

**2024 AMENDMENTS TO CHAPTERS 2-03, 2-13, 2-14, 2-20, AND 3-06 OF THE CITY CODE  
RELATED TO THE PARKS AND RECREATION COMMISSION, TOURISM COMMISSION,  
BEAUTIFICATION AND PUBLIC ART COMMISSION, OPEN SPACES COMMISSION, AND  
HOSPITALITY INDUSTRY TAX REVENUES**

**CHAPTER 2-03  
PARKS AND RECREATION COMMISSION**

SECTIONS:

<a href="#"><u>2-03-001-0001</u></a>	COMMISSION CREATED; MEMBERS:
<a href="#"><u>2-03-001-0002</u></a>	TERMS; VACANCIES; COMPENSATION:
<a href="#"><u>2-03-001-0003</u></a>	ORGANIZATION AND RULES:
<a href="#"><u>2-03-001-0004</u></a>	POWERS AND DUTIES:

**2-03-001-0001 COMMISSION CREATED; MEMBERS:**

There is hereby created a Parks and Recreation Commission for the City, consisting of seven (7) members appointed by the City Council. (Ord. No. 2007-11, Amended 02/06/2007; Ord. 2014-28, Amended, 11/18/2014)

**2-03-001-0002 TERMS; VACANCIES; COMPENSATION:**

Terms of the appointed members shall be for three (3) years.

The Council shall fill vacancies for the unexpired term of any of the members of the Commission and no member of the Commission shall receive compensation for services thereon. (Ord. 1475, 2-3-87)

**2-03-001-0003 ORGANIZATION AND RULES:**

Upon the taking effect of this Chapter, and when appointed, the members shall meet and organize and elect a ~~Chairman~~ **CHAIRPERSON** to serve for one year with a new ~~Chairman~~ being elected each succeeding year. The Commission may adopt by-laws, procedures, and standards for the operation of the Commission not inconsistent with the provisions of this Chapter. A quorum shall consist of four (4) voting members. The Commission shall meet not less than four (4) times each year.

**2-03-001-0004 POWERS AND DUTIES:**

A. The duties of the Commission shall be to advise the Council, through periodic written reports **OR PRESENTATIONS** to the Council, recommending policy direction on City lands, structures, and facilities that are set aside or should be set aside or dedicated to recreational purposes, including but not limited to parks, swimming pools, playgrounds, playing and sports fields, and golf courses. The scope of the activities of the Commission shall also include but not be limited to advising and recommending policy direction in activities involving recreational and cultural pursuits of the elderly and the young and to otherwise employ in constructive and wholesome manner leisure time of the citizens.

B. The City Council may consider the advice and recommendation of the Commission and thereafter give direction through the City Manager to implement the recreational program as they see fit.

C. The Commission shall review and make recommendation on the annual budget of the Parks Section and Recreation Section prior to the submittal thereof to the City Manager.

D. With respect to the parks and recreation portion of the Bed, Board and Booze Tax allocated under Chapter [3-06](#), Hospitality Industry Tax Revenues, the Commission shall make JOINT recommendations, ALONG WITH THE OPEN SPACES COMMISSION, to the Council concerning the annual budgetary allocation of the parks and recreation portion of this tax, to include but not be limited to:

1. Developing parks and recreation facilities, OPEN SPACE, and programs as needed to benefit the community and its visitors.
2. Funding for the Flagstaff urban trails system development and maintenance.
3. Developing, acquiring, and distributing material to promote parks and recreation.
4. Retaining of appropriate staff to implement approved programs.

E. For purposes of subsection (D) of this section, "parks and recreation" means the development and management of public parks, OPEN SPACE, recreational facilities, and programs which are available to the residents and visitors including funding the Flagstaff urban trail system. (Same meaning as set forth in Section [3-06-001-0001](#).) (Ord. 865, 12-12-72; Ord. 1335, 10-16-84; Ord. 2015-22, Amended, 01/05/2016)

**CHAPTER 2-13  
TOURISM COMMISSION**

SECTIONS:

