

MINUTES OF THE WORK SESSION OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD FEBRUARY 13, 2024, AT 6:00 P.M., AT THE COUNCIL CHAMBERS-RIVERFRONT, 1083 EAST RIVERFRONT ROAD, COTTONWOOD, ARIZONA.

Mayor Elinski called the meeting to order at 5:59 p.m.

Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Tim Elinski, Mayor
Stephen DeWillis, Council Member
Helaine Kurot, Council Member
Michael Mathews, Council Member
Derek Palosaari, Council Member

COUNCIL MEMBERS ABSENT

Debbie Wilden, Vice Mayor
Lisa DuVernay, Council Member

STAFF MEMBERS PRESENT

Tom Whitmer, Acting City Manager
John A. Gaylord, Gust Rosenfeld, PLC
Tami Mayes, City Clerk
Amanda Wilber, Human Resources Director
Kirsten Lennon, Financial Services Director
Gary Davis, Senior Planner
Scott Ellis, Community Development Director
Shannon Boone, Housing Manager

ITEMS FOR DISCUSSION, CONSIDERATION AND POSSIBLE LEGAL ACTION:

DISCUSSION AND DIRECTION TO STAFF REGARDING OPTIONS FOR POLICY ON INCREASING HOUSING AVAILABILITY

Mr. Ellis stated we're here tonight to talk about some housing policy options. It's no secret, housing is an issue here. Housing is an issue everywhere. We're trying to do what we can to make it a little bit easier for affordability. Developers come in, hopefully, to make things affordable. Most of the time financing becomes an issue. Very rarely do our requirements get in the way, but sometimes we do hear that it would be helpful if some things were easier in that sense. If you're not aware, the last couple of years the State has pushed by-right zoning, basically trying to take away our powers to do anything. We don't want that. We'll do what we can to get ahead of the game, and that's what we're here to present tonight, some options. Shannon (Boone) is here to help with some of those questions. Gary (Davis) is going to present what we're looking to do.

Mr. Davis stated staff has been working on putting together a package of policies and Code amendments that could possibly be brought together for consideration by the Planning and Zoning Commission and the Council in the future to maybe move the needle in the right

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direction a little bit on the housing issues that we've got. Before we put together a package like that, we wanted to have a conversation with Council and the Planning and Zoning Commission to find out if there is any ideas that really stand out as being great, or any ideas that we don't even want to bother with. Before we spend a lot of time flushing those out, we wanted to have those conversations with Council and get some feedback on it.

Mr. Davis then presented a PowerPoint presentation outlining the high-level options. There is not a lot of detail at this point, just some ideas that Council may be interested in staff pursuing with a future package for housing.

Mr. Ellis stated with the backyard cottages and the guesthouse, even though we have the requirements in place with what we have, we can't restrict it if somebody turns it into a short-term rental.

Mayor Elinski asked, if it is part of a new proposed project, is it possible to put the restrictions in place.

Mr. Ellis stated I don't believe so. The only way that is possible is if that development has a homeowner's association and that homeowner's association restricts it. The State took that away from us several years ago. If it is a long-term rental, then our regulations on a guesthouse would apply. As soon as they turn it into short-term, we don't have a say in that.

Mayor Elinski then asked if there is a way to incentivize that to where we could put restrictions on it.

Mr. Ellis stated not to my knowledge and not violate what the State has basically taken away from municipalities on short-term rentals.

Ms. Boone stated if we did have an affordability agreement, a development agreement with the developer, we could negotiate that it could not be a short-term rental as part of that. So if we did incentivize something, we could include that in a development agreement. The question as to whether or not we can restrict them is a legal question for the attorneys to decide. Currently, Phoenix has proposed allowing ADUs (Accessory Dwelling Unit), something similar to this, and that they cannot be short-term rentals. We're waiting to see if some caselaw is established there.

Mayor Elinski asked if the ADUs down in Phoenix have been challenged.

Ms. Boone stated not that we know of yet.

Mayor Elinski asked, for example, on an infill project, if they are putting in a number of units and they wanted to put some accessory dwellings in, such as a casita or whatever, behind them, we could restrict it.

Ms. Boone stated if it was a big project like that, we would probably have a development agreement.

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Mayor Elinski asked if Council had any questions for staff.

Council Member Mathews stated that was going to be my big question, and it was mostly addressed. I know there are municipalities exploring the options of homeowners putting deed restrictions on their homes for those accessory dwelling units, a single-family zone. That would be an attorney question, whether perhaps to allow them to put in an accessory dwelling on a single-family zoning property, whether we could legally require them to place a deed restriction before approving it. That way, it would permanently be out of the question for short-term rental.

