



Town of Camp Verde Vision Statement

“Camp Verde is welcoming, a safe community, a vibrant economy, thoughtfully growing, and offering an exception quality of life.”

**AGENDA
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, SEPTEMBER 25, 2024 at 5:30 P.M.**

ZOOM MEETING LINK:

<https://us02web.zoom.us/j/83863669257?pwd=SiYlPgaQfd9IWbEdDoCMEF3ZmaiWT.1>

One Tap Mobile: 1-253-215-8782 or 1-346-248-7799

Meeting ID: 838 6366 9257

Passcode: 829459

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

Note: Agenda Items 4 and 5, the Mayor will welcome public comments.

- 1. Call to Order**
- 2. Roll Call.** Council Members Jackie Baker, Wendy Escoffier, Robin Godwin, Cris McPhail, Jessie Murdock, Vice Mayor Marie Moore, and Mayor Dee Jenkins.
- 3. Pledge of Allegiance**
- 4. Discussion, consideration and direction regarding Community Development priorities.** Staff Resource: Town Manager Miranda Fisher and Planner II Cory Mulcaire. pg. 3
- 5. Discussion, consideration and possible direction regarding retail marijuana in the Town of Camp Verde.** Staff Resource: Economic Development Director Molly Davies and Economic Development Specialist David Meyers. pg. 5

6. Adjournment

Note: Upon a public majority vote of a quorum of the Town 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 purpose of discussion or consultation for legal advice with the Town Attorney as permitted by A.R.S. § 38-431.03(A)(3). Any other executive sessions will be separately included on the agenda above if an executive session will be held at the meeting.

Pursuant to A.R.S. §38-431.01 Meetings shall be open to the public - All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public meeting. Pursuant to Town Code, Section 2-3-7.1 the Mayor shall call for a vote of the Council to allow the meeting to continue past the deadline of 10:00 p.m. The Town of Camp Verde Council Chambers is accessible to persons with disabilities. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk at 928-554-0021.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the Town of Camp Verde and Bashes on 09-18-2024 at 4:00 p.m. in accordance with the statement filed by the Camp Verde Town Council with the Town Clerk

Leah Rhodes

Leah Rhodes, Town Clerk



Meeting Date: Town Council – Regular Session, September 25, 2024

Agenda Item Type:

- | | | |
|---|---|---|
| <input type="checkbox"/> Consent Agenda | <input type="checkbox"/> Informational Presentation | <input checked="" type="checkbox"/> Discussion Item |
| <input type="checkbox"/> Action/Decision Item | <input type="checkbox"/> Executive Session Request | <input type="checkbox"/> Other: |

Requesting Department: Community Development

Staff Resource: Miranda Fisher, Town Manager & Cory Mulcaire, Planner II

Agenda Title: Discussion, consideration & direction regarding Community Development priorities

Attached Documents: N/A

Estimated Presentation Time: 5 minutes

Estimated Discussion Time: 30 minutes

Reviewed By:

- | | | | | |
|--|--------------------------------|--|----------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> Town Manager | <input type="checkbox"/> Legal | <input type="checkbox"/> Risk Management | <input type="checkbox"/> Finance | <input type="checkbox"/> Other: |
|--|--------------------------------|--|----------------------------------|---------------------------------|

Background Information:

The Community Development Department has been working on various code updates and planning documents and now seeks guidance on establishing priorities. Currently, the following code amendments and plans are in progress, but due to staff capacity, it is impractical to address all of these simultaneously:

- General Plan Update
- Residential & Commercial Uses/Standards & Definitions
- Sign Ordinance (on hold due to capacity constraints)
- Off-Highway Vehicles (Town Manager Miranda Fisher has identified that it would be more appropriate to address OHVs as a part of residential uses vs. a singular update)
- Livestock Ordinance

Additionally, discussions have emerged regarding potential updates for RV Park Standards & Overlay District codes, as well as a Retail Marijuana Ordinance, should the Council decide to consider retail marijuana facilities in Camp Verde. This will be addressed at the September 18th Council meeting.

Historically, the Town has made incremental code changes focused on specific issues (e.g., livestock). However, Town staff believe that a Comprehensive Zoning Code Update would be more effective, as it would address a range of issues, including but not limited to, subdivisions, RVs, residential uses, and signs, thereby minimizing contradictions within the code.



Town Council Agenda Information Memorandum

At the September 5th Planning & Zoning meeting, the Commission prioritized the following for Community Development:

- **General Plan Update**
 - This is currently underway, with the Technical Advisory Group meeting bi-weekly.
- **Livestock Ordinance**
 - The public hearing before the Planning & Zoning Commission has been continued to October 3rd. We expect a recommendation at that meeting, with the ordinance proceeding to the Council for review by the end of the year.
- **Comprehensive Planning and Zoning Plan Update**
 - The Commission prefers a comprehensive update over subject-specific amendments to prevent code contradictions.
- **Rural Water Management Planning**
 - The Commission recommends forming a committee to assess Town water capacity and resiliency, and to provide recommendations for potential code language related to water conservation.

Town staff concur with these priorities.

Question(s) before the Commission:

- Does the Council agree with the priorities identified by Town staff and the Planning & Zoning Commission?
 - If so, should the Council decide if they want to allow for consideration of retail marijuana establishments, it should be discussed in the next agenda item whether that change should be incorporated into the comprehensive zoning update or addressed as a separate update before the comprehensive update is completed.

Proposed Motion: N/A

This is a discussion item where staff are seeking direction, not an official vote.



Meeting Date: September 25, 2024

Agenda Item Type:

- | | | |
|---|---|---|
| <input type="checkbox"/> Consent Agenda | <input type="checkbox"/> Informational Presentation | <input type="checkbox"/> Discussion Item |
| <input type="checkbox"/> Action/Decision Item | <input type="checkbox"/> Executive Session Request | <input checked="" type="checkbox"/> Other: Work session |

Requesting Department: Economic Development

Staff Resource: Molly Davies, Economic Development Director and David Meyers, Economic Development Specialist

Agenda Title: Discussion, consideration and possible direction regarding retail marijuana in the Town of Camp Verde.

