

MINUTES OF THE WORK SESSION OF THE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD APRIL 15, 2010 AT 6:30 P.M. IN THE TOWN COUNCIL CHAMBERS.

Mayor Smith called the Work Session to order at 6:32 p.m. Roll call was taken as follows:

<u>ROLL CALL:</u>	<u>Present</u>	<u>Absent</u>		<u>Present</u>	<u>Absent</u>
Mayor Luke Smith	<u>X</u>	_____	Stephanie Irwin	<u>X</u>	_____
Vice Mayor Rich Crockett	<u>X</u>	_____	Kim Webb	<u>X</u>	_____
Woody Biscoe	<u>X</u>	_____	Leslee Wessel	<u>X</u>	_____
Norris Dodd	<u>X</u>	_____			

STAFF PRESENT:

Kelly Udall, Town Manager; Rosemary Rosales, Town Attorney; Lu Anne Frost, Town Clerk; Paul Esparza, Community Development Director; and Sherwood Eldredge, Chief of Police.

STAFF PRESENTATION ON CHAPTER 5.12, SPECIAL EVENT PERMITS:

Paul Esparza stated, regarding Town Code Chapter 5.12, staff is proposing to add a new section to define what is not considered as a special event, titled Exemptions. He stated they decreased the time restriction from ten to seven days, with not more than four events per calendar year. He said they propose increasing the application period to forty-five days, in order to give staff more time to process the applications. He said they clarified the language in Section 5.12.040(10). He said they propose adding Section 5.12.040(15) requiring a letter from the property owner authorizing the use of their property and acknowledging potential liability and insurance coverage. He stated Section 5.12.040(16) was added to identify that not all events would be held on private property, but would also be held on Town property, and said they added this section to be consistent with Town policy, and include a requirement for a certificate of insurance for not less than \$1,000,000. Councilman Biscoe asked if that is per tent. Mr. Esparza stated that would only be applicable to events held on Town property. Councilman Biscoe asked if they would be doing background investigations. Mr. Esparza stated they would not do background investigations. Councilman Biscoe asked if they do background investigations on peddlers. Mr. Esparza stated they do. Councilman Biscoe asked why they would not do them on the events, and said it applies to the same people. Mr. Esparza stated the peddlers are transient, and said some of the special events are return vendors. Councilman Biscoe stated the vendors come from many states, and said if one was a child molester here; they could sue the Town because it is their fault. Mr. Esparza stated they would look into that. He said there are a number of required items under the special event plot plan. He said they would also require a security plan, to be consistent with what the Town requires for activities on Town property. He stated they copied Section 5.12.060 Appearance Guidelines from the peddler and solicitor's permit section. He said they propose deleting the special event permit application fee, because the Code references a fee but it is included in the Town Fee Schedule. He stated they currently charge \$100 for a special event permit, and said part of the research is to determine what other communities are charging. He said they would have a better idea of the fee when they come back to the Council in May. Councilman Biscoe asked what they charge per tent. Mr. Esparza stated they charge by the vendor permit, which is currently \$100 for the special event and each tent or vendor pays \$20.

He said when someone applies for a special event permit they would pay their fee, however he said there may be occasions when a charitable organization may request the fee be refunded. He said in Section 5.12.080 they removed the \$20 fee, as it would also be contained in the fee schedule. Mayor Smith asked if they are doing that because a fee schedule is easier to amend. Mr. Esparza stated yes. He said Section 5.12.090 gives the Director, after obtaining recommendations from the fire and police departments, authorization to issue permits and outlines the process. Councilman Biscoe asked if the tents are required to be fireproof, and if they are required to have fire extinguishers. He asked if they are required to have the tent inspected by the fire department as the brick and mortar businesses are. Mr. Esparza stated they are not and said they are researching that as well. Councilman Biscoe stated the tents should have to follow the same requirements as brick and mortar businesses. Mayor Smith asked how often buildings are inspected by the fire departments. Mr. Esparza stated they inspect buildings before they are initially occupied. He said he is not sure if there are other mandatory inspections required by the fire department. Mayor Smith asked if the fire districts are reviewing this Code change also. Mr. Esparza stated yes, to make sure there is nothing included that they might identify as problematic. He said regarding Section 5.12.110, they looked at other ordinances regarding the appeal of denial of permits or revocation of permits. He stated staff is looking for feedback and direction from the Council on how to proceed.