Mr. Ellis stated there are some mechanisms. In general, our legal guidance has been that the houses that are out there now with the backyard cottages, it is not going to just apply to any new development. Anybody out there that meets the requirement to be able to do that would otherwise be able to do that and turn it into that short-term rental that we really can't say. As far as what Council Member Mathews says, yeah, that is a legal question, do we have the ability to say you want to do this but you now have to put a deed restriction.

Council Member Mathews stated I believe deed restrictions are a matter of civil law. It would require a neighbor or somebody having to take them to court on something. There is not a whole lot of teeth. It is kind of the honor system, unless somebody wants to pursue it in civil court. Just something to think about.

Council Member Kurot stated I like the idea of the backyard cottages being available for long-term rental. She then asked if there is anything we have that restricts somebody with a large enough lot from putting up multiple cottages behind their house.

Mr. Davis stated a few years ago, one of the changes we made in our multi-family zones, is to allow for multiple, detached cottages where you could allow a triplex. We couldn't have allowed three cottages, but we changed that. So in the multi-family zone, we do have that more flexibility.

Council Member Kurot stated I was looking at the single-family. If you're on a half-acre, and the person wants to put a cottage in, cool. Then you turn around a year later and want six of them.

Mr. Davis stated that right now in our Zoning Ordinance, if you've got a super-sized lot, you can get one more unit in and that's it. As far as us opening it up to backyard cottages, we might start with one. That is an open question as to whether to allow more than that if you've got a super-sized lot. If you allow one with a regular sized lot, if you've got a double-sized lot, do you allow a second one. That's a possible option we can look at.

Council Member Kurot stated with that large of land and the space and you want to open it up, I'm all for that. I don't want to see low-density housing become super high-density housing.

Mr. Davis stated we would want to put a limit on it. What I didn't say on one of my slides is that the backyard cottage idea can be done in a way that keeps it consistent with the

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neighborhood, similar to the way the current guesthouse ordinance requires it to be clearly subordinate in size and location, which basically means it has to be small and in the back. We could do something like that just to make sure nobody goes in and puts in two-story units in a one-story neighborhood.

Mr. Ellis stated guesthouses right now are limited to 750-square-feet of livable area. They can't go two-stories right now. They can't do any of that. It has to be 750-square-feet, and it has to be at the rear of the main structure as well. It can't be in the front yard or in front of it, anything like that.

Council Member Palosaari asked about tiny homes.

Mr. Davis stated a few years ago we did an amendment to our zoning ordinance that addressed tiny homes, and basically gave three flavors of tiny homes. One is, if it stays on wheels, it is essentially an RV and allowed anywhere an RV is. Number 2, if it's taken off the wheels and set permanently on a foundation, then it is something that could be considered a guesthouse as long as it meets building code. It would have to be upgraded to meet the building code rather than an RV code. The third one is if a house is site-built and it is under 400-square-feet, then in our Building Codes there is a section that deals specifically with that. It gives certain breaks on window size and steepness of stairs, and things like that. So there are the three flavors of tiny homes.

Mayor Elinski asked if we've seen an increase of tiny homes based on our changing of that ordinance.

Mr. Ellis stated there has not been a whole lot. The biggest thing we've seen is the Tiny Camp right off Willard and Main Street. That is the largest, but there really hasn't been an influx of them.

Mr. Davis stated we've seen some increase. We've had people come through Code Review.

Mr. Ellis stated they have asked about it, but they haven't actually been on the ground.

Mayor Elinski asked Council, of the options, is there any option presented that Council is not in favor of. I personally feel like we're going to have to approach this from all angles to make any kind of an impact. What you've come up with here is thorough and I would like more information on all of it. Development agreements is really where it is going to be at so that we can put more teeth in how we restrict it.

Council Member Kurot stated the only one that concerns me a little bit is parking, and making sure there is enough parking for who is actually going to live there. If their target market is single people renting and they need one spot per unit, that makes sense. I just don't want to see them rent to a bunch of people that have four cars, and now you're fighting over one parking space that fits a smart car. Now we have other issues because of that.

Mr. Davis stated those could be approached on a case-by-case basis.