Attached Documents:

- Retail Marijuana Report FINAL.pdf (same report from the August 14, 2024 meeting)
- Retail Marijuana Council Presentation.pdf (same report from the August 14, 2024 meeting)
- August 14, 2024 Meeting Minutes

Estimated Presentation Time: 15 Minutes **Estimated Discussion Time:** 45 Minutes

Reviewed By:

- | | | | | |
|--|---|--|----------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> Town Manager | <input checked="" type="checkbox"/> Legal | <input type="checkbox"/> Risk Management | <input type="checkbox"/> Finance | <input type="checkbox"/> Other: |
|--|---|--|----------------------------------|---------------------------------|

Financial Review (if applicable):

- Funding Source / GL Account Number: N/A
- Approved in the FY25 Budget? Yes No N/A Other:
- Is this an approved CIP Project? Yes No N/A Other:

Background Information:

August 14, 2024, Town Council Special Session:

The Town does not allow retail marijuana. Allowing retail marijuana could increase sales tax revenue and provide local retail access to residents who must leave the community to purchase marijuana. At the August 14, 2024, Town Council Special Session, Town Staff presented information about how retail marijuana is taxed, potential Town revenue, next steps to allow retail marijuana, and staff recommendation. The Town Council directed staff to schedule a work session to follow up on questions asked and to discuss other priorities' timelines should retail marijuana be allowed. The Town Council will have heard from the Community Development Department and their current priorities and associated timelines at the September 25, 2024, work session meeting agenda item prior to this item.

The report and presentation from the August 14, 2024, Town Council Special Session meeting are attached for additional background information. The attached report details how marijuana is taxed, examples of code from other municipalities in AZ, local retail marijuana retail traffic that originates in Camp Verde and staff recommendations.



Town Council Agenda Information Memorandum

Additional Research/Information Acquired:

- **Ability to Tax Retail Marijuana Locally:**
Staff met with the Town Attorney, Trish Stuhan, and received information from the League of Arizona Cities & Town's Tax Policy Analyst. Despite numerous alternative taxing strategies in place in other states, in Arizona there are no alternative methods to extract taxes or revenue from marijuana production and sales. Per Prop 207 and A.R.S. 36-2864 (Transaction privilege tax; use tax; additional taxes prohibited; exception), cities and towns are prohibited from imposing any tax on medical or recreational marijuana sales other than the regular retail TPT rate on sales by dispensaries to consumers. The state is only allowed to impose its retail TPT rate and the specified 16% excise tax (A.R.S. 42-5452, levy and rate of tax; effect of federal excise tax) which is dedicated primarily to public safety purposes. Given these statutes are voter protected, there is no realistic hope for any attempt to replicate any other tax schemes used in other states.
- **Ability to Tax Marijuana Grow Facilities Locally:**
While a dispensary makes taxable retail sales to end users, grow facilities are only allowed to make sales for resale to the dispensaries, so they are exempt from TPT. However, the Town may be able to explore a tiered water usage structure as part of its conservation strategy. This would require more research and exploration with the Utilities Department and Town Attorney.
- **Business Interest and Feedback:**
There has been and continues to be private business interest in opening a dispensary in Camp Verde. Currently, staff is engaged with an interested party to open a dispensary in the Town.
- **Anticipated Timeline for an Ordinance:**
In speaking with the Town Attorney, she stated she could have a draft ordinance completed in a week. She can either do a combined ordinance or two separate ordinances for the Town Code and the Planning and Zoning Ordinances. There are templates available and examples of ordinances already in place in Arizona communities. The fastest the Town could have an ordinance in place would be 60-90 days. The process includes a Community Development Department review of the draft ordinance, Planning and Zoning Commission review and public hearing, Town Council review and public hearing, and a Town Council decision. If the Town Council would like to have more public outreach beyond the public hearing, that may increase the timeline.

Considerations for Allowing Retail Marijuana in Camp Verde:

- The Town of Camp Verde may enact zoning regulations to limit the use of land for retail marijuana; limit the number of retail marijuana establishments; and prohibit these establishments.
Applicable Zoning Use Districts?
Currently medical marijuana dispensaries are allowed in the Zoning Use Districts of C3, M1, and M2. Microbreweries and wineries for onsite consumption and wholesale distribution are allowed in C2 and C3. Microbreweries and wineries for manufacturing and processing of beer are allowed in M1, and M2.



Town Council Agenda Information Memorandum

- Should the Town require a Use Permit?
A Use Permit may allow the Town to further mitigate impacts on neighbors, and deal with issues around separation and setbacks.
- How many dispensaries should be allowed within the Town?
Concerns about the proliferation of retail marijuana dispensaries have been raised. The Town of Payson chose to limit the number of dispensaries to two with the ability to increase by one for each population increase over 50,000.
- Does the Town Council want staff to plan for additional public outreach?
There will be public hearings as part of any amendment to the ordinance. Town staff can solicit stakeholder feedback via a social media survey; inviting the public to email comments; and sharing information about the decision through a press release and our weekly updates.

Staff Recommendation:

Staff recommends amending the Planning & Zoning Ordinance and Town Code to allow for retail marijuana with the following stipulations:

- Retail marijuana facilities are only allowed in Zoning Use Districts of C2, C3, M1 and M2.
- Retail marijuana facilities will require a Use Permit.
- The number of marijuana facilities permitted within the limits of the Town of Camp Verde shall be limited to two. The number of permitted marijuana facilities shall be increased by one for each population increase of 25,000 over and above the official 2020 census for Camp Verde.

Staff further recommends additional public engagement occur through stakeholder feedback via a social media survey; inviting the public to email comments; and sharing information about the decision through a press release and our weekly updates.

