2016
City Manager:	McConnell, Craig	04/13/2016

Item Summary

On October 13, 2015, City Contract No. 2015-184 with Amec Foster Wheeler in the amount of $114,000.00 for Tasks 1-3 described below was approved by Council for work necessary to achieve City compliance with State of Arizona and EPA stormwater and TMDL (Total Maximum Daily Load) requirements. The contract specified five tasks:

Task 1	Outline an Action Plan for the Development of a Lake Management Plan
Task 2	Review of the Final Upper Granite Creek Watershed E.Coli TMDL
Task 3	Develop a Stormwater Quality Monitoring Plan
Task 4	Plan and Perform Data Collection Related to Watson Lake (scope and cost to be identified by future amendment)
Task 5	Development and Calibration of Granite Creek Watershed Model (scope and cost to be identified by future amendment)

Today's presentation will focus on Task 1, Outline an Action Plan for the Development of a Lake Management Plan, which contains 5 sub-tasks. This presentation is a contract deliverable.

Recommended Action: Presentation for Council information and discussion – no formal action is being requested to be taken at this time.

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: STUDY SESSION 4-19-16

DEPARTMENT: City Manager

AGENDA ITEM: Introduction and discussion of the draft Alternative Water Allocation Policy for the remainder of Calendar Year 2016

Approved By:	**Date:**
Water Resources Manager: Graser, Leslie	04/12/2016
City Manager: McConnell, Craig	04/13/2016

Item Summary

On November 10, 2015, Resolution No. 4310-1519 was adopted placing a temporary suspension on the allocation of alternative water supplies with certain exceptions. Resolution Nos. 4315-1524 and 4321-1530 were subsequently adopted to extend the suspension pending development of an updated water allocation policy. On April 12, 2016, the Water Issues Committee forwarded the attached Draft Alternative Water Allocation Policy for Calendar Year 2016 to the Council for consideration.

Attachments

1. Draft Alternative Water Allocation Policy for Calendar Year 2016

Recommended Action: For information and discussion – no formal action by Council required.

CITY OF PRESCOTT
ARIZONA

Alternative Water Allocation Policy
Calendar Year 2016

Resolution No. ____-____

Draft

Council Study Session

April 19, 2016

(Water Issues Committee Recommendation on April 12, 2016)

Introduction

The City of Prescott water service area is located within the Prescott Active Management Area (PrAMA) established under the Arizona Groundwater Code of 1980. The City manages its water resources in compliance with state laws, including management plans administered by the Arizona Department of Water Resources (ADWR), that establish water management strategies to help achieve the goal of safe-yield[1] by 2025. Effective in 1999, the PrAMA is also subject to the requirements of the Assured Water Supply[2] (AWS) program.

The City has maintained a Designation of AWS, the highest standing that a water provider can seek from ADWR, since 1999. The Designation and Order (D&O) of AWS is a legal document. Currently, the City water portfolio consists of 24,574.84 acre-feet/year (AF/yr), of which 9466.02 AF/yr is groundwater supplies and 7,041.42 AF/yr is alternative water supplies, water that is the "alternative" to groundwater supplies. City alternative water supplies include three blocks of water: reclaimed and surface water supplies within the AMA, and imported supplies from the Big Chino sub-basin. Currently, the imported supplies (8,067.74 AF/yr) are not connected to the existing infrastructure.

Since 1999, the City has allocated water supplies according to a Water Management Policy and has placed significant volumes into contracts or reservation. In 2015, a policy decision (Resolution No. 4271-1480) was made to reduce the annual alternative water budget from 200 AF to 100 AF to extend supplies until the forthcoming D&O modification. In mid-Calendar Year 2015, the City received requests for approximately 200 AF greater than the budgeted volume of 100 AF. To address this situation, Resolution Nos. 4310-1519 (Attachment 1) and 4315-1524 were adopted by Council to set forth a time period to review the active water requests, and develop necessary water management measures and allocation policies.

This water allocation policy, effective for the remainder of Calendar Year 2016, applies to available alternative water supplies only. Policy background and components are organized as follows:

Section 1 Prescott Active Management Area (PrAMA)
Section 2 City of Prescott Designation of Assured Water Supply (D&O)
- 2.a Alternative Water Supplies
- 2.b Summary of General Pool and Reservations

Section 3 City Code Sections 2-1-8, 2-1-12, and 10-1(Land Development Code)
Section 4 City Water Management Policy
- 4.a Background
- 4.b Water Allocation Policies for 2016

[1] Safe-yield: A groundwater management goal which attempts to achieve and thereafter maintain a long-term balance between the annual amount of groundwater withdrawn in an active management area and the annual amount of natural and artificial recharge in the active management area. (A.R.S.§ 45-561(12))

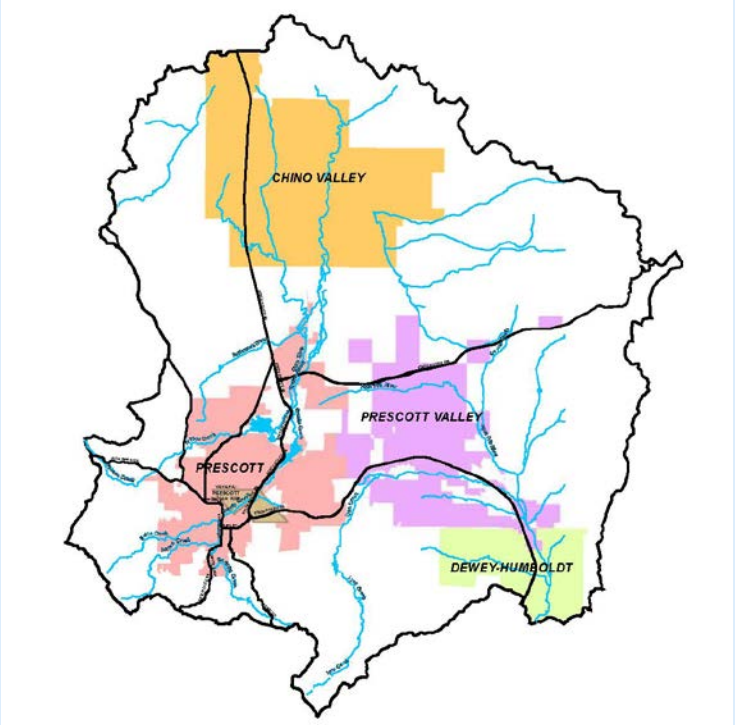
[2] Assured Water Supply: An Assured or Adequate Water Supply determination by ADWR is required for the following: To gain approval of a subdivision plat by cities, towns and counties. To obtain authorization to sell lots from the Department of Real Estate. (A.R.S.§ 45-576)

4.c Water Allocation Process
4.d Water Service Agreement Application
Section 5 Calendar Year 2017
Section 6 Additional Topics

Section 1 Prescott Active Management Area (PrAMA)

The City of Prescott water service area is located within the Prescott Active Management Area (PrAMA), Figure 1, established under the Arizona Groundwater Code of 1980. Prescott Valley, Chino Valley, Dewey-Humboldt, the Yavapai Prescott Indian Tribe Reservation,and some surrounding areas of unincorporated Yavapai County comprise the remainder of the Prescott AMA. The City is only one entity within the PrAMA, not the regulating authority, and accounts for about 8.6% of the land within the Prescott AMA.

Figure 1: Prescott Active Management Area



Through a series of management plans administered by ADWR, the 1980 Groundwater Code establishes water management strategies that emphasize conservation, replacement of existing groundwater use with renewable supplies, recharge, and water quality management by all users within the AMA to help achieve the goal of safe-yield[1] by 2025.

The PrAMA is also subject to the requirements of the Assured Water Supply (AWS) program. The City has maintained a D&O since 1999, which is periodically updated to reflect water resource availability. The City is currently operating under the 2009 D&O (ADWR AWS No. 86-401501.0001), with supplies remaining from the 2005 D&O.

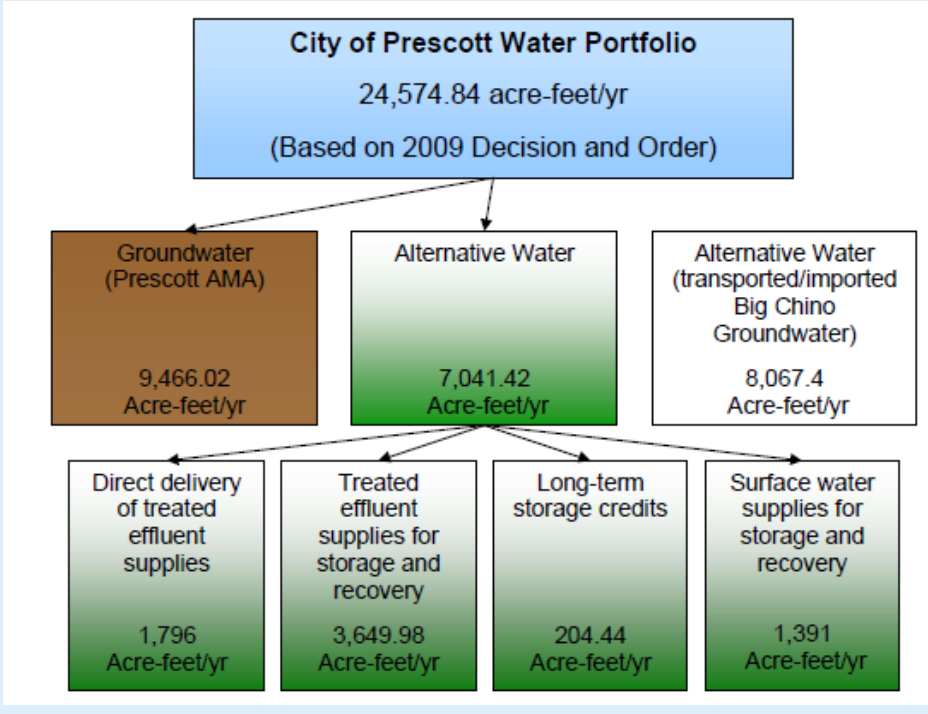
The City of Prescott has employed management tools and policies to meet the State's strategies for conservation (e.g. public education programs and tiered water rates), replacement of groundwater with renewable supplies (e.g. reclaimed water and purchase of Watson and Willow Lake reservoirs), recharge (City's facility has been operational since late 1980s), and water quality (efforts in conjunction with Arizona Department of Environmental Quality). Further,

the City of Prescott manages its water resources in compliance with Prescott AMA specific decadal management plans for reaching the AMA-wide goal of safe-yield. In September 2014, ADWR adopted the Fourth Management Plan (4MP) for the PrAMA. Requirements of the 4MP are effective January 1, 2017. Until then, the City and other regulated parties are subject to ADWR Third Management Plan. The City considers water management to be an important tool in implementing its overall growth planning and management policies, goals and objectives; and intends to manage its water resources accordingly.