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Mr. Ellis stated what you are seeing here tonight is the high-altitude overview of it. We are going to dig into the nuts and bolts if that is the direction that we get. When you do see it in the future, it will be very detailed with all the options. We're going to do what we usually do, see what works where, who has what going on. Phoenix, back in September, just started allowing accessory dwelling units in their backyards. Sedona has the DIGAH (Development Incentives and Guidelines for Affordable Housing). We're going to look and see what other places are doing to form what we're going to try to do as well. We'll have all those details moving this forward.

Mayor Elinski stated one small concern about the backyard cottages: One, I really wish we could somehow restrict them to not be short-term rentals, AirBnBs, or VRBOs. The size requirement, too, 750-square-foot or less, I feel like if it's secondary or subordinate to the main house, but the main home is a 1700-square-foot home, is there any way to increase the square footage. A family can't live in 750-square feet. If we're trying to keep families here and keep our workforce strong, that's not going to cut it.

Council Member Kurot asked if we set a standard based on lot size. If you have a huge lot, putting in a bigger cottage isn't the end of the world; whereas if you have a lot that is an eighth of an acre, now you lose the backyard and everything else with it.

Mr. Ellis stated I've seen it where it is percentage based. You get a certain percentage of what the main house is, and that becomes your maximum.

Mayor Elinski stated that might be more in line with what we are trying to accomplish here. It could be a two-bedroom, two-bath home so that you could try to get a family in there. Even a three-bedroom home, if it is designed correctly, still being secondary and subordinate to the main residence.

Mr. Davis stated to the issue of short-term rentals, if there was an option for a backyard cottage that was subject to an affordability agreement, where the owner voluntarily signs the agreement, then maybe part of that agreement could be the non-short-term rental, but we'd have to check into that.

Mayor Elinski stated Sedona has a similar program to that where folks voluntarily would give up their AirBnB for affordable housing. I don't know how successful that program has been. They had to put money behind it as well. These are all good options and I don't hear Council saying don't pursue any of these.

Council Member Palosaari asked, with the financial assistance, has the staff approached any lenders, banks, JP Morgan, somebody, in regards to trying to put a program together to suit this type of a situation.

Mr. Davis stated we haven't done that yet, but with direction to go forward on this, we can look at what Sedona has been doing and some of the other locations, and talk to some financial institutions and see what the options are.

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Mayor Elinski asked how many acres, roughly, are developable in the infill area.

Mr. Davis stated somewhere in the City Atlas there is a developable acre statistic. I don't know if it's broken down by infill area or not infill area. It will breakdown the developable lands and show you a map of where they are located.

Mayor Elinski asked if staff has the direction they need from Council.

Mr. Ellis stated yes.

GENERAL PLAN UPDATE

Mayor Elinski stated next up is the General Plan update.

Mr. Davis presented a PowerPoint presentation regarding update of the proposed General Plan. A written copy of the General Plan has been provided to Council, and an online copy has been available since the recommendation of approval by the Planning Commission back in December. A General Plan is a policy document, a guide to future development. It is not an enforceable law or City Code. It is not something we can go out and write somebody up for violating the General Plan in anyway. In general, this is the way the City wants to develop over the next 10 years or more, and the zoning regulations and maps have to adhere to what is in the General Plan.

Mayor Elinski asked Council if they have any questions or comments.

Council Member Mathews stated I appreciate the Reader's Digest version. I was able to get through it in a couple hours today and was pretty much well to understand it. It seems to be a good document for what its intended purpose is.

Mayor Elinski stated I agree. To scale it down from the 200-some-odd pages it used to be, and it's more thorough in that you have performance measures built into it.

Mr. Davis stated that is something we wanted to add. As we do our required annual review of our progress in implementing the plan that's required by State law, right now we've got so many things to look through, but not a whole lot of measurable things. A lot of things like encourage this and support this, and say how do you measure that, and we tried to throw in some actual action verbs when we do our objectives and the measurables, and also, at the end of every element, put in opportunities for community engagement on each one of these topics. Hopefully, that will be a more user-friendly document going forward.

Mayor Elinski asked what the plan is to establish a benchmark and would that be something that we do during our strategic planning session. We have an ongoing list of our objectives and what we've accomplished or not, but will we use our strategic plan as a way to establish the benchmarks to make sure that we're accomplishing the goals of the General Plan, or will we have one just specific for the General Plan.

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Mr. Davis stated that could depend on each individual line. Some might lend itself to benchmarks; some might not. Some of it is just looking at past trends and where the needle is pointing, with whether we are moving the needle in the right direction. And some of them, when we do it in a year, we may not have that much information. It may just be a year's worth of data and you can't see a lot of trends. It's just over time we'll be able to hopefully track a lot of those things. Some of the measurables may not turn out to be all that measurable, but at least we've got it in there as something that we can look at as ways to measure our progress.