Connection to the [FY25-FY30 Strategic Plan](#)

Allowing Retail Marijuana supports the Focus Area, “Resilient Economy and Community Infrastructure”. Increased tax revenue will contribute to funding the Town’s strategic priorities.

Question(s) before the Council:

- Does the Town Council want to proceed with amending the Planning & Zoning Ordinance and Town Code to allow for retail marijuana?
- If so, does the Town Council agree with the Town staff recommendations restated below?
 - Retail marijuana facilities are only allowed in Zoning Use Districts of C2, C3, M1 and M2.
 - Retail marijuana facilities will require a Use Permit.
 - The number of marijuana facilities permitted within the limits of the Town of Camp Verde shall be limited to two. The number of permitted marijuana facilities shall be increased by one for each population increase of 25,000 over and above the official 2020 census for Camp Verde.



Town Council Agenda Information Memorandum

- Execute additional public outreach strategies including but not limited to stakeholder feedback via a social media survey; inviting the public to email comments; and sharing information about the decision through a press release and our weekly updates.
- Does the Town Council want to receive more information about a tiered water usage structure for marijuana grow facilities?

Town of Camp Verde, Economic Development

Retail Marijuana Report

INDUSTRY DATA AND TAX INFO

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Frequently Asked Questions

How is marijuana taxed?

Yavapai County has a Transaction Privilege Tax (TPT) tax rate of 6.35% and the Town of Camp Verde has a TPT tax rate of 3.65% which is disbursed normally to local municipalities. Additionally, there is a 16% Marijuana Excise Tax that is disbursed in accordance with Proposition 207 and a portion of which is distributed locally.

What tax revenue could the town receive from retail marijuana?

Conservatively, if there are 45 customers daily with an average purchase of \$50.00, (annual revenue of \$821,000) this could yield approximately \$30,000 of sales tax revenue to the Town. Throughout the report, there is industry data that speculates the annual revenue could be higher, resulting in even higher sales tax revenue for the Town.

What tax revenue could the town receive from a new grocery store?

While the Town would benefit from a second grocery store, most items in a grocery store are only subject to a Food Tax, and Camp Verde does not have a food tax. If the goal is to increase the town's tax base, it should attract a business other than a grocery store.

What tax revenue could the town receive from a new fast-food restaurant at I-17/260 Junction?

An article from QSR magazine reports that Chick-fil-A's average sales per unit (location) is \$5,013,000. With the average gross revenue of \$5,013,000, and a 3.65% town sales tax, the town would receive \$15,248 monthly, or \$182,975. Understanding that the numbers here are average Chick-Fil-A sales, Camp Verde would likely see fewer sales than the two closest Chick-Fil-A locations of Flagstaff, and Prescott Valley. Highway 69 next to the Prescott Valley location has approximately 45,000 vehicles a day, whereas Finnie Flat in front of Starbucks has approximately 18,000 vehicles a day and I-17 at Highway 260 has approximately 34,000 vehicles a day. Very roughly, if the Prescott Valley location sees an average gross sale of \$5,000,000, then a Camp Verde location could see \$2.5 – 3.75 million a year which would translate to \$91,250 - \$136,875 a year in taxes. In year one the new Chick-Fil-A could see 20-30% of the \$2.5 - \$3.75 million in sales.

What would the process look like to allow retail marijuana in Camp Verde?

Updating and amending both the Town Code and Planning & Zoning Ordinance would likely involve, at minimum, additional research with other municipalities, public engagement sessions, and public readings of proposed changes. The town would need to amend Town Code Article 16-4 as well as, and at minimum, the Planning and Zoning Ordinance Sections 103 - Definition of Terms, and Section 203 – Use Districts.

What else needs to happen if a retail marijuana company wants to open here?

For a dispensary to open, it must be granted a license from the Bureau of Marijuana Licensing, part of the Arizona Department of Health Services (ADHS). Dispensaries may be licensed for a Medical Dispensary, Adult-Use, or dual licensee. In a prior conversation with an industry professional, ADHS isn't issuing new licenses. That means that the only way for Camp Verde to get a dispensary is for a dispensary to relocate their license to Camp Verde.

Section 1. STATE TAXES

TRANSACTION PRIVILEGE TAXES

Transaction Privilege Taxes (TPT) are applied to sales at Marijuana Dispensaries. Camp Verde taxes that can be applied are #017 Retail, #029 Use Tax, and #203 Medical Marijuana Retail Sales. The rates for each of these are 3.65%.

ACTIVITIES BASED ON BUSINESS CODE

Wholesaler of Marijuana	017
Manufacturer of Marijuana Oils and Ointments	017
Manufacturer of Candy Infused with THC	017
Retailer of Adult Use Marijuana	420
Retailer of Medical Marijuana	203
Retailer of Marijuana Edibles	203 and/or 420
Retailer of Marijuana Products (Oils, Budders, Shatter, etc.)	203 and/or 420
Retailer of Grow Items Only (e.g. lights, jars, etc.)	017
Retailer of Pipes and Accessories Only	017
Industrial Hemp Products	017

DISTRIBUTION

The 3.65% TPT collected from Retail Sales is distributed to local municipalities with no restrictions on how funds are used.

MARIJUANA EXCISE TAX

A 16% Marijuana Excise Tax was approved by Proposition 207 and is applied to the sale and use of recreational marijuana.

DISTRIBUTION of MARIJUANA EXCISE TAX

The Marijuana Excise Tax is deposited into the Smart and Safe Arizona Fund (SSAF). The SSAF is distributed at least twice annually in the below amounts:

- 33.0% to community college districts, including:
 - 15.0% divided equally among each district.
 - 0.5% divided equally among each provisional district.
 - 17.5% divided among the districts according to enrollment.
- 31.4% went to municipal police departments, municipal fire departments, fire districts, and joint powers authorities divided according to the number of individuals from each department enrolled in the Public Safety Personnel Retirement System.
- 25.4% to the Highway User Revenue Fund (HURF) for state and local transportation programs.
- 10.0% to the Justice Reinvestment Fund, including:
 - 3.5% to county health departments.