<a href="#">2-13-001-0001</a>	CREATION OF THE COMMISSION:
<a href="#">2-13-001-0002</a>	COMPOSITION AND TERM OF OFFICE:
<a href="#">2-13-001-0003</a>	COMPENSATION OF COMMISSION MEMBERS:
<a href="#">2-13-001-0004</a>	ORGANIZATION:
<a href="#">2-13-001-0005</a>	MEETINGS:
<a href="#">2-13-001-0006</a>	DUTIES:

**2-03-001-0001 CREATION OF THE COMMISSION:**

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There is hereby established a City Tourism Commission. There shall be seven (7) voting members of said Commission who shall meet as hereinafter provided to consider and recommend programs for the expenditure of the tourism portion of the Bed, Board and Booze Tax allocated under Chapter 3-06, Hospitality Industry Tax Revenues.

"Tourism" means the guidance, management, marketing, accommodation, promotion, and encouragement of ~~tourists~~ **VISITORS** (same meaning as set forth in Section 3-06-001-0001). (Ord. No. 1579, Enacted, 08/02/88; Ord. 2001-27, Amended, 11/20/2001; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-03-001-0002 COMPOSITION AND TERM OF OFFICE:**

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The composition of the membership shall consist of:

- A. Seven (7) members to be appointed by the City Council. Each member shall serve for three (3) years, on a staggered term basis.
- B. The City Manager or the Manager's designee shall be an ex officio member of the Commission. The member shall have no voting privileges.

The City Manager shall be responsible for staff support of the Tourism Commission.

The Council shall fill vacancies for the unexpired term of any of the members of the Commission.

A member's term in office shall commence with the first regular Commission meeting following the appointment and terminate with the regular Commission meeting at which the successor takes office. No voting member of the Commission may be appointed to more than two (2) consecutive full terms. (Ord. No. 1579, Enacted, 08/02/88; Ord. No. 1674, Amended, 09/18/90; Ord. 2001-27, Amended, 11/20/2001; Ord. No. 2006-09, Amended 04/10/2006; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-13-001-0003 COMPENSATION OF COMMISSION MEMBERS:**

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Members of the Commission shall serve without compensation.

(Ord. No. 1579, Enacted, 08/02/88)

**2-13-001-0004 ORGANIZATION:**

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The Commission shall elect a Chairperson from among its members. The term of the Chairperson shall be one year with eligibility for reelection. Commission members may not serve more than two (2) consecutive terms as Chairperson. The Council representative shall not be eligible for the Chair.

(Ord. No. 1579, Enacted, 08/02/88)

**2-13-001-0005 MEETINGS:**

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A. The Commission shall ATTEMPT TO hold at least one (1) regular meeting per month, BUT NO LESS THAN NINE (9) REGULAR MEETINGS PER YEAR, which shall ~~at all times~~ ALWAYS be open to the public. The time and place of said meeting shall be posted in accordance with the applicable Arizona State Statutes.

A quorum consisting of a minimum of four (4) voting members shall be required to conduct business.

~~B. The Chairperson of the Commission shall meet with the Chairpersons of the Economic Development Commission and the Beautification Commission at least once per month. The purpose of the meeting is for coordination of the three (3) commissions only. The intent is not to create another commission. The meeting shall at all times be open to the public. The time and place of said meeting shall be posted in accordance with applicable Arizona State Statutes.~~

~~B. C.~~ If a member is absent for three (3) meetings within a twelve (12) month period, excused or unexcused, that member may be replaced by the City Council. (Ord. No. 1579, Enacted, 08/02/88; Ord. 2001-27, Amended, 11/20/2001; Ord. 2014-28, Amended, 11/18/2014)

**2-13-001-0006 DUTIES:**

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The duties of the Commission shall be to:

A. WITH THE DIRECTION, GUIDANCE AND COORDINATION OF THE CONVENTION AND VISITORS BUREAU (CVB, A.K.A. DMO, A.K.A. DISCOVER FLAGSTAFF) THE TOURISM COMMISSION WILL PARTICIPATE IN A TWO-YEAR STRATEGIC PLAN TO INCLUDE A VISION, MISSION, AND POSITION STATEMENT. THE TWO-YEAR STRATEGIC PLAN SHALL BE USED AS A GUIDELINE FOR FUTURE PROGRAMS.