Section 2 City of Prescott Designation of Assured Water Supply Document (D&O)

A Designation of Assured Water Supply is the highest standing that a water provider can seek from ADWR, and requires the demonstration that the supply will meet the following seven criteria: physical availability, legal availability, and continuous availability for 100 years, financial capability, water quality, consistency with the management goal, and consistency with the management plan. The types, sources, and volumes of water identified by the City's D&O, Figure 2, have changed over time. Note that this policy addresses only the sources of alternative water supplies shown in the green boxes of Figure 2 specifically labeled "Treated effluent supplies for storage and recovery", and "Surface water supplies for storage and recovery". At this time, these two volumes comprise the City's alternative supplies.

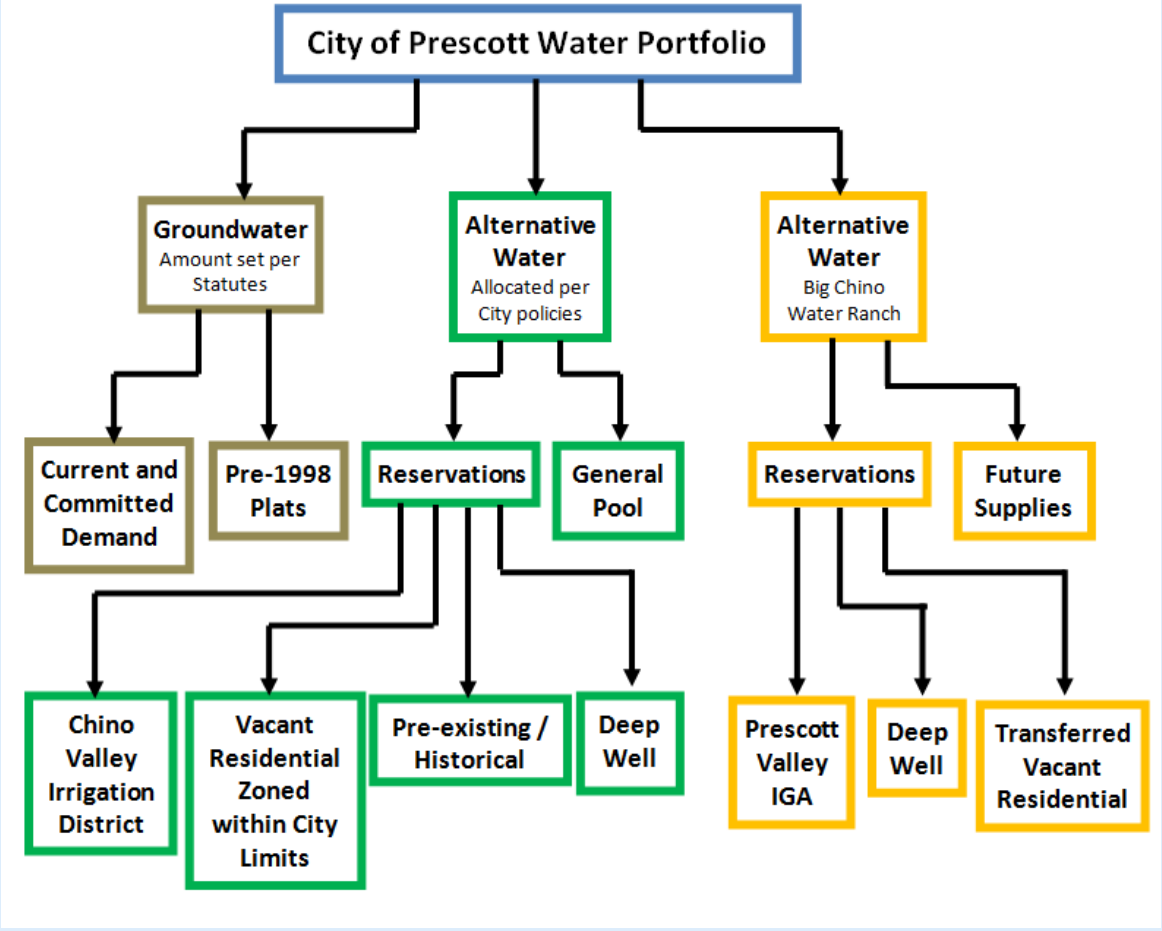
Figure 2: Diagram of the City's 2009 Decision and Order



Section 2. a. Alternative Water Supplies

Since 1999, the City has accounted for the alternative water supplies recognized in the D&O by water service agreement (WSA) contracts and reservations. The City's alternative water, water that is the "alternative" to groundwater supplies consists of reclaimed and surface water supplies within the AMA, and imported supplies from the Big Chino Sub-basin. Figure 3 provides a schematic of City supplies, including alternative water placed into contract from the General Pool or otherwise placed into specific reservations. Subcategories within the budgeting diagram are further described below. Note that this policy only pertains to the categories "Reservations" and "General Pool" shown in Figure 3.

Figure 3: Schematic of City Supplies



Section 2. b. Summary of General Pool and Reservations

General Pool: the volume of water that is available to be allocated in accordance with Prescott City Codes 2-1-8, 2-1-12, and 10-1. A specific quantity of the General Pool available for allocation may be budgeted by Council each calendar year.

Reservation: a volume of water set aside to meet a contractual agreement or for a specific designated purpose now or at a later date. Alternative Water Reservations include:

1. Chino Valley Irrigation District
    A. Intergovernmental Agreement, City Contract 1998-040.
    B. Reservation volume (for municipal and industrial only) 597.5 AF/yr
    C. As of March 23, 2016, WSAs have been written for 95.6 AF.
    D. The volume remaining in the reservation is 501.9 AF.
2. Vacant, residentially-zoned tracts[3] within City limits
    A. Not a contractual obligation
    B. Reservation volume 776 AF/year (adjusted in 2009, reaffirmed in 2015)
    C. As of March 23, 2016, WSAs have been written for 144.4 AF
    D. Resolution No. 4310-1519 transferred 200 AF of this reservation to the General Pool, and a new reservation of 200 AF was placed on the Big Chino Water Ranch supplies for this future use.
    E. The volume remaining in the reservation is 431.7 AF.
3. Pre-Existing / Historical
    A. The City was contractually obligated to provide water service outside of City limits to Prescott Riviera (Bk 294 Pg 439) , Rancho Vista Hills (Bk 1293 Pg 595), Ewin (Bk 222 Pg 554), and Iron Springs Water Improvement District (Bk 350 Pg 109).
    B. Reservation volume of 58.5 AF for 195 lots, currently under review.
    C. Since 2000, WSAs for 13.3 AF have been written leaving 45.2 AF in the reservation.
4. Deep Well Ranch
    A. City Contract No. 2010-086
    B. Reservation volume is 1,850 AF/yr (3 increments)
    C. As of March 23, 2016, WSAs have been written for 29 AF
    D. The volume remaining in the reservation is 1,821 AF

Section 3 City Code 2-1-8, 2-1-12, and 10-1 (Land Development Code)

Three sections of the Prescott City Code address City water service. They are briefly described below; refer to the full Prescott City Code for the complete texts.

[3] Tracts within City limits that have not been subdivided; they are not a subdivision lot within an platted subdivision. This reservation was based on a specific GIS query that required the land to be identified by DOR as vacant, residentially zoned in the 2006

2-1-8: Provision of water to areas outside of the City limits is contingent upon:

- (A) (1) – a previously entered into valid, contractual agreement
- (A) (2) – property fronting water main with certain requirements
- (A) (3) – pursuant to an intergovernmental agreement
- (B) – Rules and Regulations
- (C) – One residential water connection per parcel

2-1-12: Water Service Connection and meter installation

- (E) – identifies the types of projects within City limits that may require alternative water supplies
- (E) (1) – requires consistency with Water Management Policy
- (E) (2) – requires consistency with General Plan
- (E) (3) – requires consistency with applicable adopted plans
- (E) (4) – in accordance with duly adopted City water budget
- (E) (5) –identifies the Council to consider the overall intent and goals of the applicable plan or policy
- (E) (6) – identifies a variance or exception may be granted by the City Council

10-1: Land Development Code

- 7.4.8 – Assured Water Supply
- 9.10 – Subdivisions and Land Splits

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Section 4 City Water Management Policy

Section 4. a. Background

Since 1999, the City's policies have evolved based on available supplies, and existing and anticipated conditions. The following factors have lead to the need for the present policy update:

1. Beginning in 2010, the City extended the 2005-2010 Water Management Policy (as amended) for three primary reasons:

   A. Alternative water supplies remained available for allocation from the 1999 and 2005 Decision and Orders, yet this volume would be decreasing yearly as supplies were placed into contracts.

   B. As of 2010, the 2009 Decision and Order had not cleared legal challenges and would remain in litigation until September 2011.

C. Although the 2009 Decision and Order identified a new block of reclaimed supplies (1,471.98 AF) being available, the underpinning of those supplies was, in part, related to the importation of supplies from the Big Chino Sub-basin. Infrastructure is not in place to deliver this supply.

2. In 2010, a review of the City water portfolio was initiated to determine the status of all water contracts and any reservations that had been placed on alternative water supplies. The initial information from the review indicated that the alternative water budget for Calendar Year 2015, and subsequent years, would need to be reduced to ensure that only physically available supplies were allocated. These supplies include quantities remaining from the 1999 and 2005 D&Os, but only a portion of those projected in the 2009 D&O are actually available (approximately 92 AF/yr). The majority of reclaimed supplies (1,471.98 AF/yr) projected by the 2009 D&O have not been realized for the following reasons:

   A. Infrastructure to deliver imported alternative supplies from the Big Chino Sub-basin has not been constructed in the timeframe originally contemplated.