- 3.5% to the Department of Health Services (DHS) for grants to qualified non-profit organizations that provide justice reinvestment programs.
- 3.0% to DHS to address public health issues affecting the state.
- 0.2% to the Attorney General for enforcement.

Camp Verde Marshall’s Office distribution

Locally the Camp Verde Marshall’s Office has received the below the last three Fiscal Years

FY24: \$60,903

FY23: \$53,233

FY22: \$52,113

ADJUSTING LOCAL TAXES

The AZ Department of Revenue [TPT Rate table](#) for Camp Verde, pictured below, shows TPT rates per Business Code. Camp Verde has 19 Business Codes set to 3.65%, two Business Codes set to 2.00%, one to 1.00% and one at 0.10%. The Town is able to set business codes independent of other businesses codes.

Arizona State, County and City [Tax Rate Look-Up Tool](#)

TABLE 2				
CITY/TOWN NAME	REGION/ CITY CODE	BUSINESS CODE	TAX RATE	COUNTY
CAMP VERDE	CE			YAV
Advertising		018	3.65	
Amusements		012	3.65	
Contracting – Prime		015	3.65	
Contracting – Speculative Builders		016	3.65	
Contracting – Owner Builder		037	3.65	
Job Printing		010	3.65	
Manufactured Buildings		027	3.65	
Timbering and Other Extraction		020	3.65	
Severance – Metal Mining		019	0.10	
Publication		009	3.65	
Hotels		044	3.65	
Hotel/Motel (Additional Tax) ^B		144	3.00	
Residential Rental, Leasing, & Licensing for Use		045	2.00	
Commercial Rental, Leasing, & Licensing for Use		213	2.00	
Rental, Leasing, & Licensing for Use of TPP		214	3.65	
Restaurant and Bars		011	3.65	
Retail Sales		017	3.65	
Retail Sales (Single Item Portion Over \$5,000)		357	1.00	
MRRA Amount ^D		315	3.65	
Communications		005	3.65	
Transporting		006	3.65	
Utilities		004	3.65	
Use Tax Purchases		029	3.65	
Use Tax From Inventory		030	3.65	

Section 2. INDUSTRY REVENUE DATA

Economic Development obtained industry revenue data by speaking with various cannabis industry professionals, MITA (Arizona’s cannabis industry trade association), Arizona Department of Health, Placer.ai, and Headset.io.

Headset.io is a data-driven tech company that provides a business intelligence platform for the cannabis industry. Their services cover an array of specialized needs that businesses in the industry have, be they growers, extractors, processors, or retailers. The company’s mission is to help operators make more informed business decisions through data. It aggregates multiple reporting sources to help analysts, producers, and retailers see opportunities and stay ahead of product trends.

Placer.ai projects that between 14,800 to 46,400 residents from the Camp Verde area visit the six closest dispensaries. This does not take into account new customers in the Camp Verde area or potential customers off I-17. Placer.ai is an aggregated data business that delivers extrapolated market research. The Placer.ai data in this report includes a data range because Placer.ai leverages proprietary technology to extrapolate broader predictions based on a representative sample set.

RETAIL MARIJUANA PROJECTED MONTHLY REVENUE

In conversation with an industry professional, they projected initial monthly revenue for Camp Verde retail marijuana of around \$650,000 and grow to \$1,200,000 a month after a few years of operation. A dispensary located near the ASU Tempe campus is likely to see higher than \$1,700,000 a month. Dispensaries in the general Phoenix Metropolitan area are likely to have monthly revenue around \$1,500,000 to \$1,700,000. These numbers are corroborated in speaking with a statewide industry professional (MITA). They said small town/rural dispensaries would see \$300,000 to \$400,000 a month. The same statewide (MITA) industry professional anticipated that Curaleaf in Sedona and Trulieve in Cottonwood (when it was the only dispensary) would likely see \$1,000,000 a month.

AZ Department of Public Health – Public Health Licensing shows that Arizona has 169 [active dispensaries](#). Headset.io recorded \$1.39 billion in revenue in AZ in 2022. This translates to an average of \$8,224,852 annually per dispensary.

AVERAGE TRANSACTION

The average transaction or basket, size dropped by -31% from \$78.90 to \$54.82 over the two years from January 2021 to January 2023.

POTENTIAL CAMP VERDE TAX REVENUE FROM DISPENSARIES

	ANNUAL CUSTOMERS	\$\$ AVG. TRANSACTION	\$\$ ANNUAL REVENUE	\$\$ MONTHLY REVENUE	TAX RATE	\$\$ ANNUAL TAX REVENUE	\$\$ MONTHLY TAX REVENUE
1	14,800	36.67	542,716	45,226	3.65%	19,809	1,651
2	14,800	55.00	814,000	67,833	3.65%	29,711	2,476
3	46,400	55.00	2,552,000	212,667	3.65%	93,148	7,762
4	65,455	55.00	3,600,000	300,000	3.65%	131,400	10,950
5	87,273	55.00	4,800,000	400,000	3.65%	175,200	14,600
6	141,818	55.00	7,800,000	650,000	3.65%	284,700	23,725
7	261,818	55.00	14,400,000	1,200,000	3.65%	525,600	43,800

Scenario 1: Customer count is the low Placer.ai projection of Camp Verde customers that currently shop at existing Marijuana Dispensaries. Average Transaction is 66% of the 2023 Average Basket Size from Headset.io. This follows the trend from 2021.

Scenario 2: Customer count is the low Placer.ai projection of Camp Verde customers that currently shop at existing Marijuana Dispensaries. Average Transaction is the 2023 Average Basket Size from Headset.io.

Scenario 3: Customer count is the high Placer.ai projection of Camp Verde customers that currently shop at existing Marijuana Dispensaries. Average Transaction is the 2023 Average Basket Size from Headset.io.