~~A. Prepare a Five (5) Year Master Plan. The Five (5) Year Plan shall be used as a guideline for future programs. Said Plan shall be presented to the Council prior to April 1st of each year.~~

~~B. Develop and present to City Council an Annual Plan outlining the Commission's program recommendations for the upcoming fiscal year. Said plan shall be presented to the Council prior to April 1<sup>st</sup> of each year.~~

CB. REVIEW THE CVB'S ANNUAL REQUESTS AND make recommendations to the City Council CVB concerning the annual budgetary allocation of the tourism portion of the Bed, Board

~~and Booze Tax to include, but not be limited to WHICH WILL BE SUBMITTED TO THE CITY BUDGET TEAM AND THEN THE CITY COUNCIL FOR FINAL APPROVAL.~~

~~C. REVIEW AND MAKE RECOMMENDATIONS ON THE ANNUAL SALES AND MARKETING PLAN. MAJOR ELEMENTS OF THE SALES/MARKETING PLAN WILL INCLUDE, BUT NOT BE LIMITED TO, DEVELOPING A SPECIFIC IMAGE FOR FLAGSTAFF, IDENTIFYING TARGET MARKET SEGMENTS, AND IMPLEMENTING A PROMOTIONAL PLAN DIRECTED TO TARGET MARKET SEGMENTS.~~

~~D. PROMOTE ACTIVITIES AND PROGRAMMING THAT ENHANCE THE COMMUNITY'S IMAGE AND THE OVERALL QUALITY OF LIFE.~~

~~E. MAINTAIN A VISITOR CENTER FOR EASY VISITOR ACCESS WITH ADEQUATE STAFFING TO OFFER AREA INFORMATION AND GUIDANCE.~~

~~F. RETAIN THE APPROPRIATE STAFFING TO MARKET, SELL, AND CREATE A BRAND IMAGE FOR FLAGSTAFF TO INCREASE VISITATION AND OVERALL ECONOMIC IMPACT.~~

~~1. Providing funding to the qualified, established public or private agency to administer, on a contract basis, tourism programs as required.~~

~~2. Developing and implementing a marketing plan. Major elements of the marketing plan will include, but not be limited to, developing a specific image for Flagstaff, identifying target market segments, and implementing a promotional plan directed to target market segments.~~

~~3. Establishing visitor information center(s) to include, but not be limited to, a high profile location, easy visitor access, adequate staffing, a toll-free telephone number for visitor information, and develop other facilities as needed to benefit visitors and the community.~~

~~4. Establishing an educational program to include, but not be limited to, scholarships for hospitality education at Northern Arizona University.~~

~~5. Promoting activities that enhance the community's image and the overall quality of life.~~

~~6. Retaining of appropriate staff to implement approved programs.~~

~~G.-D.~~ Perform any additional duties as determined by the City Council related to tourism activities. (Ord. No. 1579, Enacted, 08/02/88; Ord. 2015-22, Amended, 01/05/2016)

**CHAPTER 2-14  
BEAUTIFICATION AND PUBLIC ART COMMISSION**

**SECTIONS:**

<a href="#">2-14-001-0001</a>	CREATION OF COMMISSION:
<a href="#">2-14-001-0002</a>	COMPOSITION AND TERM OF OFFICE:
<a href="#">2-14-001-0003</a>	COMPENSATION OF COMMISSION MEMBERS:
<a href="#">2-14-001-0004</a>	ORGANIZATION:
<a href="#">2-14-001-0005</a>	MEETINGS:
<a href="#">2-14-001-0006</a>	DUTIES:

**2-14-001-0001 CREATION OF COMMISSION:**

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There is hereby established a City Beautification and Public Art Commission. There shall be seven (7) voting members of said Commission who shall meet as hereinafter provided to consider and recommend programs for the expenditure of the beautification and arts and sciences portions of the Bed, Board and Booze Tax allocated under Chapter [3-06](#), Hospitality Industry Tax Revenues.

"Arts and sciences" means support for Flagstaff arts, scientific and cultural activities, events, and organizations to provide direct and indirect citizen participation and enhancement of the overall quality of life and community image including support of public art. (Same meaning as set forth in Section [3-06-001-0001](#).)