   B. The lack of imported water reduced the availability of corresponding reclaimed supplies available for future allocation.

   C. Over time, the number of City potable water connections has exceeded wastewater connections; therefore, the volume of return flows to the plants is less. Approximately 60% of the water delivered to customers is returned to the City wastewater treatment plants. This imbalance hinders maximizing recharge and recovery, a key underpinning for the City's alternative water supplies.

   D. Surface water supplies, which are seasonal in nature, have consistently not met the volumes projected in the 2005 and 2009 D&Os.

   E. To contribute to achievement of aquifer safe-yield, the City Charter (Proposition 400) requires permanent recharge of supplies used by annexations of 250 acres or more of property. This means that water supplied to development on such lands, and the wastewater generated, after treatment and aquifer recharge, cannot be recovered for subsequent use.

3. The Calendar Year 2015 alternative water allocation was budgeted at 100 AF; however, market conditions became favorable for land development, and by the third quarter of 2015, requests for approximately 300 AF had been received. To address this, Resolution No. 4310-1519, effective November 10, 2015, was adopted by Council to set forth a temporary 90-day suspension on new applications for alternative water, and to identify necessary policy changes. The suspension was extended by Resolution Nos. 4315-1524 and 4321-1530.

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Section 4. b. Water Allocation Policies for the Remainder of Calendar Year 2016

The policies are organized in three categories: 1) Overall Requirements; 2) Resolution No. 4310-1519, Exhibit A projects (Attachment 1); and 3) Reservations. This policy addresses requests for water identified on Exhibit A, water allocations associated with active building permits, and new (post suspension) water allocation requests through December 31, 2016.

Category 1: Overall Requirements

These overarching policies comprise the basic requirements for placing alternative water supplies into water contracts. Exceptions that apply or connections to other categories have been noted.

Policy 1A – The City Manager may direct any requests for alternative water to the City Council for approval. Residential requests of less than 4 dwelling units may be approved by the City Manager administratively; 4 or more units will require Council approval.

Policy 1B – Water allocation will remain at 0.35 AF and 0.25 AF per residential unit for Single Family Residential and Multi-Family Residential, respectively.

Policy 1C – A water demand analysis satisfactory to the Water Resource Manager may be required for non-residential uses to assure infrastructure and supply sufficiency.

Policy 1D - Water service agreement applications will be accepted with the submission of a complete building permit application, site plan application, or subsequent to a Planning Commission recommendation to the Council.

Policy 1E - Alternative water contracts that expire during Calendar Year 2016 will not be amended to increase the number of lots or volume of water. A one-time extension for one (1) year may be requested, however, there shall be no further entitlement to additional extensions or replacement with a new contract.

Policy 1F – For expired contracts, the associated volumes will be returned to the General Pool or original contractual reservation, as applicable.

Policy 1G – No lot splits shall be approved that require alternative water, with the exception of vacant, residentially zoned tracts identified in reservation (see Category 3), and Resolution No. 4310-1519, Exhibit A (Attachment 1).

Policy 1H – Alternative supplies shall not be allocated for uses that will not return 50% or more wastewater to the treatment plants (new turf, commercial agriculture, residential requests without sewer connection, etc.), with the exception of certain pre-existing/historical agreements (see Category 3).

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Policy 1I – For a project that exceeds the quantity of water available in the water budget, or requires greater than 50% of the remaining volume, the City will accept extinguished, pledged irrigation grandfather rights (Attachment 2).

Policy 1J – Any unallocated water remaining in the General Pool as of December 31, 2016, may be considered by the Council in setting the Calendar Year 2017 water budget.

Policy 1K – "Workforce Housing" is defined in City Code 10-1, Land Development Code Article 11. For the purposes of water allocation, this workforce housing shall be further defined as housing available to homebuyers earning incomes less than 120% of the median income for Prescott (Attachment 3).

Policy 1L- Contracts will be written with performance criteria to include, but not be limited to, a termination date appropriate for the type of project (large subdivision, single family home, etc.), which date shall not be extended. In the event of termination, the reservation for the entire property shall likewise be terminated.

Policy 1M – Water service agreement applications will expire one (1) year from the date of the application.

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Category 2: Exhibit A Projects

Category 2 is intended for projects identified on Resolution No. 4310-1519, Exhibit A. Projects are also subject to the Category 1 requirements.

<table>
<tr><th colspan="3">General Pool Balance = 479 acre-feet (AF)</th></tr>
<tr><td colspan="3">Set Asides</td></tr>
<tr><td>Contractual Obligation</td><td colspan="2">100 AF for use on lands identified by Bk 2099 Pg 666 and Bk 869 Pg751 (Bullwhacker Ranch Inc). The water will be set aside for three (3) years initially, after which the volume remaining will be reviewed.</td></tr>
<tr><td>Institutional Development</td><td colspan="2">55 AF to support ERAU campus. The water will be set aside for a period of five (5) years, after which the volume remaining will be reviewed.</td></tr>
<tr><th colspan="3">Remaining General Pool = 324 AF</th></tr>
<tr><td colspan="3">Available for Allocation</td></tr>
<tr><td colspan="3">1. Projects and allocations shall be divided among: Market, Workforce- includes ownership or rental property such as Multi-family and Apartments, and Commercial
2. Overall policies (Category 1) apply</td></tr>
<tr><td>Market</td><td>Workforce</td><td>Commercial</td></tr>
<tr><td>Quantity: 125 AF</td><td>Quantity: 100 AF</td><td>Quantity: 99 AF</td></tr>
<tr><td>A. Exhibit A projects have first priority until the end of Calendar Year 2016 or their application expires per policy 1l.
B. The quantity of 125 AF is capped for Calendar Year 2016.
C. Any remaining volume will be for only administratively approved projects through 2016.
D. No new lot splits (except those on Exhibit A)
E. After Exhibit A projects, no one project can use more than 50% of the remaining quantity.
F. If a project needs more that 50% of the remaining volume, see Policy 1i.
G. All projects must connect to City sewer immediately for allocation.
H. Project must meet all City Codes</td><td>A. Exhibit A projects have first priority until the end of Calendar Year 2016 or their application expires per policy 1l.
B. The quantity of 100 AF is capped for Calendar Year 2016.
C. After Exhibit A projects, any remaining volume will not be issued to congregate and assisted living facilities.
D. After Exhibit A projects, no one project can use more than 50% of the remaining quantity.
E. If a project needs more that 50% of the remaining volume, see Policy 1i.
F. All projects must connect to City sewer immediately for allocation.
G. Project must meet all City Codes</td><td>A. For commercial subdivisions or economic development
B. Water Demand Analysis
C. Must be approved by Council.</td></tr>
</table>

Category 3: Reservations

Reservations made by the City through contracts or other Council actions are unique. The Category 1 policies generally apply subject to the specific provisions thereof. Four such reservations are identified below.

1. The reservation for Chino Valley Irrigation District in place will not be modified by this Policy.

2. The reservation for Vacant, Residentially-Zoned Tracts within the City on January 22, 2016, was 431.7AF. Water from the current balance of this reservation is available for allocation subject to the following:
   A. Allocations will be made for those tracts identified in 2009 and reaffirmed in 2015, at the corresponding development densities and volumes.
   B. One allocation, up to the entire quantity reserved by the City, shall be available for each tract for which a reservation has been made, and formalized by a water service agreement. No subsequent incremental allocation for each such tract from said reserved quantity shall be made. Any remaining (unused) water for each such tract shall be returned to the General Pool.

   C. The total quantity reserved for vacant, residentially-zoned tracts shall be reduced by the quantity of fifty (50) acre-feet each year, with said reduction to be transferred to the General Pool, effective January 1, 2017, and on each subsequent anniversary date thereafter.

   D. Notwithstanding the foregoing, nothing shall preclude the owner of any developable property within the City or otherwise satisfying requirements of the City Code for water service from applying for alternative water that is available within a water budget adopted by the Council.

   E. Contracts shall require written performance criteria to include, but not be limited to, a termination date of not more than two (2) years, which date shall not be extended. In the event of termination, the reservation for the entire property shall likewise be terminated.

   F. A water service agreement application shall be submitted as outlined in Policy 1d.

   G. In the event that rezoning of a property identified as a vacant residentially zoned tract within the city limits increases the number of potential residential dwelling units, the reservation of water for said property shall not be increased at the time of such rezoning to reflect the additional demand corresponding to the increase in dwelling units; and any existing reservation shall remain in force (Resolution No. 4071-1141).

3. The reservation for Pre-Existing/Historic Agreements (Prescott Rivera, Rancho Vista, Ewin and Iron Springs) is 58.5 AF. As of January 22, 2016, the volume remaining is estimated to be 45.2 AF. This reservation remains under review.

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A. These pre-1998 contractual agreements will be issued water consistent with the agreement provision and all current City codes.

B. Once said reservation has been fully placed into contracts, no further water shall be available for development of the specified properties. The corresponding water service agreements shall not expire.

C. Portions of the areas specified by these contracts that have been annexed into the City are no longer subject to each such contract but rather to City Code 2-1-12.

D. If, during the remainder of Calendar Year 2016, this reservation is found to be unnecessary (is recognized to be eligible for current and committed groundwater supplies), then the reservation will be terminated.

4. The reservation for Deep Well Ranches was effective December 24, 2009, and set forth by City Contract No. 2010-086. As of January 22, 2016, the volume remaining is 1,821 AF (921 AF non-BCWR alternatives supplies, and 900 AF BCWR alternative supplies). As provided for by said contract, nothing shall preclude the Owner from applying, now or in the future, for additional water from any sources of the City made available for development within the City.

Section 4.c. Water Allocation Process

Allocation of the City's water for development is based upon all applicable City and State of Arizona codes, policies, and adopted plans. There are three potential pathways to water allocation, depending on the project. The City will determine the most suitable for each project from the following list:

1. Administrative Approval
    a. Water service agreement applications will be accepted with the submission of a complete building permit application.
    b. See Policy 1a and 1d.