Scenario 4: Customer count is the low projection from MITA for a small rural town, similar to Camp Verde. Average Transaction is the 2023 Average Basket Size from Headset.io.

Scenario 5: Customer count is the high projection from MITA for a small rural town, similar to Camp Verde. Average Transaction is the 2023 Average Basket Size from Headset.io.

Scenario 6: Customer count is the low projection from a local industry professional for a new retail location. Average Transaction is the 2023 Average Basket Size from Headset.io.

Scenario 7: Customer count is the projection from a local industry professional for a retail location after a few years of operation. Average Transaction is the 2023 Average Basket Size from Headset.io.

Section 3. Staff Recommendations

Community Development Recommendation

CDD staff will follow council direction in the question of allocating staff time in the research and review of marijuana dispensaries in our Zoning Ordinance. Based on research provided by the Economic Development Department, we note that Camp Verde currently allows Medical Marijuana Dispensaries in the Heavy Commercial District (C3), that Cottonwood allows dispensaries in Light Commercial (C1), Heavy Commercial (C2), and Heavy Industrial (I2) zoning districts, that Sedona allows dispensaries in Commercial (CO), and Industrial (IN) zoning districts, and that Prescott Valley allows dispensaries in Commercial: General Sales and Services (C2) and Commercial: Minor Industrial (C3) zoning districts.

The updates to this ordinance are anticipated to divert planning staff resources from existing council priority projects including the General Plan update, Livestock Ordinance, Sign Ordinance, Comprehensive Update to the Zoning Ordinance, etc.

CVMO Recommendation

The Camp Verde Marshals office command staff recognizes the need for further discussion regarding retail marijuana sales in Camp Verde. It is our position that the regulation of sales to minors is a big concern, Arizona Department of Health is highly understaffed resulting in unregulated checks for sales to minors. Recent student surveys show 13.2% of minors who use THC have purchased directly from retail stores, 18% of youth obtained through medical card holders. We understand the increase in tax revenue the town would receive would be beneficial, but again feel that further discussion is needed to ensure that regulations on both state and local levels are being conducted.

CVMO welcomes an opportunity to come to the table for further discussion in this matter.

Economic Development Recommendation

The Economic Development Department supports relaxing the Town Code and Zoning Ordinance to allow for retail marijuana in Camp Verde, as it could contribute to a robust economy and diversify our tax base. While our residents may have differing opinions on whether or not they want dispensaries, the truth is that bringing recreational marijuana can have an economic impact on local tax revenue, boost the local economy, and even enhance our tourism efforts. The sales tax revenue generated from dispensary operations would bolster local finances, providing essential funds for public services and infrastructure projects that are crucial for sustaining and enhancing the quality of life for our residents. There is existing demand for recreational marijuana and those sales tax funds are being captured elsewhere instead of in Camp Verde.

In addition to the tax benefits, the sales tax revenue is similar to that of a fast-food establishment, but with a small footprint, half the workforce, and no drive-thru. On average, dispensaries hire between 30-50 employees, with 25-30 of these positions being full-time roles. These job opportunities provide stable income and benefits to a significant portion of our workforce, contributing to overall economic stability and growth.

Due to the limited number of licenses for recreational dispensaries in Arizona, it is highly unlikely that Camp Verde will experience a proliferation of dispensaries. Should this be a concern, the Economic Development Department recommends exploring solutions like the Town of Payson employs to only have two dispensaries for their population.

Expanding retail dispensary operations to include C1, C2, and C3 Commercially Zoned districts will maximize revenue opportunities and integrate the marijuana industry more seamlessly into the local economy. Allowing retail locations to operate in well-lit and well-trafficked commercial areas will significantly reduce the likelihood of criminal behavior associated with marijuana transactions. This approach not only supports our economic goals but also aligns with the Town's commitment to maintaining public safety and reducing illegal activities within our community.

Section 4. Process to Update Town Code and Zoning Ordinance

Updating the Zoning Ordinance and Town Code:

1. Requires an adoption of ordinance to change Town Code.
2. Requires an adoption of ordinance to change Zoning Ordinance.
3. Both ordinance's could be presented to Council for discussion only and then on the next meetings' agenda for a vote.
4. Town Council will vote on P&Z recommendation for updating Zoning Ordinance.
5. Town Council will vote on changing the Town Code.