"Beautification" means any modification of the urban physical environment to increase pleasure to the senses or pleasurably exalt the mind or spirit or strengthen the urban design framework of the City (same meaning as set forth in Section [3-06-001-0001](#)). (Ord. 1580, Enacted, 08/02/1988; Ord. 2006-15, Amended, 05/16/2006; Ord. 2007-07, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-14-001-0002 COMPOSITION AND TERM OF OFFICE:**

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The composition of the membership shall consist of seven (7) members appointed by the City Council.

Each member shall serve three (3) year terms, on a staggered basis. A member's term in office shall commence with the first regular Commission meeting following the appointment and terminate with the regular Commission meeting at which the successor takes office. No voting member of the Commission may be appointed to more than two (2) full consecutive terms. (Ord. 1580, Enacted, 08/02/1988; Ord. 1674, Amended, 09/18/1990; Ord. 2006-15, Amended, 05/16/2006; Ord. 2007-04, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-14-001-0003 COMPENSATION OF COMMISSION MEMBERS:**

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Members of the Commission shall serve without compensation. (Ord. 1580, Enacted, 08/02/1988)

**2-14-001-0004 ORGANIZATION:**

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The Commission shall elect a Chairperson from among its members. The term of the Chairperson shall be one year with eligibility for reelection. Commission members may not serve more than

two (2) consecutive terms as Chairperson. The Council representative shall not be eligible for the Chair. (Ord. No. 1580, Enacted, 08/02/1988)

#### **2-14-001-0005 MEETINGS:**

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A. The Commission shall hold at least one (1) regular meeting per month, which shall at all times be open to the public; the time and place of said meeting shall be posted in accordance with the applicable Arizona State Statutes.

B. A quorum consisting of a minimum of four (4) voting members of the Commission shall be required to conduct business. (Ord. 1580, Enacted, 08/02/88; Ord. 2006-15, Amended, 05/16/2006; Ord. 2016-30, Amended, 07/05/2016)

#### **2-14-001-0006 DUTIES:**

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The duties of the Commission shall be to:

A. The Commission shall be responsible for preparing a five (5) year plan. The five (5) year plan shall be used as a guideline for future programs. Said plan shall be presented to the Council prior to April 1st of each year.

B. Develop and present to City Council an annual plan outlining the Commission's program recommendations for the upcoming fiscal year. Said plan shall be presented to the Council prior to April 1st of each year.

C. Make recommendations to the City Council concerning the annual budgetary allocation of the beautification and public art portions of the Bed, Board and Booze Tax and other monies as deemed appropriate by the City Council, to include, but not be limited to:

1. Purchase, installation, or modification of landscaping and irrigation systems;
2. Purchase, removal, or modification of billboards and nonconforming signs;
3. Beautification of buildings and facilities, streetscapes, and gateways;
4. Purchase and installation of public art projects;
5. Purchase or lease of easements or property necessary for beautification projects.

D. Make recommendations to the City Council for public art projects by:

1. Reviewing and defining potential public art projects and writing project descriptions.
2. Determining the artist selection method and writing the call to artists for public art projects.
3. Evaluating public art proposals for recommendation to the City Council.
4. Facilitating display of local art in public facilities.

Recommendations to City Council are required for a public art proposal when the resulting contract will be ~~ifty~~ ONE HUNDRED thousand dollars (\$~~50~~ 100,000.00) or more.

E. With respect to the arts and science portion of the Bed, Board and Booze Tax allocated under Chapter 3-06, Hospitality Industry Tax Revenues, the Commission shall make recommendations to the Council concerning the annual budgetary allocation of the arts and science portion of this tax, to include but not be limited to:

1. Developing and supporting the Flagstaff arts, scientific and cultural activities, events, and organizations to provide direct and indirect citizen participation, and opportunities for enhancement of the overall quality of life and community image.
2. Developing, acquiring, and distributing material to promote arts and science.
3. Developing financial assistance programs to stimulate artistic and scientific activities in Flagstaff.
4. Retaining of appropriate staff to implement approved programs.

F. Perform those additional duties as determined by the City Council, related to the Beautification and Public Art Commission.

