

**JOINT WORK SESSION
FLAGSTAFF CITY COUNCIL/GREATER FLAGSTAFF CHAMBER OF COMMERCE**

AGENDA

**4:00 P.M. - MONDAY
MAY 6, 2019**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE**

- 1. Call to Order**
- 2. Pledge of Allegiance and Mission Statement**

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

3. ROLL CALL

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR EVANS

VICE MAYOR SHIMONI

COUNCILMEMBER ASLAN

COUNCILMEMBER MCCARTHY

COUNCILMEMBER ODEGAARD

COUNCILMEMBER SALAS

COUNCILMEMBER WHELAN

JULIE PASTRICK, CHAMBER PRESIDENT/CEO

BRENDA HAZLETT, CHAMBER CHAIR

4. Public Participation:

Public Participation enables the public to address the Council about an items that are not on the agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment on an item that is on the agenda is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak.

- 5. Northern Arizona Military Affairs Council (NAMAC) Update**
- 6. Key issues facing the Flagstaff business community:** This special work session topic, between the Flagstaff City Council and the Greater Flagstaff Chamber (GFC) of Commerce, will share how the GFC and City of Flagstaff Economic Development Team are working to attract, retain, and expand our business climate while assisting with the day-to-day issues of running a business in Flagstaff.

7. City of Flagstaff/Chamber of Commerce Joint Legislative Discussion
8. **Informational Items To/From Chamber, Council and City Manager**
9. **Public Participation**
10. **Adjournment**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2019.

Stacy Saltzburg, MMC, City Clerk

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Heidi Hansen, Economic Vitality Director
Date: 05/01/2019
Meeting Date: 05/06/2019



TITLE:

Northern Arizona Military Affairs Council (NAMAC) Update

DESIRED OUTCOME:

Julie Pastrick, Flagstaff Chamber of Commerce President & CEO, will share an update on NAMAC with the Council.

EXECUTIVE SUMMARY:

On July 19, 2016, United States Senator John McCain announced the formation of the Northern Arizona Military Advocacy Council (NAMAC) during a Greater Flagstaff Chamber of Commerce event. As a result of federal regulations that restrict the marketing and promotion of military installations by military personnel for use by private industry, NAMAC was created to act as an intermediary and promote economic development for Camp Navajo and other military facilities in Northern Arizona.

Flagstaff Chamber President & CEO, Julie Pastrick, was appointed by Senator McCain to oversee the creation of NAMAC and will be on hand to provide structure and board member information, an update on the visit to Camp Navajo with Senator Kyl and Arizona's Army National Guard Adjunct General McGuire in October 2018, and share the visit with Military Legislative Assistants (MLA) from Arizona's Congressional offices in April 2019.

INFORMATION:

This is for information only.

Attachments: [NAMAC Presentation](#)



Greater
Flagstaff
Chamber
of Commerce

Julie Pastrick
President & CEO

The Greater Flagstaff Chamber of Commerce Mission:

Advancing a strong business climate and vibrant economy by being an advocate for business and a catalyst for community and economic development in the greater Flagstaff region.

THANK YOU...

- Chamber appreciates opportunity to address Mayor & Council
- Great step for productive dialogue between key community stakeholders

NAMAC UPDATE

BACKGROUND:

- NAMAC stands for Northern Arizona Military Advocacy Council
- July 19, 2016: United States Senator, John McCain, announced the formation of this Council.
- Julie Pastrick was selected to oversee NAMAC

QUESTIONS?



Greater
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of Commerce

Julie Pastrick
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Key Issues Facing Our Business Community

Pathway to Prosperity -

Vision:

- Socially, Economically, Environmentally Sustainable Future
- City of Flagstaff's Revenues Needs Met
- Opportunities for residents to be viably employed earning a living wage
- Communicates Flagstaff is OPEN for BUSINESS
- Lessens reliance on future property, sales & user fee/tax increases

Development Plans

- How do we?
- Economic DP – ...attract compatible, high wage employers?
- Housing DP – ...work better with private developers to bring more affordable and economically sustainable housing online?
- Commercial DP – ...repurpose existing commercial corridors to serve a better purpose and grow the economy?
- Quality of Life DP – ...build an economically viable community while simultaneously improving quality of life for those living here?

Current Needs

- Expand local Economy beyond Tourism?
- Bring more Housing online?
- Grow economic base so Flagstaff can rely less on sales taxes and user fees?