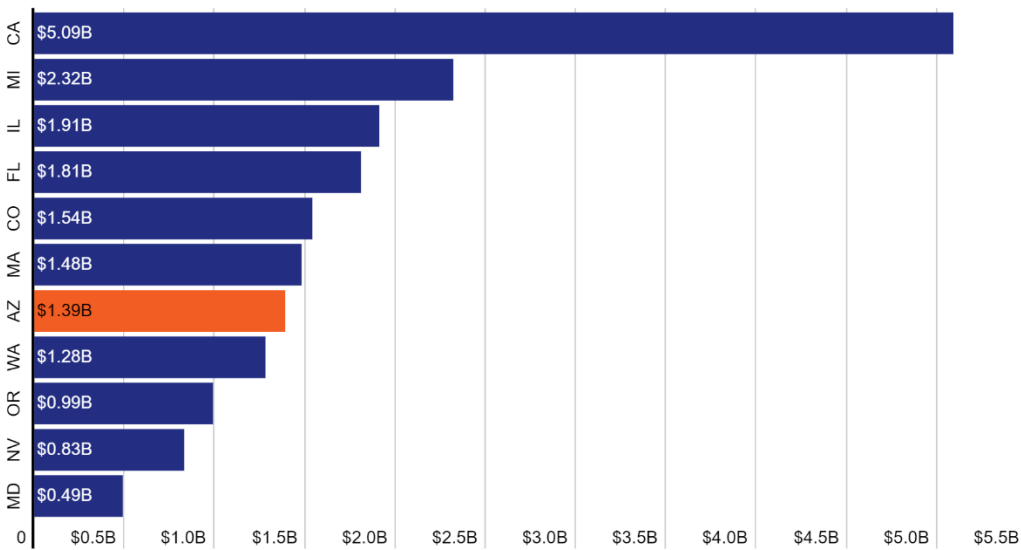
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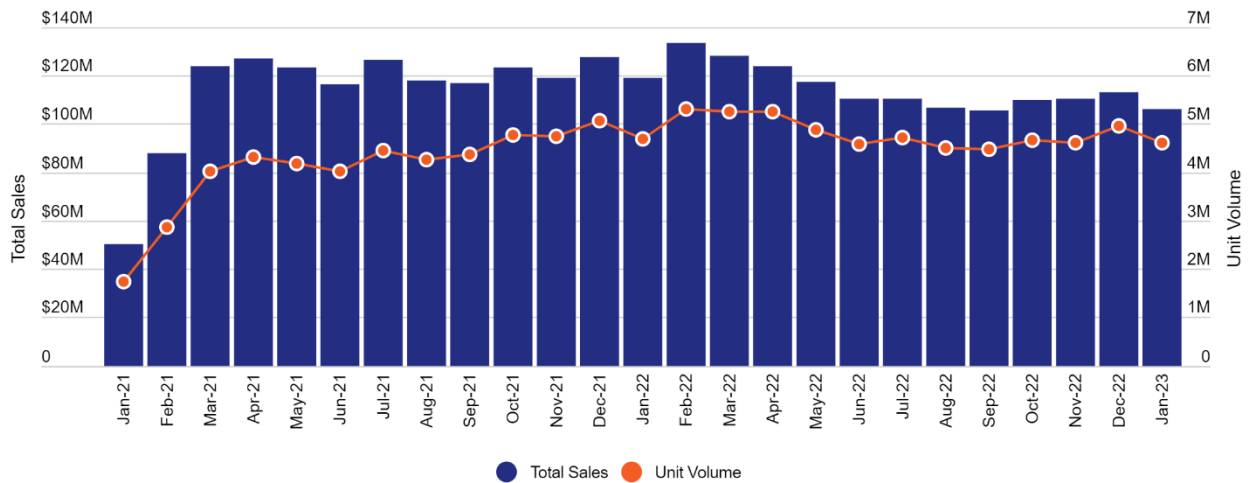
APPENDIX 1: MARIJUANA INDUSTRY REVENUE

Total Sales by Market 2022



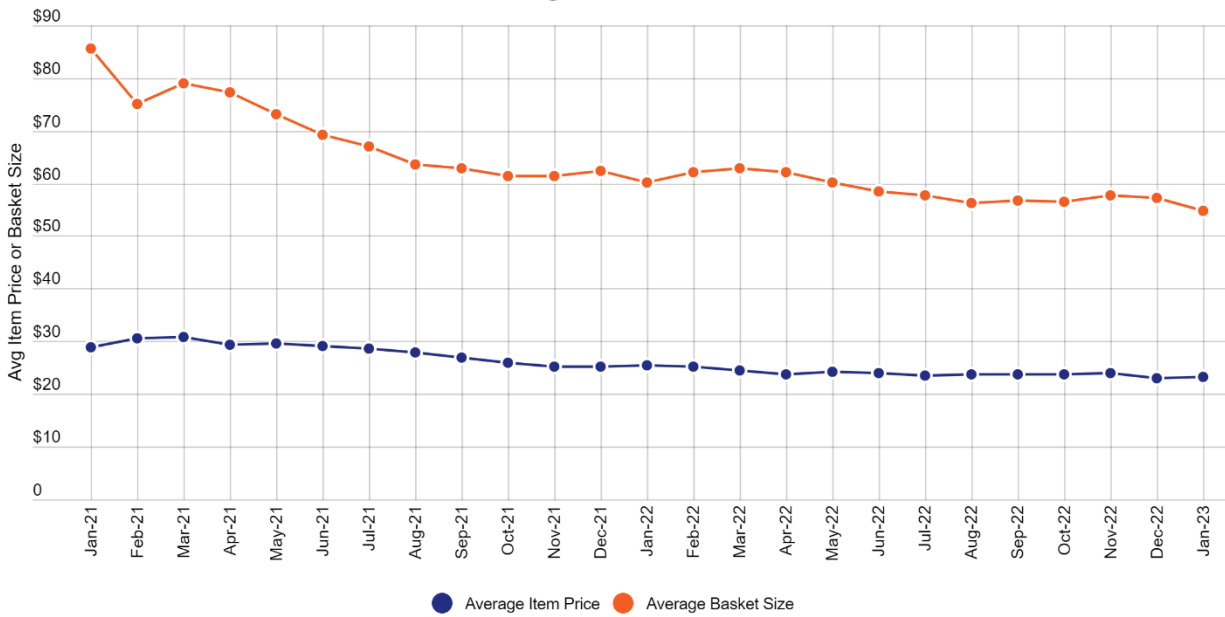
From [Headset.io](https://www.headset.io) “Arizona was the seventh largest Headset-tracked cannabis market in the US last year, with just under \$1.4B in total adult use and medical sales. In 2022, Arizona’s cannabis sales surpassed those of several mature markets such as Washington, Nevada, and Oregon and was close behind Massachusetts and Colorado.”¹

Arizona Total Monthly Sales and Unit Volume



From [Headset.io](https://www.headset.io) “This graph shows the total retail sales and unit volume by month in Arizona’s cannabis market. The shape of this graph is fairly unique when compared to a similar graph from other new emerging markets. Sales growth in newly opened cannabis markets tends to start very strong and then gradually slow over the first 24 months of sales. Arizona, on the other hand, did see strong growth in the first quarter of sales, but then plateaued for much of 2021, before declining slightly in early 2022. Total Arizona retail cannabis sales in 2022 were only 2% greater than in 2021.”