G. Contracts for arts and sciences and beautification are subject to procurement under the Procurement Code Manual. In addition, the City Council, City Manager, or his or her designee(s) may request the Commission to make recommendations regarding any arts and sciences or beautification proposals. (Ord. No. 1580, Enacted, 08/02/88; Ordinance No. 2006-15, Amended, 05/16/2006; Ord. 2015-22, Amended, 01/05/2016; Ord. 2021-22, Amended, 10/05/2021)

**CHAPTER 2-20  
OPEN SPACES COMMISSION**

SECTIONS:

<a href="#">2-20-001-0001</a>	CREATION OF THE COMMISSION:
<a href="#">2-20-001-0002</a>	TERMS OF OFFICE:
<a href="#">2-20-001-0003</a>	DUTIES:
<a href="#">2-20-001-0004</a>	OPEN SPACES LONG RANGE MANAGEMENT PLAN COMPONENTS:
<a href="#">2-20-001-0005</a>	MEETINGS; ATTENDANCE:

**2-20-001-0001 CREATION OF THE COMMISSION:**

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There is hereby created an advisory body to be called the "Open Spaces Commission" ("Commission") consisting of the following seven (7) regular members all of whom shall be appointed by the City Council, except for THE designee from the Planning and Zoning Commission: one (1) member from the Planning and Zoning Commission; and six (6) public at-large members. All Commission members shall be voting members. A Chairperson shall be selected by a majority vote of those members at a meeting called for that purpose. (Ord. No. 2007-08, Amended, 02/06/2007; Ord. 2014-28, Amended, 11/18/2014; Ord. 2015-22, Amended, 01/05/2016)

**2-20-001-0002 TERMS OF OFFICE:**

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Appointments from the Planning and Zoning Commission ~~and the Parks and Recreation Commission~~ to the Open Spaces Commission shall be for no longer than the remaining term of the ~~appointing Commission's~~ designee. Terms of all other appointees shall be for three years. ~~except for the first appointments creating staggered terms as follows: The City Council shall appoint two members for three year (3) terms, two members for two (2) year terms, and two members for one (1) year terms. After the initial appointment all terms thereafter will be three (3) year terms.~~

**2-20-001-0003 DUTIES:**

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- A. It shall be the Commission's duty to advise the City Council on acquisition, preservation, and alternatives for open space land management.
- B. The duties of the Commission shall also include, but not be limited to: Reviewing and advising the City Council on the development of an Open Spaces Long Range Management Plan and policies to provide broad, long-term direction for planning and decision-making for OPEN SPACE LANDS ~~the lands designated as Urban Open Space Management Area in the Urban Open Spaces Plan of the Flagstaff Area Regional Land Use and Transportation Plan.~~
- C. Advising and assisting the Mayor and City Council on ways to educate and involve the community on the value, protection, and stewardship of open space lands.
- D. Advising and assisting the Mayor and City Council on ways to work collaboratively with other governmental entities, organizations, and departments to advance and ensure the implementation of the Open Spaces Long Range Management Plan and the CURRENT Flagstaff Area Regional ~~Land Use and Transportation~~ Plan.

E. Advising and assisting the Mayor and City Council regarding regional open space issues as well as to any regional open spaces coalition that may be formed in the future relative to lands designated as open space in the Greater Flagstaff Area Open Spaces and Greenways Plan.

F. Obtaining public input and participation in various programs such as environmental education and interpretation on the use, operation, and management of open space and providing information concerning the goals, projects, and operations of the eOpen sSpace SECTION.

G. WITH RESPECT TO THE PARKS AND RECREATION PORTION OF THE BED, BOARD AND BOOZE TAX ALLOCATED UNDER CHAPTER 3-06, HOSPITALITY INDUSTRY TAX REVENUES, THE COMMISSION SHALL MAKE JOINT RECOMMENDATIONS, ALONG WITH THE PARKS AND RECREATION COMMISSION, TO THE COUNCIL CONCERNING THE ANNUAL BUDGETARY ALLOCATION OF THE PARKS AND RECREATION PORTION OF THIS TAX, TO INCLUDE BUT NOT LIMITED TO:

1. DEVELOPING PARKS AND RECREATION FACILITIES, OPEN SPACE, AND PROGRAMS AS NEEDED TO BENEFIT THE COMMUNITY AND ITS VISITORS.
2. FUNDING FOR THE FLAGSTAFF URBAN TRAILS SYSTEM DEVELOPMENT AND MAINTENANCE.
3. DEVELOPING, ACQUIRING, AND DISTRIBUTING MATERIAL TO PROMOTE PARKS AND RECREATION.
4. RETAINING OF APPROPRIATE STAFF TO IMPLEMENT APPROVED PROGRAMS.