Mayor Elinski asked what amendments the Planning and Zoning Commission recommended.

Mr. Davis stated after we published the first draft in advance of the meeting, we had to publish it and distribute it to the world about 60 days before the first public meeting, we found a lot of things that, as staff, we wanted to correct. There were some typos and some things that we could have changed. There were some things that we got comments from some of our stakeholders to say we would like to consider this. What we did is put it in a laundry list of roughly 25 items of possible amendments and set that before the Planning and Zoning Commission and said here is a possible list of amendments that you can amend in one motion, and either pull one out or add some to it. They considered those, and we could do the same with Council. There are a few requests that we've had that we can present to Council that have come in since the December meeting. We could structure it so that the first public hearing with the Council could be a little more detailed presentation on it; not a line-by-line thing, but a little more flesh on the skeleton here, and also have that list and have a chance for Council to make those amendments or any other amendments. Once those amendments are made by a motion and passed by a vote, then it's possible we could have a Council version that we can put out to the public to say here it is, take a look, last chance, and then have another public hearing later on in the year to actually do the formal adoption. That is one option for moving forward on that that seems to be something that we could do.

Mayor Elinski stated great work on the outreach, especially. If there is nothing else, we'll move on to the next item.

RE-CAP OF THE 2023 THUNDER VALLEY RALLY EVENT

Mayor Elinski stated Item 3 is a recap of the 2023 Thunder Valley Rally event.

Mr. Teel stated I'm here tonight to talk about Thunder Valley Rally and give a program re-cap. Typically, this would be done in November; however, we had some lapse in getting it here. It is here before you tonight because we are at some crucial cross points to move forward in the program. I'd like to give Council that re-cap and get direction on how you would like staff to move forward with this program. This is a little different than what we've done in previous years. It is broken down into three separate segments. Mr. Teel then presented a PowerPoint presentation regarding the history of Thunder Valley Rally, the 2023 financial reports, and possible options for moving forward with the program.

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Council Member DeWillis stated I am tossing my hat in to help you again this year. I was actually approached by a small company in San Diego, and I gave your email address to them. I am going to double check because this is something they do in San Diego, and they bring in big names. I'm going to check with them and get back to you, but we can help you out here.

Council Member Kurot stated we need to start looking at better bands to attract more ticket sells. The cost of the tickets will have to go up. I haven't run into too many people in my age group that have heard of the two bands from last year. The year before that, when we had the better ticket sales, you brought in somebody from Guns & Roses and something else. I would like to see it start getting away from the motorcycle thing and do more of a music type deal, and maybe a Friday night Country and Saturday night rock, and see if that changes it. That will also attract the people that are here. The people that like country will come one night; people that like other music will come the other day, and that increases your base sales. If you start charging for parking, you'll either get people riding the bus or it is going to get security to pay for itself. I'd like to see what other options we have for music. \$200,000 is probably not realistic. I wouldn't mind Bon Jovi, but we've talked about that one already. Maybe finding something a little bit higher up and see what we can come up with. Either that or somebody who has a large following on YouTube or something that is still cheap but hasn't been discovered.

Mr. Teel stated what you are saying is absolutely reasonable. That is actually the approach we took with Rhythm and Ribs. Country musicians are a dime a dozen. If you guys recall, we actually had Sam Hunt in Cottonwood. He was up and coming, but we are able to get national talent at that level. We just have to be willing to make those choices and understand that it is a risk. Nobody knew Sam Hunt was going to be the biggest thing in country when we got Sam Hunt here. It paid out. We did well that year for Rhythm and Ribs, but not all of them will turn out the same. We also had Brantley Gilbert, and I don't know if anybody remembers who Brantley Gilbert is. Those are things we have to consider when we look at doing those up and coming acts.

Council Member Mathews stated I don't even know who Sam Hunt is. I have enjoyed the music acts throughout the years. You did touch on what the issue is. We have an aging demographic for this kind of event. Harley stock is down. Harley sales are down. You see ads for three-wheel motorcycles all the time. They are aging out and it's going away. I do think we need to transition out of that. The Verde Valley Wine Festival is our brand. If they are looking to get out of it, that might be something to look at. I don't think we should just take it over cold turkey. If they are looking to get out in three years, we need to probably work together, if that is something we'd like to do, so that it is a seamless transition. I think that Thunder Valley Rally has kind of run its course, and I think we're just going to be chasing our tail on that one in the near future. It's been a good program. I know you've put a lot of work in it and have had good success. The population of Cottonwood would like to have something a little bit different, something a little bit more community oriented. I don't know if wine is that, but we could find out.