Arizona Average Item Price and Basket Size



APPENDIX 2: STATE STATUTES

There are no state statutes that dictate to municipalities how many dispensaries can operate within its' town boundaries.

[Title 36 - Public Health and Safety](#)

CHAPTER 28.1 ARIZONA MEDICAL MARIJUANA ACT

RELEVANT SECTIONS

[36-2803.01](#) *New dispensary registration certificates; issuance; priority; requirements; definition*

1. The department shall issue all new nonprofit medical marijuana dispensary registration certificates in the following order of priority based on the dispensary's geographic area as described in the registration certificate application:
 - a. The geographic area had a registered nonprofit medical marijuana dispensary move from the geographic area and the geographic area is at least twenty-five miles from another dispensary that has been issued a dispensary registration certificate.
 - b. The geographic area is at least twenty-five miles from another dispensary that has been issued a dispensary registration certificate.
 - c. According to rule, if there are no dispensary registration certificate applications as described in paragraph 1 or 2 (a or b) of this subsection.
2. If the department receives multiple applications as described in subsection A, paragraph 1 of this section from previously approved nonprofit medical marijuana dispensary locations, the department shall approve the certificate for the application that serves the most qualifying patients within five miles of the proposed dispensary location. If the department receives multiple applications as described in subsection A, paragraph 2 of this section or if there are no applications from previously approved dispensary locations, the department may issue the registration certificate by random drawing.
3. A nonprofit medical marijuana dispensary that receives a registration certificate pursuant to subsection A, paragraph 1 or 2 of this section on or after April 1, 2020, must open the dispensary at the approved location within eighteen months after the application is approved or the registration certificate becomes invalid.
4. A nonprofit medical marijuana dispensary that is issued a registration certificate pursuant to subsection A, paragraph 1 or 2 of this section may relocate only as follows:
 - a. If the dispensary is located within a city or town, only within that city or town.
 - b. If the dispensary is located within an unincorporated area, only within the unincorporated area of the county where the dispensary is located but not within twenty-five miles from another dispensary that has been issued a dispensary registration certificate.

[36-2806.01](#) *Dispensary locations*

- Cities, towns and counties may enact reasonable zoning regulations that limit the use of land for registered nonprofit medical marijuana dispensaries to specified areas in the manner provided in title 9, chapter 4, article 6.1 ([Municipal Zoning](#)), and title 11, chapter 6, article 2 ([County Zoning](#)).

IRRELEVANT SECTIONS

- [36-2801](#) Definitions
- [36-2801.01](#) Addition of debilitating medical conditions
- [36-2802](#) Arizona Medical Marijuana Act; limitations
- [36-2803](#) Rulemaking; notice; testing of marijuana and marijuana products; fees
- [36-2803.02](#) Warning labels; requirements; definitions
- [36-2804](#) Registration and certification of nonprofit medical marijuana dispensaries
- [36-2804.01](#) Registration; nonprofit medical marijuana dispensary agents; independent third-party laboratory agents; requirements
- [36-2804.02](#) Registration of qualifying patients and designated caregivers
- [36-2804.03](#) Issuance of registry identification cards
- [36-2804.04](#) Registry identification cards
- [36-2804.05](#) Denial of registry identification card
- [36-2804.06](#) Expiration and renewal of registry identification cards and registration certificates; replacement
- [36-2804.07](#) Independent third-party laboratories; certification; inspection
- [36-2805](#) Facility restrictions
- [36-2806](#) Registered nonprofit medical marijuana dispensaries; requirements; rules; inspections; testing
- [36-2806.02](#) Dispensing marijuana for medical use
- [36-2807](#) Verification system
- [36-2808](#) Notifications to department; civil penalty
- [36-2809](#) Annual report
- [36-2810](#) Confidentiality
- [36-2811](#) Presumption of medical use of marijuana; protections; civil penalty
- [36-2812](#) Marijuana research; grants; posting
- [36-2813](#) Discrimination prohibited
- [36-2814](#) Acts not required; acts not prohibited
- [36-2815](#) Revocation
- [36-2816](#) Violations; classification; civil penalties
- [36-2817](#) Medical marijuana fund; private donations; fund transfers; use of monies
- [36-2818](#) Enforcement of this act; mandamus
- [36-2819](#) Fingerprinting requirements
- [36-2820](#) Use of outside counsel
- [36-2821](#) Medical marijuana testing advisory council; membership; duties; report; definitions
- [36-2822](#) Arizona biomedical research centre; medical marijuana fund; grants; marijuana clinical trials; requirements; exemption

CHAPTER 28.2 RESPONSIBLE ADULT USE OF MARIJUANA

RELEVANT SECTIONS

[36-2854 Rules; licensing; early applicants; fees; civil penalty; legal counsel](#)

Highlighted section shows Town ability to restrict:

A. The department shall adopt rules to implement and enforce this chapter and regulate marijuana, marijuana products, marijuana establishments and marijuana testing facilities. Those rules shall include requirements for:

1. Licensing marijuana establishments and marijuana testing facilities, including conducting investigations and background checks to determine eligibility for licensing for marijuana establishment and marijuana testing facility applicants, except that:

(a) An application for a marijuana establishment license or marijuana testing facility license may not require the disclosure of the identity of any person who is entitled to a share of less than ten percent of the profits of an applicant that is a publicly traded corporation.

(b) The department may not issue more than one marijuana establishment license for every ten pharmacies that have registered under section 32-1929, that have obtained a pharmacy permit from the Arizona board of pharmacy and that operate within this state.

(c) Notwithstanding subdivision (b) of this paragraph, the department may issue a marijuana establishment license to not more than two marijuana establishments per county that contains no registered nonprofit medical marijuana dispensaries, or one marijuana establishment license per county that contains one registered nonprofit medical marijuana dispensary. Any license issued pursuant to this subdivision shall be for a fixed county and may not be relocated outside of that county.