**2-20-001-0004 OPEN SPACES LONG RANGE MANAGEMENT PLAN COMPONENTS:**

A. The components of the Open Spaces Long Range Management Plan shall include, but not be limited to:

1. Program goals, management decision-making processes, and implementation techniques for resource preservation.
2. Policies to provide the framework for more issue- or site-specific planning and implementation.
3. Criteria for the acquisition of lands that are consistent with open space goals and policies set forth in the Open Spaces Long Range Management Plan.
4. Plans for the management of the open spaces to achieve the goals of the Open Spaces Long Range Management Plan using such studies and data as property inventories, the nature and significance of the natural and cultural resources, plant and animal species ecosystems, existing uses and conditions, and interactions and connections between natural areas and between developed and undeveloped areas.
5. Developing, identifying, and recommending the use of various methods, such as intergovernmental agreements, rights-of-way for access, and grants, to assure protection of critical open space lands.

6. Policies to monitor, maintain, enhance, and restore, where necessary, natural and cultural resources, uses, accesses, trails, and facilities.
7. Public participation, education, and interpretive programs.

#### **2-20-001-0005 MEETINGS; ATTENDANCE:**

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The Commission shall meet on a quarterly basis, at a minimum, at such times, dates, and locations as determined by the members, except that the chairperson may call a special meeting with not less than twenty-four (24) hours' notice. All other rules or procedures shall be established by the members so long as the rules are consistent with state law, including the Open Meetings Law, the City Charter, and this chapter.

A quorum shall consist of four (4) voting members of the Commission.

A regular Commission member who is absent for three (3) consecutive regular meetings may be removed from the Commission by a vote of the City Council. (Ord. 2003-03, Enacted, 02/04/03; Ord. 2007-08, Amended 02/06/2007; Ord. 2016-30, Amended, 07/05/2016)

**CHAPTER 3-06  
HOSPITALITY INDUSTRY TAX REVENUES**

SECTIONS:

<a href="#">3-06-001-0001</a>	DEFINITIONS
<a href="#">3-06-001-0002</a>	DISTRIBUTION OF HOSPITALITY INDUSTRY TAX REVENUES
<a href="#">3-06-001-0003</a>	FINANCIAL CONTROL
<a href="#">3-06-001-0004</a>	EXEMPTION

**3-06-001-0001 DEFINITIONS**

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"Arts and sciences" means support for Flagstaff arts, scientific and cultural activities, events, and organizations to provide direct and indirect citizen participation and enhancement of the overall quality of life and community image including support of public art.

"Beautification" means any modification of the urban physical environment to increase pleasure to the senses or pleasurably exalt the mind or spirit or strengthen the urban design framework of the City.

"Economic development" means the encouragement, promotion, and assistance of the expansion of economic activity for the purposes of expanding revenue and providing jobs to the community.

"Hospitality industry" means those establishments engaged in business as bar/lounge, restaurant, or hotel/motel/campground.

"Hospitality industry tax revenues" means the revenues collected from the two percent (2%) local transaction privilege tax imposed on the lodging, restaurant, and lounge businesses by Ordinance No. 1532, as extended through March 31, 2028, by approval of a majority of the qualified electors voting in the City general election held on May 18, 2010. This tax is referred to as the "Bed, Board, and Booze Tax" or "BBB Tax" and is part of the total tax rate imposed pursuant to the City tax code, Sections [3-05-004-0444](#), Hotels, and 3-05-004-0455, Restaurants and Bars.

"Parks and recreation" means the development and management of public parks, **OPEN SPACE**, recreational facilities, and programs which are available to the residents and visitors including funding the Flagstaff urban trail system.

"Tourism" means the guidance, management, marketing, accommodation, promotion, and encouragement of tourists.