2. Site Plan Review
    a. The Site Plan Review process is described in the Land Development Code Section 9.8.
    b. Water Service Agreement approval shall be required at the same time of Site Plan approval.
    c. To be approved, the WSA shall include the following performance criteria:
        i. A complete building permit application must be submitted within 1 year.
        ii. A one-time extension of six (6) months will be allowed, if requested in writing before expiration of the water contract
        iii. The project must be completed and a certificate of occupancy obtained within the time period specified in the WSA following issuance of a building permit.

iv. A one-time extension of one (1) year will be allowed, if requested in writing before expiration of the water contract.

d. If any of the performance criteria is not satisfied, the water allocation will expire and the water will return to the portfolio.

3. Subdivision Plat Review
    a. The Preliminary Plat Approval process is described in the Land Development Code Section 9.10.9.
    b. Water Service Agreement approval will be required by City Council at time of Preliminary Plat approval.
    c. If approved, the WSA will include the following performance criteria:
        i. A final plat must be submitted within 1 year of approval.
        ii. A one-time extension of six (6) months will be allowed, if requested in writing before expiration of the water contract
        iii. The project must be completed and a certificate of occupancy obtained within the time period specified in the WSA following issuance of a building permit.
        iv. A one-time extension of one (1) year will be allowed, if requested in writing before expiration of the water contract
    d. If any of the performance criteria is not satisfied, the water allocation will expire and the water will return to the portfolio.

Section 4.d. Water Service Agreement Application

New requests for water shall be made by submission of the updated form (Attachment 4). All applications shall expire in one year. All projects fee in effect at the time of the application shall also be paid as a condition of water service agreement approval.

Section 5 Calendar Year 2017

As identified in Resolution No. 4310-1519, "Any quantity of alternative water remaining from the projects described in Section 3, and for which water service agreements have been approved by the City Council as described in Section 4, shall be made available for future annual alternative water budgets as may be adopted by the City Council."

Section 6 Additional Topics

Resolution No. 4310-1519 also identified additional topics for research, discussion, and possible policy update. These items will continue to be addressed in Calendar Year 2016:

1. Determine the availability of alternative water corresponding to the 0.1AF markup on residential development, and manage this quantity separately to support commercial and industrial development.
2. Prohibit connection to City water without well abandonment.

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3. Prohibit well drilling on properties served/to be served with City water
4. Require new development to connect to City sewer, whether served by groundwater or alternative water (if not otherwise contractually entitled to water service).
5. Adopt City Codes changes, where required, to implement the foregoing actions
6. Continue to research and evaluate historical agreements for commitments to serve; determine whether some subdivisions or other allocations covered by historical agreements can be shifted to Current and Committed groundwater demand.
7. Review and adjust availability and pricing of water at the EZ Street water station.
8. Develop policy to accepting Assured Water Supply Certificates brought to the City (pledged IGFRs).
9. Review current allocation volumes of 0.35 and 0.25 AF (having already identified and removed the 0.1 AF markup for commercial/industrial) applicable to single family and multi-family residential, respectively, and determine the feasibility of modifying said volumes for water-conserving development.

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RESOLUTION NO. 4310-1519

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO AMEND ITS CURRENT WATER MANAGEMENT POLICY REGARDING NON-RESERVED ALTERNATIVE WATER SUPPLIES.

RECITALS:

WHEREAS, on December 30, 2009, the Arizona Department of Water Resources (ADWR) issued a Decision and Order delineating the City of Prescott water portfolio; and,

WHEREAS, the projections of alternative water supply incorporated within said ADWR-approved Decision and Order have not been achieved; and,

WHEREAS, applications for allocations of alternative water to serve new development have exceeded the amount made available by the City in its Calendar Year 2015 Alternative Water Budget; and

WHEREAS, the City deems it necessary to specify an interim period sufficient to perform a detailed evaluation and updating of the alternative water category of its overall water portfolio, during which time the acceptance of certain types of applications for allocations of alternative water will not be accepted.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

Section 1. THAT, effective November 3, 2015, the City of Prescott hereby suspends the acceptance of applications for alternative water for 90 days from the effective date of this Resolution, with the following exceptions:

a. Applications that have already been received and are subject to current rules for administrative approval (less than 4 dwelling units) may proceed and be approved if all other requirements are satisfied (building permit, etc.).

b. Applications subject to the Chino Valley Irrigation District (CVID) intergovernmental agreement.

c. Commercial/industrial applications, for which the volume of water available from the 0.1 acre-foot markup on residential allocations is to be determined and established as a separate bank for allocation purposes.

d. Applications for which the City is contractually entitled to provide water.

e. Other current applications for redevelopment that may require a minor quantity of additional alternative water to augment a currently recognized quantity of grandfathered groundwater.

Section 2. THAT, the reservation of 776.5 acre-feet of alternative water previously made by the City for future residential development within the city limits, 585.5 acre-feet of which remains presently available, shall be reduced to a reservation of 385.5 acre-feet.

Section 3. THAT, the 200 acre-feet of alternative deducted from the reservation described in Section 2, combined with 314 acre-feet remaining from the 1999 and 2005 ADWR Decision and Orders, shall be made available first to the projects identified by Exhibit "A" hereto, which projects shall be evaluated and prioritized in the following descending order: workforce housing, and apartments/multi-family housing.

Section 4. THAT, performance criteria pertaining to achievement of milestones for delivery of the projects for which alternative water has been requested, shall be developed by staff and included in all water service agreements prepared for consideration by the City Council.

Section 5. THAT, any quantity of alternative water remaining from the projects described in Section 3, and for which water service agreements have been approved by the City Council as described in Section 4, shall be made available for future annual alternative water budgets as may be adopted by the City Council.

Section 6. THAT, this Resolution shall in no way delay or prevent the City from issuing other permits or approvals required for land development or from reviewing applications for alternative water already filed.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this 10th day of November, 2015.

CHRIS KUKNYO, Mayor Pro Tem

ATTEST:

DANA R. DeLONG, City Clerk

APPROVED AS TO FORM:

JON M. PALADINI, City Attorney

Table 1. Projects with a WSA application submitted

WSA Application No.	Applicant	Project	Volume Requested (ac-ft)	Market (80 ac-ft)	Workforce (20 ac -ft)	Alt. Water Reservations (ac-ft)
14-007	SJ Holms, LLC	4 multifamily dwelling units	1.0	X		
14-009	ERAU	New 66 unit residence hall, 15 AF of increased water use since 1997, and campus build out.	32.5-95.8[1]	X		
~~15-001~~	~~Rock Lane Partners~~	~~70 unit apartment complex~~	~~14~~[2]	X		
15-003	Mendel	Single family residence from lot split	0.35	X		
15-005	Ryan	Single family residence	0.35	X		
15-006	Orefice	8 unit apartment complex	2.0	X		
15-007	Moody	Single family residence from lot split	0.35	X		
15-008	Schnitzius Family Trust	Single family residence from lot split	0.35	X		
15-009	LKD Housing Ventures	Single family residence	0.35			X
15-010	James 110 Investments, LLC	286 lot subdivision (former Centerpointe South)	100.1	X		
15-011	Hassayampa Holdings of Prescott, LLC	101 unit apartment complex	25.25	X		
15-013	Territorial 12 LLC	12 condominium units	3	X		
15-014	Diversified Development, LLC	253 unit apartment complex	63.25	X		Evaluating possible contractual entitlement (1974 agreement)
15-015	Randy Thomas	Additional demand to current groundwater allocation	1.5	X		
15-016	Robert Beyea	Relocation of duplex to create 1 SFR and a duplex on same lot.	0.5	X		
15-017	Kevin Randle	21 multifamily dwelling units.	5.25	X		
Total			**>235.75**	**>235.75**	**0**	**0.35**

Table 2. Other projects presented to PAC for which WSA applications have not been submitted

PAC No.	Applicant	Project	Proposed			
			Volume Required (ac-ft)	Market (80 ac-ft)	Workforce (20 ac-ft)	Alt. Water Reservations (ac-ft)
15-077	Land Resource (SLF, III-Storm Ranch)	410 single family units	143.5(65 ac-ft additional)[1]	X		City Contract No. 2008-013 for 79.45 ac-ft (expires 7/10/2017).
15-089	Paul Armenta	New apartment complex	3.5	X		
15-102	Robert Tubbert	Mountain Dream Apts	1.0	X		
15-106	Giving Tree Wellness Center	Greenhouses for medical marijuana	TBD*	X		
15-108	Diocese of Arizona, Inc	Chapel Rock Baseball Field	TBD*	X		
15-009	Sims Family Trust	Lot Split	0.35	X		
15-112	Judy Numbers	Convert racket club to condos	1.5	X		
15-114	I. D. Investors, LTD	Remodel 6 units at Ridge Retreats	1.5	X		
Total			**>151.35**	**>151.35**	**0**	**79.45**

[1] The applicant has proposed an increase from 227 units to 410 units. The applicant is reviewing options for augmenting the quantity of water beyond that specified by City Contract No. 2008-013 (approximately 65 ac-ft more).

[2] This range of water corresponds to the 253 to 280 apartment units identified in the PAC application. Note that if developed as a PAD, the maximum number of units would be 294.

*Subject to additional information from applicant.

ATTACHMENT 2

Acceptance of Extinguishment Credits

Water Resource Management Division
201 S. Cortez St., Prescott, AZ 86303
(P) 928.777.1645 (F) 928.777.1255

Any applicant for development and/or water service within the City of Prescott water service area may acquire and present for consideration sufficient "extinguishment" credits to support their development. The volume of the credits will be required to meet the calculated 100-year demand for water.

What are extinguishment credits?

Extinguishment credits are generated when a grandfathered groundwater right is extinguished. The extinguished right can never be used again; however, the credits generated can be pledged to the City of Prescott (because they have a Designation of Assured Water Supply) to support the water requirements of a development. This policy allows for a developer to provide the water necessary to supply a development that is served via the City of Prescott water/wastewater infrastructure.

How many extinguishment credits are required for my project?