Flagstaff 2030 Pathway to Prosperity Planning Summit

- Key Stakeholders?
- Constituent & Community Reps
- Employers – Small, Medium, Large
- Education Representatives – High School & University
- Government – Council, Manager, Community Development
- Community Service Agencies

QUESTIONS?

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: John Saltonstall, Business Retention & Expansion Manager

Date: 04/26/2019

Meeting Date: 05/06/2019



TITLE:

Key issues facing the Flagstaff business community: This special work session topic, between the Flagstaff City Council and the Greater Flagstaff Chamber (GFC) of Commerce, will share how the GFC and City of Flagstaff Economic Development Team are working to attract, retain, and expand our business climate while assisting with the day-to-day issues of running a business in Flagstaff.

DESIRED OUTCOME:

Increased awareness of programs, efforts, and partnerships currently underway in Flagstaff.

EXECUTIVE SUMMARY:

The Greater Flagstaff Chamber (GFC) of Commerce and the City of Flagstaff Economic Development Staff work together and separately to enhance the economy of Flagstaff and the whole of Northern Arizona. Julie Pastrick, President and CEO of the GFC, will address topics including Housing, Funding Mechanisms, Williams Arizona, the Arizona-Mexico Commission. Gail Jackson, City of Flagstaff Business Attraction Manager will present the City Business Attraction Program including recent successes, efforts, and pipeline projects. John Saltonstall, City of Flagstaff Business Retention and Expansion Manager, will present the Business Retention and Expansion Program focusing on partnerships and initiatives.

INFORMATION:

This informational presentation by the Greater Flagstaff Chamber of Commerce and the City of Flagstaff Economic Development Offices is for discussion purposes only.

Attachments: [Joint Mtg PPT](#)
[Chamber Key Issues Presentation](#)

Key Issues Facing the Flagstaff Business Community

City of Flagstaff and the Greater
Flagstaff Chamber of Commerce





Topic Overview



- Housing
- Taxes/funding mechanisms
- Williams Arizona
- Arizona-Mexico Commission
- Economic Development



Flagstaff Business



- Chamber President/CEO, Julie Pastrick



Greater
Flagstaff
Chamber
of Commerce



Supporting Local Business

Community Investment – Economic Development

- Business Attraction Manager, Gail Jackson



CHOOSE
FLAGSTAFF
THE CITY OF INNOVATION



Supporting Local Business

Business Attraction





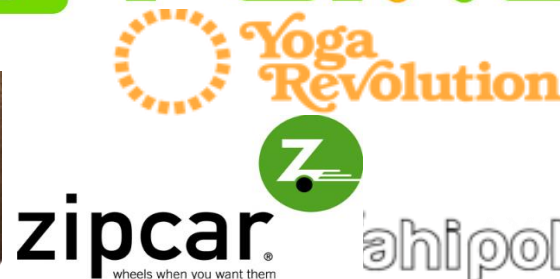
Supporting Local Business

Business Attraction-Promotional Efforts

- Partnerships
- Foreign Direct Investment
- Tradeshows in Key Targeted Sectors
- Flagstaff Overview Promotional Piece
- Meetings
- Site Visits



Supporting Local Business





Supporting Local Business

Business Attraction - Lead Pipeline

- 9300 Housing Units
- 8 new hotels
- 4 Manufacturing Companies
- 2 Tech Companies
- Medical Office Space
- Veterans Home
- Senior Nursing Home
- Recreational Opportunities



Supporting Local Business

Community Investment – Economic Development

- Business Retention and Expansion Manager, John Saltonstall
 - Program
 - Partnerships
 - Services



CHOOSE
FLAGSTAFF
THE CITY OF INNOVATION



Thank you



- Thank you for your continued partnership and efforts to make Flagstaff the place we all want it to be!



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Chamber
of Commerce

Julie Pastrick
President & CEO

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Key Issues Facing Our Business Community

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QUESTIONS?

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Cliff Bryson, Labor Standards Manager
Co-Submitter: Joe Galli
Date: 05/01/2019
Meeting Date: 05/06/2019



TITLE:

City of Flagstaff/Chamber of Commerce Joint Legislative Discussion

DESIRED OUTCOME:

No desired outcome. Discussion of supported legislative topics.