Mr. Teel stated we actually do work really closely with the Verde Valley Wine Fest. We are actually organizing and running their event for them. They are the financial backing of that

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program, so that shift has started and one of the reasons they had asked me to bring this up as an opportunity.

Council Member Palosaari stated the Arizona Wine Festival is a no-brainer. That is kind of where we're headed. I loved the music, the genre. I'm a little bias in that, but I think if we're going to do anything, we've got to get better headliners, whatever that costs, whatever it looks like. I do think we should actually phase out of it over the next three years and really start moving forward towards wine, if that is what everybody thinks. That's my opinion.

Mayor Elinski stated we're down a couple Council Members here, so you're going to have a hard time getting the direction you need. I love bringing live entertainment to Cottonwood. It is nice having it at Riverfront, too. I know we did this event up at the Kids' Park one year, and it was in the center of the neighborhood and it didn't work out so well. It works out better here. There's only a handful of people that are upset with the noise; not a lot. It is a good venue. I've long felt like an investment of this size should be better spent on supporting our brand, which is the Heart of Arizona Wine Country. I would agree with my colleagues. It is time to start transitioning. If we're going to make the investment again with the taxpayers' funds, I think it's better to support an industry that has brought in so much economic impact into our community. It would help solve a lot of the problems, like folks not having any daytime activities, because we also support the Wine Passport to get folks out throughout the Verde Valley. It would spread the economic impact to other neighboring communities, and would support our brand. Again, we certainly don't want to end this cold turkey. It's been an event that many folks have looked forward to year after year for over 20 years now. The thing I worry about most right now is, I want to make sure if we do this event, that we've given you enough runway to be successful at it. I know you are butting up against some pretty significant deadlines right now. If we're going to increase funding to get a larger entertainer in here, you need to know now.

Mr. Teel stated correct. That would be ideal. I don't know if that comes by way of just saying a dollar amount that people are comfortable with. I can tell you the next level of entertainer probably will be, if not over that \$50,000 Council threshold, nearing it. Likely, some of those contracts would need to come back to Council if we're looking over that, and Council would be able to weigh in over the \$50,000 threshold that Mr. Whitmer would be able to approve for us.

Council Member Mathews asked, in your history of dealing with these bands – I understand this last year we had some pretty unruly bands, giving staff some heartburn kind of a problem. I don't know whether it is that particular music genre or whether if we pay more to bands we're going to get better behavior. Do you see that as a problem that we don't want to repeat?

Mr. Teel stated we certainly don't want to repeat that. That individual crossed some lines, and I let their booking agent know immediately that we were not satisfied or happy with their conduct and we likely would not be working with them again in regards to that type of behavior. I can say that luckily that's been the only time we've had that issue, and I think it was a personal issue with that individual performer; not necessarily a reflection of what we've done in the past. The majority of them have all been really great to work with. Do I think it gets

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worse the higher you go? Seeing some of these technical riders, I would say, yes, they are a little bit more picky, but I don't know that that means their behavior would follow that.

Council Member Mathews stated one of the ones we've had almost every year at this event has been a problem.

Mr. Teel stated that was one of our support bands. I was clear with them, we didn't bring them back last year because of their behaviors. As long as I'm here, we won't bring that band back.

Mayor Elinski asked if we scale this event down to a one-day event, would you lose a lot of your sponsors, and would it significantly impact the success of the event.

Mr. Teel stated I'm not sure if we would lose a lot of sponsors for the one day. I will remind Council that our largest platinum sponsor is Law Tigers, which is a motorcycle attorney firm. Any switch in focus, we would likely lose their support. They have been a primary support of our program for a very long time. That said, their support is about \$15,000; not the end of the world, but also not something you sneeze at when you lose on a program that we struggle with covering the cost with already. The one-day event may be something we could potentially look at and keep our sponsorships. Those levels may change slightly because we aren't able to offer all the same things that we would offer over a two-day event for them.

Mayor Elinski stated I'm trying to get Mr. Teel the direction he needs here.

Council Member Kurot asked, realistically, how long would it take to come back and say these are the options we have at 20,000 and these are the options we have at 50,000.