1. Determine the annual water demand of your project based on the following allocations:
    a. Single family residential: 0.35 AF/yr/dwelling unit
    b. Multifamily residential: 0.25 AF/yr/dwelling unit
    c. Commercial: determined per project based on Water Demand Analysis
2. Determine the 100 yr water demand of your project based on the following allocations:
    a. Multiply the annual water demand by 100 years.
    b. This is the volume of extinguishment credits that will be required to be pledged to the City of Prescott.
3. Examples:

A forty-five lot subdivision:

1. Determine the annual water demand of your project based on the following allocations:
    a. Single family residential: 0.35 AF/yr/dwelling unit
    b. 0.35 AF/yr * 45 single family dwelling units = 15.75 AF/yr
2. Multiply your annual water demand by 100 years.
    a. 15.75 AF/yr * 100 yrs = **1575 AF**

100 unit apartment complex:

1. Determine the annual water demand of your project based on the following allocations:
    a. Multifamily residential: 0.25 AF/yr/dwelling unit
    b. 0.25 AF/yr * 100 multifamily dwelling units = 25 AF/yr
2. Multiply your annual water demand by 100 years.
    a. 25 AF/yr * 100 yrs = **2500 AF**

How do I locate extinguished credits that are not yet pledged?

The Arizona Department of Water Resources Office of Assured and Adequate Water Supply should be contacted for a current list of Unpledged Assured Water Supply Credits for the Prescott Active Management Area:

- Phone: 602-771-8599
- Email: assuredadequate@azwater.gov

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ATTACHMENT 3

CITY OF PRESCOTT ARIZONA

Workforce Housing
Water Resource Management Division
201 S. Cortez St., Prescott, AZ 86303
(P) 928.777.1645 (F) 928.777.1255

This information sheet describes workforce housing as it relates to City Codes and City Water Policy. City documents, such as the General Plans, have consistently identified the need for workforce housing within City limits.

What is workforce housing?

"Workforce housing" is defined in City Code 10-1, Land Development Code, Article 11 as

> Housing developed with a household income paying no more than 30% of gross family income for mortgage, insurance and homeowner association fees or for rent and utilities; or which earns up to 60% of the Area Median Income of Yavapai County for multi-family rental housing; or 80% for single-family owned housing and that restricts student use per Section 42 of the Internal Revenue Code in accordance with the Internal Revenue Code and Arizona Department of Housing Guidelines.

For the purposes of water allocation, specific to single-family owned housing, it shall be defined as to be available to homebuyers earning incomes less than 120% of the median income for Prescott for family of four as defined by U.S. Census Bureau, and the mortgage payments for said housing shall not exceed one-third of the homebuyer's income.

What information source is used by the City for determining the median income for Prescott?

The City references the data assembled by the U.S Census Bureau, American Fact Finder, which is located on the web at http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF

The most recent data can be located by selecting, Community Facts, and then Selected Economic Characteristics – 2010-2014 American Community Survey 5-year Estimates. Within the table that is provide the subject heading is INCOME AND BENEFITS (IN 2014 INFLATION-ADJUSTED DOLLARS), Median household income dollars. See Attachment 1.

Housing price to meet workforce requirements?

Median Household Income (dollars) X 120%	$53,482 X 120% = $64,178.40
HOUSING PRICE: Mortgage not to exceed one-third of $64,178.40	$64,178.40 X 3 = $192,535.20

NOTE: SUBJECT TO CHANGE WITH U.S. CENSUS BUREAU UPDATES

Need more information or assistance?

Community Development
201 S. Cortez
(928) 777-1205

Water Resource Management
201 S. Cortez
(928) 777-1645

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[WSA16-_____]

ATTACHMENT 4

WATER SERVICE AGREEMENT APPLICATION

Water Resource Management Division
201 S. Cortez St., Prescott, AZ 86303
(P) 928.777.1645 (F) 928.777.1255

Please complete the form and submit a legible legal description on a separate sheet of paper as well as a site plan of the subject property with proposed improvements. Submit all documents and the filing fee directly to the Community Development Department at 201 S. Cortez St, Prescott, AZ 86302.

APPLICANT INFORMATION

Applicant: _____ Contact Person: _____
Address: _____ City/State/Zip: _____
Phone: _____ Email: _____

Property Owner: _____ Contact Person: _____
Address: _____ City/State/Zip: _____
Phone: _____ Email: _____

PROJECT SITE

Address: _____
Current Zoning: _____ Proposed Zoning: _____
Assessor's Parcel Number(s) of Existing Property
_____-_____-_____ _____-_____-_____ _____-_____-_____ _____-_____-_____
Existing Water Service (Y/N): _____ Existing Sewer Service (Y/N): _____
Existing Well (Y/N): _____ If Yes, Well Registry No.: _____

PROJECT DESCRIPTION

Is the project Residential or Commercial? _____
Please provide brief description: _____

# of Proposed Units: _____ # of Proposed Lots: _____

Has a Water Demand Analysis been completed (commercial)? _____
Has a building permit application been submitted? _____
Has a Planning and Zoning Recommendation been made? _____

FEES: Fees are subject to change.

☐ $	Single Family Residence	☐ $	Multi-Family Residence, Mobile Home Park
☐ $	Residential Subdivision	☐ $	Commercial Subdivision
☐ $	Commercial Project	☐ $	Change of Use

Applicant Signature: _____ **Date:** _____

OFFICE USE ONLY			
PERMIT #: WSA16-_____	FEE PAID:	Trak It:	Legal Attached:

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WATER ALLOCATION CRITERIA SYSTEM

Effective December 31, 1998, all residential development within the City's water service area desiring to utilize the City's water system and not having a 100 year Assured Water Supply certification, shall be required to obtain a Water Service Agreement (WSA). Such an agreement shall be required as part of the approval of a preliminary subdivision plat, including commercial and residential subdivisions, or the amendment of a previously approved preliminary or final subdivision plat in which the amendment increases the number of residential lots or residential units. Such an agreement shall also be required prior to the issuance of any building permit for multiple family housing (defined as two or more residential units), mobile home parks, residential subdivisions approved by other governmental jurisdictions, or any other residential development not subject to the City of Prescott's preliminary and final subdivision platting approval process.

Water service shall only be made by agreement approved by the Prescott City Council for four (4) or more lots, or Administered by staff for 1-3 lots. Such agreements may set forth the terms and conditions of water service, including, but not limited to: volume of approved water; time periods to use or lose the water allocation; third party approval requirements; City sewer use and effluent ownership and use rights; any special fees or assessments; and stipulations and requirements regarding the use of the property to be developed as set forth in a residential development plan. Agreements for water service shall only be approved within the limits of the approved Prescott Water Budget, unless amended or waived by the Prescott City Council.

Agreements for water service shall only be approved for residential development plans, or for a commercial/industrial projects determined by the Prescott City Council to be in compliance with all applicable City development regulations, to be consistent with and conform to the City's adopted General Plan, and to be consistent with and conform to any and all adopted and applicable plans:

(A) Specific Area Plan;
(B) Neighborhood Plan;
(C) Local Historic District Plan;
(D) Circulation Plan;
(E) Open Space, Trail, Park or Recreation Plan;
(F) Growth Planning or Growth Management Plan;
(G) Capital Improvement Plan;
(H) Redevelopment Plan; and/or
(I) Other adopted, applicable City Plan or Policy.

In determining whether a development is consistent with and conforms to the General Plan and any of the identified other applicable and adopted plans or policies, the overall intent and goals of the applicable plan or policy shall be considered, and the development plan shall also be evaluated as to whether it furthers the implementation of, and is not contrary to, the policies, goals, objectives, strategies and applicable elements of the plans and policies.

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[WSA16-_____]

CITY PLANS EVALUATION

City Council policy is that water service be evaluated for given projects that are consistent with and further the implementation of adopted City Plans. These include the 2015 General Plan, Specific Area Plans, Historic District Plans, Circulation Plans, Neighborhood Plans, Overlay Districts and Open Space and Trail Plans. Some examples of activities that would be consistent with and further the implementation of plans are:

2015 GENERAL PLAN
Protection of natural features Work force housing
Creation of employment that exceeds Yavapai County median wage Continuation or creation of public trails
Provision of alternative transportation amenities such as bike tacks and bus pull-outs
Provision of pedestrian amenities such as sidewalks separated from roads and paths and walkways connecting neighborhoods.

CIRCULATION PLANS
Street extensions consistent with a plan
Provision of additional emergency access
Creation of shared access points Minimization of curb cuts
ROW landscaping
Provision of traffic calming devices

DOWNTOWN MASTER PLAN
Compatible architecture
Establishment of street tees
Setbacks consistent with a block
Mixed uses such as residential above retail

SPECIFIC AREA PLANS
Consistent land use or rezone to recommended use Street creations or extensions
Infrastructure extensions Protection of natural features
Preservation of open space consistent with plan

UTILITY PLANS
Water Model & Master Plan (Main extension, main size, storage & pumping)
Sewer Model & Master Plan (Main extension, main size, pretreatment, pumping, etc.)

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CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: STUDY SESSION 4-19-16

DEPARTMENT: Finance

AGENDA ITEM: Discussion and public comment re a draft ordinance for implementation of a City business license and changes to transient merchant licensing requirements

Approved By:		**Date:**
Director:	Woodfill, Mark	04/05/2016
City Attorney:	Paladini, Jon	04/05/2016
City Manager:	McConnell, Craig	04/13/2016

Item Summary

This is the continuation of the 4/5/2016 discussion of an ordinance to implement a City business license, and related changes to transient merchant licensing requirements.

The process to date, and updated milestones forward, are as follows:

Introduction and Outline of Process	2/2/2016
Discussion of Program	3/1/2016
Introduction of Draft Ordinance	4/5/2016
Discussion of Ordinance; Public Comment	4/19/2016
Public Comment; Adoption of Ordinance	5/3/2016
Implementation of Program	5/4/2016 – 11/30/2016
Ordinance Effective	6/2/2016
Business Registration	12/1/2016 – 1/31/2017
Effective Date of Special Event Changes	1/1/2017

Attachments

1. Draft Ordinance
2. Annotated City Code section dealing with transient vendors
3. Slide of changes to peddler solicitor requirements

Recommended Action: Discussion, public comment, and direction as deemed appropriate re the draft ordinance and code changes.

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA AMENDING PRESCOTT CITY CODE TITLE IV (BUSINESS REGULATIONS) BY ADOPTING A NEW CHAPTER 4-6 (BUSINESS LICENSES AND MISCELLANEOUS BUSINESS REGULATIONS).