EXECUTIVE SUMMARY:

Wayfair

HB2702: TPT; Marketplace Facilitators, Nexus sponsored by Rep. Toma (R-Dist. 22) if adopted by the State of Arizona would be the implementation of the Wayfair decision. Again, HB2702 would create a new Transaction Privilege Tax (TPT) called "Marketplace Facilitator" and establishes the economic nexus as done in South Dakota and across the nation. Currently, 37 of the 45 states that have a state sales tax have implemented the Wayfair decision. Prior to June 2018, states were precluded from imposing a sales tax on purchases made by remote (out-of-state) sellers. HB2702 would require out-of-state sellers to follow all applicable laws as if the seller had a physical presence in Arizona if the seller generates more than \$100,000 in revenue from sales in the state from the previous year or had more than 200 separate transactions (sales) into the state from previous year.

The City of Flagstaff and the Chamber of Commerce are supported in retail fairness and tax equity, supported in proper revenue and proper collection of taxes, supported in maintaining the city's flexibility and local control decisions (ability to tax certain items), and supported in being consistent with other states that have adopted this measure in efforts to continue to grow and strengthen a more equitable and resilient economy.

Affordable Housing, Employment and Economic Development

With the continued growth of Flagstaff, increase enrollment at NAU and a cost of living above the national average the City of Flagstaff and Chamber of Commerce see the need in increasing Flagstaff's housing stock and job opportunities. The City and Chamber are supported in measures that will provide incentives to increase affordable housing and workforce housing, supported in Low Income House Tax Credits and systems, supported in measures that would increase employment opportunities, supported in measures that provide the best employment opportunities for all citizens, supported in measures providing more opportunities to increase business models.

Funding Solutions for DDSPs (Developmental Disabilities Services Providers)

The City of Flagstaff and the Chamber of Commerce see the importance all social services in Northern Arizona and across the state bring to their respective communities. The City and Chamber are supported in keeping non-profit and for-profit DDSP organizations in Flagstaff, supported in the State of Arizona

fully funding DDPs across Arizona and supported in funding DDSPs with legal mechanisms in place to appropriate since funds.

INFORMATION:

None.

Attachments: Joint Legislative PPT

STATE LEGISLATIVE DISCUSSION

JOE GALLI/CLIFF BRYSON



05/06/19 Presentation Outline

1. Wayfair
2. Affordable Housing,
Employment and Economic
Development
3. Long-Term Funding
Solutions for DDSP





State Legislative Discussion

HB2702 (Wayfair): TPT; Marketplace Facilitators; Nexus

- Sponsored by Rep. B. Toma (R-District 22)
- New Transaction Privilege Tax (TPT) called "Marketplace Facilitator."
- Establishes the economic nexus as done in South Dakota and across the nation.
 - *Implementation of the Wayfair decision.*
 - *37 of the 45 states that have a state sales tax have acted.*
 - *Prior to June 2018 states were precluded from imposing a sales tax on purchases made by remote (out-of-state) sellers.*



State Legislative Discussion

HB2702 (Wayfair)

- Requires out-of-state sellers to follow all applicable laws as if the seller had a physical presence in Arizona if the seller:
 - *Generate more than \$100K in revenue from sales in the state from previous year OR*
 - *Had more than 200 separate transactions (sales) into the state from previous year.*



State Legislative Discussion

HB2702 (Wayfair)

- Supported in Tax Equity and Retail Fairness.
- Supported in proper revenue and proper collection of taxes.
- Supported in flexibility and local control decisions.
 - ✓ Ability to tax certain items
- Supported in being consistent with other states that have adopted this measure.
- Continue to grow and strengthen a more equitable and resilient economy.



State Legislative Discussion

Affordable Housing, Employment and Economic Development

- Supported in measures that provide incentives to increase affordable housing and workforce housing.
- Supported in Low Income House Tax Credits and systems.
- Supported in measures that would increase employment opportunities.
- Supported in measures that provide the best employment opportunities for all citizens.
- Supported in measures providing more opportunities to increase business models.



State Legislative Discussion

Funding Solutions for DDSs (Developmental Disabilities Services Providers)

- Supported in keeping non-profit and for-profit DDSs in Flagstaff.
- Supported in the State of Arizona fully funding DDSs across Arizona.
- Supported in funding DDSs with legal mechanisms in place to appropriate state funds.

STATE LEGISLATIVE DISCUSSION Questions