"Tourists/visitors" means individuals or groups which visit Flagstaff and surrounding areas for business, recreational, educational, scientific, or cultural purposes. (Ord. No. 1902, Amended, 12/19/95; Ord. 2014-15, Amended, 07/15/2014; Ord. 2015-22, Amended, 01/05/2016)

**3-06-001-0002 DISTRIBUTION OF HOSPITALITY INDUSTRY TAX REVENUES**

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There shall be a separate accounting for all hospitality industry tax revenues collected. Said funds shall be distributed and expended consistent with City ordinances, the City Charter, and State law. The funds collected shall be allocated as follows:

- A. Thirty percent (30%) for tourism in conformance with Chapter [2-13](#), Tourism Commission.

B. Twenty percent (20%) for beautification in conformance with Chapter [2-14](#), Beautification and Public Art Commission.

C. Nine and one-half percent (9.5%) for economic development in conformance with Section [3-06-001-0003](#)(C).

D. Thirty-three percent (33%) for parks and recreation, in conformance with Chapter [2-03](#), Parks and Recreation Commission, [AND CHAPTER 2-20, OPEN SPACES COMMISSION](#).

E. Seven and one-half percent (7.5%) for arts and science in conformance with Chapter [2-14](#), Beautification and Public Art Commission. (Ord. No. 1902, Amended, 12/19/95; Ord. 2014-15, Ren&Amd, 07/15/2014. Formerly 3-06-001-0003; Ord. 2015-22, Amended, 01/05/2016)

### **3-06-001-0003 FINANCIAL CONTROL**

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A. Tourism. Those funds designated for tourism shall be administered pursuant to Chapter [2-13](#), Tourism Commission.

B. Beautification. Those funds designated for beautification and public art shall be administered pursuant to Chapter [2-14](#), Beautification and Public Art Commission.

C. Economic Development. Those funds designated for economic development shall be administered as follows:

The City Council shall:

1. Appoint or act as an Economic Development Commission;
2. Designate an appropriate public or private economic development agency. Said agency shall be composed of at least two (2) City Council persons and additional members as required;
3. This public or private agency shall:
  - a. Develop and transmit to the Council an annual master plan outlining the Commission's or public or private agency's program recommendations for the upcoming year. Said plan shall be presented to the Council prior to April 1st of each year.
  - b. Make recommendations to the Council concerning the annual budgetary allocation of the economic development portion of this tax, to include but not be limited to:
    - (1) Developing, acquiring, and distributing advertising material to promote economic development.
    - (2) Providing financial assistance programs to stimulate relocation and retention of ~~industrial~~ [APPROPRIATE BUSINESS](#) prospects to Flagstaff.

(3) SUPPORT BUSINESS DEVELOPMENT, INCUBATION, AND ACCELERATION ACTIVITIES USING PARTNER ORGANIZATIONS, DATA ANALYTICS, AND OTHER TOOLS TO ENCOURAGE ENTREPRENEURSHIP.

(34) Retaining of appropriate staff to implement approved programs.

(45) Perform those additional duties determined by the Council as set forth by ordinance.

D. Parks and Recreation. Those funds designated for parks and recreation shall be administered pursuant to Chapter 2-03, Parks and Recreation Commission, AND CHAPTER 2-20, OPEN SPACES COMMISSION.

E. Arts and Science. Those funds designated for arts and science, including an annual amount allocated by the City Council for the support and development of the City's public art program, shall be administered pursuant to Chapter 2-14, Beautification and Public Art Commission. (Ord. No. 1902, Amended, 12/19/95; Ord. 2002-04, Amended, 03/05/2002; Ord. No. 2006-14, Amended, 05/16/2006; Ord. 2014-15, Ren&Amd, 07/15/2014; Ord. 2015-22, Amended, 01/05/2016. Formerly 3-06-001-0004)

**3-06-001-0004 EXEMPTION**

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The hospitality industry tax revenues shall be exempt from the limits imposed on spending by Article IX, Section 20, of the Arizona State Constitution. (Ord. 1532, 11-17-87; Ord. 2014-15, Ren&Amd, 07/15/2014. Formerly 3-06-001-0006)