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. That a new Chapter 4-6 of Title IV of the Prescott City Code is hereby adopted as follows:

4-6-1 Definitions.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

(a) “Business” activities or acts engaged in or caused to be engaged in with the object of gain, benefit or advantage, or consideration either directly or indirectly; and shall include any trade, game or amusement, calling, profession, occupation or performance of services whether engaged in for profit or not for profit.

(b) “Casual activity or sales” means a transaction of an isolated nature made by a person who neither represents himself to be nor is engaged in a business for which a license is required. The sale, rental, license for use, or lease transaction concerning real property shall not be treated, or be exempt, as casual. Examples of casual activities or sales include but are not limited to:
  (1) Individuals engaging in private sales activities, such as the sale of a personal automobile or yard sale, on no more than three separate occasion during any calendar year.
  (2) Persons under the age of 18 years engaged in part time or seasonal employment while still attending school full time.

(c) “Delivery” includes wholesale or retail deliveries.

(d) “Person” includes all individuals and legal entities which may, under applicable law, conduct business.

(e) “Profession” means any occupation which requires advanced learning acquired by a prolonged course of specialized intellectual instruction or which involves original or creative work depending primarily on invention, imagination, or talent, including, but not limited to, accountants, architects, artists, attorneys, dentists, doctors, medical technicians, nurses, engineers, surveyors, and veterinarians.

(f) “Separate business location” means a different physical address or branch location of the same business or franchise. A single business occupying more than one suite in the same building does not constitute a separate business location.

(g) ”Special event” means any fair, parade, march, motorcade, ceremony, show exhibition, procession, festival, street dance, circus, carnival, concert, performance, rodeo, organized race, seasonal/holiday sales lot or other temporary activity which invites public participation and patronage (with or without charge) whether held on public or private property. Special events do not include block parties or private events to which the public is not invited or allowed to participate.

(h) “Special event sponsor/promoter” means an individual who promotes, schedules, contracts for, or otherwise arranges for a sales event, show, exhibition or any other public event where other individuals gather to sell, show, exhibit, display, entertain or in any other way render services to the general public.

(i) “Vendor” means all activities or acts, personal or corporate, engaged in and caused to be engaged in with the object of gain, benefit, or advantage, either direct or indirect. The term "vendor" shall include any trade, business, game, amusement, calling, profession or occupation.

4-6-2 License required; exemptions.

(a) All persons engaging in any business, occupation or profession within the City, including businesses located outside the City limits, except for those persons specified in subsection (b), shall be required to obtain a business license pursuant to this article and to pay an annual license fee.

(b) The following persons, when engaging in activities subject to the following licensing provisions, shall not be required to obtain a license:
  (1) Casual activity or sales.
  (2) Churches as religious institutions engaged solely as a place of worship.
  (3) Schools whether public or private.
  (4) Governmental entities, whether federal, state or municipal.
  (5) Political organizations and homeowner associations as defined and registered by the Internal Revenue Service (IRS).
  (6) Businesses physically located outside the municipal limits whose only contact within the City is the delivery of pre-ordered goods.
  (7) Any person who engages in a business, occupation or profession for which a City license is required only as an employee of or as an independent contractor for another person or entity which holds a City license for such business, occupation or profession.
  (8) All exemptions granted pursuant to the Arizona Revised Statutes.

(c) It is unlawful for any person to practice, transact or carry on any business within the municipal limits of the City without first having procured a license from the City to do

so, or without complying with any and all regulations of such business designated in this article.

(d) A separate license shall be obtained for each branch or separate place of business and for each business transacted or carried on at the same place or location. Each license issued shall authorize the licensee to practice, transact and carry on only that business set forth on such license and only at the location or place of business described thereon.

(e) A single license will be required for multiple professionals co-located at a single business address.

(f) Special event vendors and sponsor/promoters are required to obtain a business license, unless already possessing an annual license to operate in the City. All vendors and sponsor/promoters must also comply with the City Tax Code. In addition, all special event sponsor/promoters shall furnish a list of all vendors participating in the event, including information requested by the Finance Department, within 10 days of the close of the event.

4-6-3 Application and Issuance; approvals required

(a) Every person seeking a business license must complete an application and furnish the information requested by the City. The City reserves the right to request any information deemed necessary to insure public safety and the collectability of license fees. Refusal to provide any requested information is grounds for denial of license.

(b) If the business is to be located within the City limits, the application may require approval by the appropriate department(s) prior to the issuance of a business license.

4-6-4 License term and fees; penalties.

(a) The license fee shall be set by resolution.

(b) The business license shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee.

(c) Proration of license fees is not allowed.

(d) The annual license renewal fee is due on or before January 1st of each year and delinquent if not paid and received on or before the last business day of January.

(e) The annual license fee is subject to a 50% penalty if the annual license fee is not paid within 30 days of beginning business within the City. The annual license fee is

delinquent and subject to the 50% penalty if not paid and received on or before the last business day of January.

(f) Penalties may be waived in accordance with City departmental policy.

4-6-5 Cancellation, revocation, or denial of business license

(a) A business license issued under this chapter may be cancelled or revoked at any time during the term of such license, or the application or renewal may be denied if the City or its designee determines that a person or entity owning or operating the business or an employee of the business has violated one or more of the following:
  (1) Failed to provide complete and accurate information of the applications required by this chapter; or
  (2) Failed to renew business license when required;
  (3) Failed to pay the business license fees in full when due and payable; or
  (4) Violated or is not in compliance with either Prescott City Code, Prescott Land Development Code, or the Arizona Revised Statutes;
  (5) Been determined by the City to owe delinquent City Transaction privilege taxes, or and other delinquent fees payable to the City.

(b) A notice of cancellation or refusal to issue or renew, or the revocation of an existing license will be given to the applicant(s) and licensee(s), specifying the nature of the violation(s). Notice shall be delivered or mailed to the address of the applicant(s), licensee(s), or statutory agent(s), as shown on the current business license application. The giving of notice shall be completed upon the date of mailing or delivery.

(c) No business license revoked or cancelled pursuant to this section shall be reinstated until the cause for cancellation has been fully rectified and a new fee collected.

(d) It is unlawful for any person to continue to engage in or conduct any business within the City upon the revocation or non-renewal of that person's business license until the license required by this Chapter has been secured. In the event a person violates this subsection, the City may seek, in addition to all remedies available in this Code, an injunction in the Yavapai Superior Court enjoining the violator from engaging or continuing in business within the City until such person has complied with this Article.

4-6-6 Nontransferability; display

(a) Business licenses are not transferable.

(b) Every licensee under this article shall display the license conspicuously at the applicable place of business and shall upon demand display the same to the City

police or other designee of the City. If the licensee does not have a place of business within the City limits, the license shall be kept on the person conducting the licensee's business.

4-6-7 Compliance with other laws.

The granting of a license is not deemed as evidence or proof that the business is in compliance with the provisions of this article or other ordinances of the City, nor shall it stop the prosecution by the City for any such violations of this Code.

SECTION 2. Any person who violates any provision of this Chapter shall be guilty of a misdemeanor, and upon conviction thereof shall be punished as provided in Section 1-3-1 of the Prescott City Code. Each and every day any such violation continues shall be deemed and considered a separate offense.

SECTION 3: That the Mayor and staff are authorized to take any action necessary to enact this Ordinance.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this _____day of _____, 2016.

_____
HARRY B. OBERG, Mayor

ATTEST:

_____
DANA R. DeLONG, City Clerk

APPROVED AS TO FORM:

_____
JON M. PALADINI, City Attorney

CHAPTER 4-4: PEDDLERS, ~~;~~ SOLICITORS; ~~TRANSIENT MERCHANTS~~

SECTIONS:

4-4-1: DEFINITIONS:

4-4-2: LICENSE REQUIRED:

4-4-3: EXEMPTIONS:

4-4-4: APPLICATION:

4-4-5: RELIGIOUS, CHARITABLE AND OTHER FEDERALLY EXEMPT ORGANIZATIONS; EXEMPTION:

4-4-6: ISSUANCE:

4-4-7: FEES:

4-4-8: BONDS:

4-4-9: LOUD NOISES AND SPEAKING DEVICES:

4-4-10: USE OF STREETS:

4-4-11: EXHIBITION OF LICENSE:

4-4-12: DUTY OF POLICE TO ENFORCE:

4-4-13: RECORDS:

4-4-14: REVOCATION OF LICENSE:

4-4-15: APPEAL:

4-4-16: REAPPLICATION:

4-4-17: EXPIRATION OF LICENSE:

4-4-18: PENALTY:

4-4-19: FEES ARE IN ADDITION TO TRANSACTION PRIVILEGE TAX:

4-4-20: SEVERANCE CLAUSE:

4-4-1 DEFINITIONS:

When used in this Ordinance, the following terms have the following meanings:

~~FEDERALLY EXEMPT ORGANIZATION: An organization which has received a determination or exemption, or qualifies for such exemption, under 26 USC section 501(c) and rules and regulations of the Commissioner of Internal Revenue pertaining to same.~~

~~ORGANIZED SHOW~~SPECIAL EVENT-VENDOR: Includes any person, whether a resident of the City or not, who engages in a temporary business of fabricating, displaying, or selling goods or handcrafted objects, curios

and textiles, and who in furtherance of such purpose occupies a space, stall, booth or other temporary structure on location in conjunction with, associated with, or attendant to a special event. ~~an organized show such as a fair, convention, celebration, promotion or other public gathering, which organized show is not longer than fifteen (15) days in duration. An organized show is a show sponsored by a charitable, religious, or other nonprofit organization which has obtained a permit under this Chapter for such show.~~

PEDDLER: Any person, whether a resident of the City of Prescott or not, who goes from house to house, from place to place, or from street to street, conveying or transporting goods, wares or merchandise or offering or exposing the same for sale, or making sales and delivering articles to purchasers.

PORTABLE SIGN: Any sign not permanently affixed to the ground or the structure on the site it occupies.