Mr. Teel stated I can probably bring you back something to that effect rather quickly. The issue is not all of the bands or entertainment booking agencies are willing to do that for us. A lot of the times they won't respond unless you are willing to make an offer. To understand what they are really charging, you have to put in an offer sheet for them. I've been able to use my relationships with people over the past couple of years to get them to give us a ballpark, but even those are ballparks before negotiations. I can bring you a list of what I think generally what they can do. You just have to have that understanding that it is not a contract and they can come back at any point in time and say, no, we had a good show last time and we're going to increase this number now.

Council Member DeWillis stated working with you for those two days, there was quite a bit of feedback that if you were to kind of break it up and bring country in on Friday night and rock on Saturday, that's for you. Commander Dowell is the one that mentioned it. He's not the only one, but maybe that might help. I know what it was like in 2000 because I was sitting on the board for that. It is very tough to get an act in with pricing and everything else. I want to continue doing it, and if we change it up and bring in country on Friday night and maybe rock on Saturday, or vice versa depending upon the headline, that might help.

Council Member Mathews asked if Mr. Teel is looking for something a little more specific.

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Mayor Elinski stated I am. I don't think there is any heartburn over keeping the event.

Council Member Mathews stated rip the Band Aid off. Bring in something a little more Verde Valley centric, and if we're going to do it, sooner rather than later.

Mr. Whitmer stated, based on what I am hearing, what I'd like to do is get together with Jak and the rest of the directors and staff and put something together that we would recommend based upon what we've heard tonight, and see if we can come back as quickly as possible with a recommendation as to what we would like to see.

Mayor Elinski stated that is good. It would be helpful, too, if you can meet with these two Council Members (Vice Mayor Wilden and Council Member DuVernay) to get some feedback from them on their thoughts on this event, and that might be helpful to narrow in a little bit on what you'd bring back for us to consider as a full body.

FISCAL YEAR 2024 ANTICIPATED DEPARTMENTAL ACCOMPLISHMENTS AND BUDGET UPDATE

Mayor Elinski stated our next item is Item 4, fiscal year 2024 anticipated departmental accomplishments and budget update.

Ms. Lennon presented a PowerPoint presentation regarding departmental anticipated accomplishments for fiscal year 2023, a budget update for fiscal year 2023, and the status of the fiscal year 2024 budget as of December 2023.

Council Member Mathews asked if the City lost the residential rental tax this last January.

Ms. Lennon stated that is going away January 1st of 2025.

Ms. Lennon continued with her presentation.

Mayor Elinski asked if Ms. Lennon knows the amount that Urban Revenue Share (Income Tax) will decrease.

Ms. Lennon stated I'm sure they had estimates, but it will depend on the economy, and salaries, and all of that. They did say to prepare for this and save some of the extra that they are going to give us.

Ms. Lennon continued with her presentation.

Mayor Elinski asked if Ms. Lennon projected six percent growth.

Ms. Lennon stated I presented six percent last year and three percent growth this year.

Mayor Elinski asked what the state is recommending on.

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Ms. Lennon stated right now the State is projecting that they will have a billion dollar shortfall. Usually we don't get out our State numbers for the State Share Revenues until the end of March. That is typically when we get the revenues from them. I usually base my projections on what they are showing and what they see. We also discuss it with Clarkdale, Sedona, and Camp Verde, and I look at what they are projecting, and gauge it on that.

Mayor Elinski asked if the HURF fund will be raped.

Ms. Lennon stated probably, yes. That is one of the things that they are talking at the State; they had put in a bunch of road projects, and with the billion-dollar shortfall that they are anticipating, they are now cutting a lot of those projects out and not planning on funding them.

Mayor Elinski asked if that will impact our ability to do Main Street.

Ms. Lennon stated, no, it shouldn't.

There were no further questions or comments from Council.

ADJOURNMENT

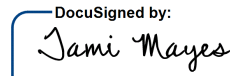
Mayor Elinski moved to adjourn the work session. The motion was seconded by Council Member Palosaari and unanimously carried.

The work session was adjourned at 7:53 p.m.

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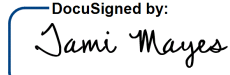
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Tim Elinski, Mayor

ATTEST:

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Tami S. Mayes, City Clerk

CERTIFICATION OF MINUTES

I hereby certify that the attached is a true and correct copy of the minutes of the work session of the City Council of the City of Cottonwood held on February 13, 2024. I further certify that the meeting was duly called, and that a quorum was present.

DocuSigned by:

2C75EB0A021C41B...
Tami S. Mayes, City Clerk

3/15/2024

Date