Councilwoman Wessel clarified this would be for an individual putting together a special event that would have a number of vendors, and asked if there is a limit to the number of vendors. Mr. Esparza stated there is not. Councilwoman Wessel asked if the insurance in Section 5.12.040(16) is for each vendor or only the promoter. Mr. Esparza stated the insurance requirement would be on the promoter, but only for events held on Town property. Councilwoman Wessel confirmed the promoter is responsible for the tents at events held on Town property, and said the insurance would cover anything that might happen. She asked if they could be located anywhere in the community. Mr. Esparza stated they have not identified any specific locations, and said that typically these special events occur in commercially zoned property along White Mountain Blvd. Councilwoman Wessel asked if there are a minimum number of vendors in a special event. Mr. Esparza stated there would be one promoter who would have vendors participate. He said the intent of the peddler/solicitor permit is for one individual person. Mayor Smith asked if the Code gives the Community Development Director the discretion to deny an application for an individual trying to circumvent the peddler's code by only paying the \$100 fee and a \$20 vendor fee instead of the \$300 peddler fee. Mr. Esparza stated they would be handled as an individual peddler. Councilwoman Irwin stated it appears they are requiring a transaction privilege tax license from the event coordinator as opposed to all of the individual tent vendors, and asked if they needed one on each individual tent. Mr. Esparza stated each vendor has to provide a TPT. Councilwoman Irwin asked if they are aware that out of State vendors need an Arizona license. Mr. Esparza indicated they state that. Councilman Dodd asked for the number of special events, and how many are Chamber sponsored. Mr. Esparza stated the Chamber typically does four events: Fall Festival, Blue Grass, Native American, and the Wildlife Festival. He said that during the course of the year, they have seen Dixie Green Productions and Dean Sloser. He said they would do three to four events. Councilman Dodd asked about the events at The Orchard. Mr. Esparza stated those are Dixie Green Productions and the Northeastern Arizona Fine Arts Association. Councilman Biscoe stated there were thirteen events last year, with close to 250 tents. He said they do not even know who promoted five of the events. He said the Town collected \$2,700 in sales tax, and \$3,000 in permit fees. He said the Code was not enforced, and asked how they are going to

make it better this year. He said on the Fourth of July, there were four events, which is the same weekend NEAFFA holds their event at The Orchard, with 67 tents. Mr. Esparza stated he is looking at that and said with the procedures they have put in place; they would be better able to track the events. Councilman Biscoe asked if they have tent vendors here 13 out of 15 weeks during the summer, how they think the retailers are going to survive during the winter. Councilwoman Wessel asked if the Chamber sponsored events were a problem in past years, or if it is just due to the current economy. She stated changes might curtail events and keep people from coming to visit and spending money. She stated she would like a response from the business community prior to the public hearing on May 6. Mr. Esparza stated the requirements would apply to all tent vendors regardless of what special event they are tied to.

Vice Mayor Crockett asked how they would be able to ensure the original applicant is not getting family members, or other vendors, to apply for permits. Mr. Esparza stated they would compare the TPT number, but said unless there is duplication; they would have to look at the application closely to see if there is any correlation. Councilwoman Wessel stated there should be more work done before the next meeting to address the Council's concerns, and said a call out to the business community for their response is necessary.

Councilman Dodd stated he appreciates Councilwoman Wessel's comments on the festivals, and said special events can benefit the community as a whole from the standpoint that they do draw people here, especially for the Chamber events, but asked where does it significantly affect the businesses. He said he does not know how they address that. He said the peddler's code was not only driven by the concerns for the businesses, but also by public safety and visuals along White Mountain Blvd. He said those are the biggest hammers they have to regulate the peddlers. He said they must be careful when moving forward to find a middle ground. Councilman Biscoe stated he does not have a problem with the Chamber events, but said the other events are causing a problem. He said he does not think any business objects to the Fall Festival. He said they hold the Blue Grass event at Hon-Dah, and the Wildlife Festival does not affect business, but said they not want to see it turn into a tent event. He said the other events along White Mountain Blvd. are just a loophole to bring in the peddlers.

Mayor Smith asked if they could only allow events sponsored by the Town. Councilman Biscoe stated Sedona does that and they only have two events. Rosemary Rosales stated she would look into that issue. She stated they certainly can control what happens on Town property and said they could limit the events on Town property. She said the problem is limiting events on private property. Councilwoman Wessel stated they may want to review the peddler's code again since they have been using it for a season, but said they must be careful not to lock themselves out of something that is good for the community. Mayor Smith asked how many individuals have pulled peddler's permits under the new Code. Mr. Esparza stated there have not been any permits pulled since adoption of the new Code. Mayor Smith asked if that is successful or not. Councilman Biscoe stated he does not see it as a benefit if they do not generate tax revenue.

Councilman Dodd asked how they would address this coming tourist season if they adopt these Code changes with the 45-day application period. Mr. Esparza stated they can only anticipate who would be applying, but said there are currently no pending permits.

The Work Session adjourned at 7:00 p.m.

Dated this 26<sup>th</sup> day of April 2010.

PINETOP-LAKESIDE TOWN COUNCIL

/s/ Lu Anne Frost, Town Clerk