SIGN: Any device for visual communication which is used to or intended to attract the attention of the public for business or professional purposes, when the display of this device is visible beyond the boundaries of the property upon which the display is located. The term "sign" shall not include any flag or badge or insignia of any government or governmental agency. The term "sign" shall not include the displays or advertising devices in a merchant's window or within the interior of a building.

SOLICITOR: Any person, whether a resident of the City of Prescott or not, who goes from house to house, from place to place, or from street to street, soliciting or taking or attempting to take orders for sale of goods, wares or merchandise, including magazines, books, periodicals, or personal property of any nature whatsoever for future delivery, or for services to be performed in the future, whether or not such individual has, carries or exposes for sale a sample of the subject of such order or whether or not he is collecting advance payments on such orders. Such definition includes any person who, for himself, or for another person, hires, leases, uses or occupies any approved building, structure, room in hotels or motels, shops or other approved structures within the City for the primary purpose of exhibiting samples and taking orders for future delivery.

SPECIAL EVENT: Any fair, parade, march, motorcade, ceremony, show exhibition, procession, festival, street dance, circus, carnival, concert, performance, rodeo, organized race, seasonal/holiday sales lot or other temporary activity which invites public participation and patronage (with or without charge) whether held on public or private property. Special events do not include block parties or private events to which the public is not invited or allowed to participate.

STRUCTURE: Any object constructed or installed by a person, having a permanent location on the ground.

TEMPORARY SIGN: Any sign not intended for permanent display.

~~TRANSIENT MERCHANT: Includes any person, whether as owner, agent, employee or independent dealer, whether a resident of the city or not, who engages in business of selling and delivery of goods, wares and merchandise within said city; and who, in furtherance of such business, hires, leases, uses or occupies any approved building, structures within the city for the exhibition and sale of such goods, wares and merchandise. (Ord. 982, 7-24-1972; and. Ord. 1584, 5-24-1982; Ord. 1962, eff. 12-24-1987; Ord. 1998, 4-26-1988; Ord. 2040, eff. 1-12-1989)~~

4-4-2 LICENSE REQUIRED:

(A) Requirement: It is unlawful for any peddler or~~,~~ solicitor ~~or transient merchant~~ to engage in any such business within the city without first obtaining a license therefor in compliance with the provisions of this chapter.

(B) Prohibited Practices:

1. It is unlawful for any peddler~~,~~or solicitor ~~or transient merchant~~ to make exclusive use of any location to any street, alley, sidewalk or right of way for the purpose of selling, delivering or exhibiting goods or merchandise. (Ord. 1584, 5-24-1982)

2. It is unlawful for any peddler~~,~~or solicitor or transient merchant to operate in a congested area where such operation impedes or inconveniences the public use of such street, alley, sidewalk or right of way. (Ord. 4438, 12-14-2004)

3. It is unlawful for any peddler or~~,~~ solicitor ~~or transient merchant~~ to display signs on the exterior of any structure; no signs or temporary signs shall be allowed. (Ord. 1584, 5-24-1982)

4. It is unlawful for any peddler or solicitor ~~or transient merchant~~ to occupy any property or structure for the purpose of selling or delivery of goods, wares or merchandise within the city, unless said structure or property conforms with the Prescott land development code. It is the responsibility of the licensee to assure that approval of each specific structure or property is clearly listed on any license issued under this chapter. (Ord. 4449, 1-11-2005)

5. It is unlawful for any person to exhibit any copy or facsimile of the original license issued under this chapter. (Ord. 1584, 5-24-1982)

4-4-3 EXEMPTIONS:

(A) The terms of this chapter do not include the acts of persons selling personal property at wholesale to dealers in such articles, nor to newspaper carriers, nor to the acts of merchants or their employees in delivering goods in the regular course of business.

(B) Nothing contained in this chapter prohibits any sale required by statute, or by order of any court, or to prevent any person conducting a bona fide auction sale pursuant to law.

(C) Those persons who have had prior contact with the owners or occupants and have been invited to a private residence for the purpose of making sales, soliciting orders, or delivering goods shall be exempt from the provisions of this Chapter. (Ord. 1962, eff. 12-24-1987)

(D) Special event vendors are exempt from this chapter when they are approved participants of the event by the show organizer, promoter or sponsor. ~~An organized show vendor and his employees, agents and independent dealers are exempt from the provisions of Sections 4-4-4, 4-4-6, 4-4-8, and 4-4-19 of this Chapter, and also from the provisions of Chapter 1 of this Title pertaining to transaction privilege tax. (Ord. 1998, 4-26-1988; amd. Ord. 2040, eff. 1-12-1989)~~

(E) Religious, charitable, and other federally exempt organization: Any organization, society, association or corporation desiring to solicit or have solicited in its name, money, donations of money or property, or financial assistance of any kind, or desiring to sell or distribute any item of literature or merchandise for which a fee is charged or solicited from persons other than a member of such organization upon the streets, in office or business buildings, by house-to-house canvass, or in public places for a charitable, religious, patriotic, philanthropic, fraternal, public service or other similar purpose.

~~(E) An organized show vendor is exempt from the provisions of Section 4-4-7 of this Chapter when such vendor is making sales exclusively of paintings, sculptures or similar works of fine art, provided that the organized show vendor is the original artist of such works of fine art. An organized show vendor will not be exempt when such vendor is selling "art creations", such as jewelry, macramÈ, glasswork, pottery, woodwork, metalwork, furniture, and clothing, when such "art creations" have a dual purpose, both aesthetic and utilitarian. (Ord. 2040, eff. 1-12-1989)~~

4-4-4 APPLICATION:

Licenses in this Chapter are in addition to the business license provisions in chapter 4-6. Applicants for a license under this Chapter shall file with the City Finance Director, a sworn application in writing on a form to be furnished by the City Finance Director~~.~~, The City reserves the right to request any information deemed

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necessary to insure public safety and the collectability of license fees. Refusal to provide any requested information is grounds for denial of license. ~~which shall include the following: (Ord. 1962, eff. 12-24-1987)~~

(A) ~~Name and physical description of applicant.~~

~~(B) Complete permanent home and local address of the applicant and, in the case of the transient merchants, the local address from which proposed sales will be made.~~

~~(C) A brief description of the nature of the business and the goods to be sold.~~

~~(D) If employed, the name and address of the employer, together with credentials therefrom establishing the exact relationship (no post office box will be accepted).~~

~~(E) The length of time for which the right to do business is desired.~~

~~(F) The source of supply of the goods or property proposed to be sold, or orders taken for the sale thereof, where such goods or products are located at the time said application is filed, and the proposed method of delivery. (Ord. 982, 7-24-1972)~~

~~(G) Two (2) recent photographs of the applicant, approximately two inches by two inches (2" x 2"), showing the head and shoulders of the applicant in a clear and distinguishing manner. (Ord. 1962, eff. 12-24-1987)~~

~~(H) The names of at least two (2) property owners of Yavapai County, Arizona, who will certify as to the applicant's good character and business respectability, or, in lieu of the names of references, such other available evidence as to the good character and business responsibility of the applicant as will enable an investigator to properly evaluate such character and business responsibility.~~

~~(I) A statement as to whether or not the applicant has been convicted of any crime, misdemeanor, or violation of any Municipal ordinance, other than traffic violations, the nature of the offense and the punishment or penalty assessed therefor.~~

~~(J) The most recent cities or towns, not to exceed three (3), where applicant carried on business immediately preceding date of application and the address from which such business was conducted in those municipalities. (Ord. 982, 7-24-1972)~~

~~(K)~~ At the time of filing the application, a nonrefundable fee of fifty dollars ($50.00) shall be paid by the applicant to cover the cost of processing. Upon approval of the application by the City, the applicant shall pay a

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fee of ten dollars ($10.00) for an identification card. The applicant may authorize up to twenty (20) identification cards to be issued under his license for employees, agents or independent dealers handling his products. If the applicant wishes to authorize more than twenty (20) identification cards, he must make a special request, in writing, to the Chief of Police. The Chief of Police will indicate his approval or disapproval on the written request and return it to the Finance Department. Employees, agents or independent dealers must complete applications for such cards, and there will be a fee of ten dollars ($10.00) for each identification card issued. (Ord. 1962, eff. 12-24-1987)

~~(L) Description of vehicles, including license numbers to be used in business. (Ord. 982, 7-24-1972)~~

~~4-4-5 RELIGIOUS, CHARITABLE AND OTHER FEDERALLY EXEMPT ORGANIZATIONS; EXEMPTION:~~

~~Any organization, society, association or corporation desiring to solicit or have solicited in its name, money, donations of money or property, or financial assistance of any kind, or desiring to sponsor an organized show, or desiring to sell or distribute any item of literature or merchandise for which a fee is charged or solicited from persons other than a member of such organization upon the streets, in office or business buildings, by house-to-house canvass, or in public places for a charitable, religious, patriotic, philanthropic, fraternal, public service or other similar purpose, shall be exempt from the provisions of sections 4-4-4 and 4-4-8 of this chapter and shall not be subject to the provisions of the definition of "transient merchant" in section 4-4-1 of this chapter, provided there is filed a sworn application in writing on a form to be furnished by the city finance director which shall give the following information:~~

~~(A) Name and purpose of the cause for which permit is sought.~~

~~(B) Names and addresses of the officers and directors of the organization.~~

~~(C) Information regarding the location, date and hours of operation of the activity.~~

~~(D) Whether or not any commission, fees, wages or emoluments are to be expended in connection with such solicitation and the amount thereof.~~

~~Upon being satisfied that such organization, association or corporation is a "federally exempt organization" as defined in this chapter, the city finance director shall issue a permit without charge to such organization, association or corporation for the purpose specified in the application. Such organization, association or corporation shall furnish all of its members, agents or representatives credentials in writing stating the name of the organization, name of agent and purpose of solicitation or other activity. (Ord. 2040, eff. 1-12-1989)~~

4-4-6 ISSUANCE:

(A) Upon payment of the prescribed fee, the city finance department shall deliver to the applicant his identification card. Such identification card shall contain the signature of the issuing officer and shall show the name, address and photograph of said licensee, the class of license issued and the kind of goods to be sold thereunder, date of issuance, the license number, and other identifying description of any vehicle used in such licensed business. Each peddler or, solicitor or transient merchant must secure a personal identification card from the city finance department. No identification card shall be used at any time by any person other than the one to whom it is issued. The finance department shall keep a permanent record of all licenses and identification cards issued. (Ord. 3925, 11-9-1999)

~~**4-4-7 FEES:**~~

~~Organized show vendors are required to obtain a permit for each show in which they participate. The fee each for such permit is twenty five dollars ($25.00) per show, for up to three (3) consecutive days. An additional fee of ten dollars ($10.00) per day shall be required for each day after three (3) that the show continues in operation. All vendors shall remit the required fees to the show sponsor on or before the first day of the show.~~

~~The show sponsor shall remit all fees required, along with a list of participating vendors to the city finance department within ten (10) days of the close of the show. At the finance director's discretion, a show sponsor may be required to provide a deposit in an amount not to exceed twenty five dollars ($25.00) for each available space in the show. If required, such deposit shall be due on or before the last business day before the first day of the show. (Ord. 4052, 11-14-2000)~~

4-4-78 BONDS:

(A) Every applicant for a license issued under this chapter shall post a cash bond with the city finance director in the amount of two hundred dollars ($200.00) for the applicant, plus one hundred dollars ($100.00) for each employee, agent or independent dealer acting in the capacity of peddler or , solicitor ~~or transient merchant~~. The total bond required shall not exceed one thousand dollars ($1,000.00). This bond is to assure compliance with the provisions of this chapter and shall be forfeited if the licensee or any of his employees, agents or independent dealers are found to be in violation of any of the provisions of this chapter. (Ord. 1962, eff. 12-24-1987)

(B) Upon surrender by the licensee of his peddler or, solicitor ~~or transient merchant~~ license and of all identification cards of his employees, agents or independent dealers to the city finance department, the bond shall be returned in full, provided all fees, taxes or other encumbrances are paid, and further provided that the

licenses and identification cards are surrendered within sixty (60) days of their expiration date. (Ord. 1998, 4-26-1988; amd. Ord. 2040, eff. 1-12-1989)

4-4-89 LOUD NOISES AND SPEAKING DEVICES:

No licensee, nor any person on his behalf, shall shout, cry out, blow a horn, ring a bell or use any sound-amplifying device upon any of the streets, alleys, parks or other public places of the city or upon private premises where sound of sufficient volume is emitted or produced therefrom to be capable of being plainly heard upon the streets, avenues, alleys, parks or other public places, for the purpose of attracting attention to any goods, wares or merchandise which such licensee proposes to sell. (Ord. 982, 7-24-1972)

4-4-910 USE OF STREETS:

(Rep. by Ord. 1600, 9-13-1982)

4-4-101 EXHIBITION OF LICENSE:

Licensees, employees, agents and independent dealers are required to exhibit their original identification card at the request of any citizen. Exhibition of any copy or facsimile of the card shall not be considered compliance with this section. (Ord. 1962, eff. 12-24-1987)

4-4-112 DUTY OF POLICE TO ENFORCE:

It shall be the duty of the police of the city to require any person peddling or soliciting to produce his identification card when such person is not known by the officer to be duly licensed. Such police officer shall enforce the provisions of this chapter against any person found to be violating the same. (Ord. 1962, eff. 12-24-1987)

4-4-123 RECORDS:

The chief of police shall report to the city finance director all convictions for violation of this chapter and the city finance director shall maintain a record for each license and identification card issued and record the reports of violation therein. (Ord. 1962, eff. 12-24-1987)

4-4-134 REVOCATION OF LICENSE:

(A) Licenses issued under the provisions of this ordinance may be revoked by the city manager after twenty four (24) hours' notice and hearing, for any of the following causes:

1. Fraud, misrepresentation or incorrect statement contained in the application for license.

(Ord. 982, 7-24-1972)

2. Fraud, misrepresentation or incorrect statement made in the course of carrying on his business as solicitor or, peddler ~~or transient merchant~~. (Ord. 1962, eff. 12-24-1987)

3. Any violation of this ordinance.

4. Conviction of any crime or misdemeanor. (Ord. 982, 7-24-1972)

5. Conducting the business of peddler or, solicitor~~, transient merchant,~~ as the case may be, in an unlawful manner or in such a manner as to constitute a breach of the peace or to constitute a menace to the health, safety or general welfare of the public. (Ord. 1962, eff. 12-24-1987)

(B) Notice of the hearing for revocation of a license shall be given by the city clerk in writing, setting forth specifically the grounds of complaint and the time and place of hearing. Such notice shall be mailed, postage prepaid, to the licensee at his last known address at least forty eight (48) hours prior to the date set for hearing, or shall be delivered by a police officer in the same manner as a summons at least forty eight (48) hours prior to the date set for hearing. (Ord. 982, 7-24-1972)

4-4-145 APPEAL:

Any person aggrieved by the action of the chief of police or the city finance director in the denial of a permit, license or identification card as provided in sections 4-4-5 and 4-4-6 of this chapter may appeal to the city manager. Such appeal shall be made by filing a written statement setting forth fully the grounds for the appeal. Such statement must be filed within forty five (45) days of receipt by the applicant of notice of denial of the permit, license or identification card. The city manager shall set a time and place for a hearing on such appeal and notice of such hearing shall be given to the appellant in the same manner as provided in section 4-4-14 of this chapter for notice of hearing on revocation. (Ord. 1962, eff. 12-24-1987)

4-4-156 REAPPLICATION:

No licensee or company whose license has been revoked or refused shall make further application until at least one year has elapsed since the last previous revocation. (Ord. 982, 7-24-1972)

4-4-167 EXPIRATION OF LICENSE:

All licenses and identification cards issued under the provisions of this chapter expire at twelve o'clock (12:00) midnight on December 31 of the year when issued, unless applicant elects an earlier expiration date. (Ord. 1962, eff. 12-24-1987)

4-4-178 PENALTY:

Any person who violates any provision of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished as provided in section 1-3-1 of this code. (Ord. 982, 7-24-1972; amd. Ord. 1834, 9-23-1986)

4-4-188 FEES ARE IN ADDITION TO TRANSACTION PRIVILEGE TAX:

All fees levied in this chapter are in addition to transaction privilege tax required by chapter 1 of this title. Failure of applicant to comply with such chapter shall be sufficient grounds for denial or revocation of any license issued under this chapter, and for forfeiture of any bond posted in accordance with this chapter. (Ord. 1962, eff. 12-24-1987)

4-4-1920 SEVERANCE CLAUSE:

The provisions of this chapter are declared to be severable, and if any section, sentence, clause or phrase of this chapter shall, for any reason, be held to be invalid or unconstitutional, such decisions shall not affect the validity of the remaining sections, sentences, clauses and phrases of this chapter, but they shall remain in effect, it being the legislative intent that this chapter shall stand notwithstanding the validity of any part. (Ord. 1962, eff. 12-24-1987)

Proposed Changes to Special Events

	Current	Proposed
Non-Profit Sponsored Event Vendor Requirements		
Required to pay privilege tax on sales	No	Yes
Transaction Privilege Tax License (one-time fee)	No	$5
Event Fee for 3 day event	$25	No
Business License (annual)	NA	$35
For Profit Sponsored Event Vendor Requirements		
Required to pay privilege tax on sales	Yes	Yes
Transaction Privilege Tax License (one-time fee)	$25	$5
Event Fee for 3 day event	No	No
Peddler Solicitor License (annual)	$50	NA
Business License (annual)	NA	$35
Identification Card each employee	$10	NA
Cash Bond refundable up to	$1,000	NA

Proposed Changes to Sales by Peddler/Solicitors

	Current	Proposed
Peddler/Solicitors not part of a Sponsored Event		
Required to pay privilege tax on sales	Yes	Yes
Transaction Privilege Tax License (one-time fee)	$25	$5
Event Fee for 3 day event	No	No
Peddler/Solicitor License (annual)	$50	$50
Business License (annual)	NA	$35
Identification Card each employee	$10	$10
Cash Bond refundable up to	$1,000	$1,000

City-wide License Fees Examples

Business	Transaction Privilege License (one time)	Peddler Solicitor Fees (Annual)	Business License (Annual	Life Safety Inspection (Annual)	Total Annual Fee
Home Based Business	$5		$35	$0	$35
Residential Rental	$5		$35	$0	$35
Out of City Business	$5		$35	$0	$35
Sponsored Event Vendor	$5		$35	$0	$35
Peddler/Solicitor with 1 employee	$5	$60	$35	$0	$95
Peddler/Solicitor with 5 employee	$5	$100	$35	$0	$135
Retail, Restaurant, Bar, Hotel and Other	$5		$35	$40	$75
Commercial Rental	$5		$35	$40	$75
Service Business			$35	$40	$75
Nonprofit Thrift Shop			$35	$40	$75
Congregate Residence	$5		$35	$450	$485
Nonprofit Congregate Residence			$35	$450	$485

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: STUDY SESSION 4-19-16

DEPARTMENT: City Manager

AGENDA ITEM: Legislative Update

Approved By:		**Date:**
Deputy City Manager:	Zelms, Alison	04/12/2016
City Manager:	McConnell, Craig	04/13/2016

Item Summary

This item is to discuss and determine the Council's support for or opposition to various bills relative to the previously adopted policy objectives guiding City activity pertaining to the 2016 State of Arizona Legislative Session.

April 19, 2016, is the 100th day of the Second Regular Session of the 52nd Legislature. Other than budget bills, which have yet to be introduced, the week of March14, 2016, was the last week for bills to be heard in committees. Therefore, bills that did not successfully move through the required committee hearings are effectively "dead" unless the concepts are resurrected through floor amendments on existing/related bills still moving through the process. Bills that successfully moved through committee hearings will now move to floor, concur/refuse, and conference committee actions.

To date, 1219 bills have been introduced, 106 bills have passed, and 105 have been signed by the Governor. Bills become law 90 days after the Legislature adjourns, unless the bill is Vetoed by the Governor, or the bill has an Emergency Clause with an immediate effective date (requires a two-thirds vote of the Legislature to pass). The Governor may either sign a bill or allow the bill to become law without the Governor's signature within five days of receipt (10 if the Legislature has adjourned).

The Legislative Position Summary will be distributed at the Council meeting.

Recommended Action: Presentation for Council information, discussion, and direction.