(d) The department shall accept applications for marijuana establishment licenses from early applicants beginning January 19, 2021, through March 9, 2021. Not later than sixty days after receiving an application pursuant to this subdivision, the department shall issue a marijuana establishment license to each qualified early applicant. If the department has not adopted final rules pursuant to this section at the time marijuana establishment licenses are issued pursuant to this subdivision, licensees shall comply with the rules adopted by the department to implement chapter 28.1 of this title except those that are inconsistent with this chapter.

(e) After issuing marijuana establishment licenses to qualified early applicants, the department shall issue marijuana establishment licenses available under subdivisions (b) and (c) of this paragraph by random selection and according to rules adopted pursuant to this section. At least sixty days before any random selection, the department shall prominently publicize the random selection on its website and through other means of general distribution intended to reach as many interested parties as possible and shall provide notice through an email notification system to which interested parties can subscribe.

(f) Notwithstanding subdivisions (b) and (c) of this paragraph, and not later than six months after the department adopts final rules to implement a social equity ownership program pursuant to paragraph 9 of this subsection, the department shall issue twenty-six additional marijuana establishment licenses to entities that are qualified pursuant to the social equity ownership program.

(g) Licenses issued by the department to marijuana establishments and marijuana testing facilities shall be valid for a period of two years. A dual licensee's initial renewal date, which will be the ongoing renewal date for both the dual licensee's marijuana establishment license and nonprofit medical marijuana dispensary registration, is the earlier of:

(i) The date of the marijuana establishment license renewal.

(ii) The date of the nonprofit medical marijuana dispensary registration renewal.

(h) Beginning September 29, 2021, the department may not issue a marijuana establishment or marijuana testing facility license to an applicant who has an ownership interest in an out-of-state marijuana establishment or marijuana testing facility, or the other state's equivalent, that has had its license revoked by the other state.

2. Licensing fees and renewal fees for marijuana establishments and marijuana testing facilities in amounts that are reasonable and related to the actual cost of processing applications for licenses and renewals and that do not exceed five times the fees prescribed by the department to register or renew a nonprofit medical marijuana dispensary.

3. The security of marijuana establishments and marijuana testing facilities.

4. Marijuana establishments to safely cultivate, process and manufacture marijuana and marijuana products. Not later than December 31, 2023, the department shall require licensees to procure, develop, acquire and maintain a system to track marijuana and marijuana products at all points of cultivation, manufacturing and sale. The system developed and maintained pursuant to this paragraph shall:

(a) Ensure an accurate accounting and reporting of the production, processing and sale of marijuana and marijuana products.

(b) Ensure compliance with rules adopted by the department.

(c) Be capable of tracking, at a minimum:

(i) The propagation of immature marijuana plants and the production of marijuana by a marijuana establishment.

(ii) The processing of marijuana and marijuana products by a marijuana establishment.

(iii) The sale and purchase of marijuana and marijuana products between licensees.

(iv) The transfer of marijuana and marijuana products between premises for which licenses have been issued.

(v) The disposal of marijuana waste.

(vi) The identity of the person making the entry in the system and the time, date and location of each entry into the system, including any corrections or changes to that information.

(vii) Any other information that the department determines is reasonably necessary to accomplish the duties, functions and powers of the department.

(d) Contain a transactional stamp to ensure accuracy, provide for chain of custody of the information and foreclose tampering of the data, human error or intentional misreporting.

5. Tracking, testing, labeling consistent with section 36-2854.01 and packaging marijuana and marijuana products, including requirements that marijuana and marijuana products be:

(a) Sold to consumers in clearly and conspicuously labeled containers that contain accurate warnings regarding the use of marijuana or marijuana products.

(b) Placed in child-resistant packaging on exit from a marijuana establishment.

6. Forms of government-issued identification that are acceptable by a marijuana establishment verifying a consumer's age and procedures related to verifying a consumer's age consistent with section 4-241. Until the department adopts final rules related to verifying a consumer's age, marijuana establishments shall comply with the proof of legal age requirements prescribed in section 4-241.

7. The potency of edible marijuana products that may be sold to consumers by marijuana establishments at reasonable levels on consideration of industry standards, except that the rules:

(a) Shall limit the strength of edible marijuana products to not more than ten milligrams of tetrahydrocannabinol per serving or one hundred milligrams of tetrahydrocannabinol per package.

(b) Shall require that if a marijuana product contains more than one serving, it must be delineated or scored into standard serving sizes and homogenized to ensure uniform disbursement throughout the marijuana product.

8. Ensuring the health, safety and training of employees of marijuana establishments and marijuana testing facilities.

9. The creation and implementation of a social equity ownership program to promote the ownership and operation of marijuana establishments and marijuana testing facilities by individuals from communities disproportionately impacted by the enforcement of previous marijuana laws.

10. Prohibiting a marijuana testing facility from having any direct or indirect familial relationship with or financial ownership interest in a marijuana establishment or related marijuana business entity or management company. The rules shall include prohibiting a marijuana establishment from having any direct or indirect familial relationship with or financial ownership interest in a marijuana testing facility or related marijuana business entity or management company.

11. Requiring marijuana establishments to display in a conspicuous location a sign that warns pregnant women about the potential dangers to fetuses caused by smoking or ingesting marijuana while pregnant or to infants while breastfeeding and the risk of being reported to the department of child safety during pregnancy or at the birth of the child by persons who are required to report. The rules shall include the specific warning language that must be included on the sign. The cost and display of the sign required by rule shall be borne by the marijuana establishment.

B. The department may:

1. Subject to title 41, chapter 6, article 10, deny any application submitted or deny, suspend or revoke, in whole or in part, any registration or license issued under this chapter if the registered or licensed party or an officer, agent or employee of the registered or licensed party does any of the following:

(a) Violates this chapter or any rule adopted pursuant to this chapter.

(b) Has been, is or may continue to be in substantial violation of the requirements for licensing or registration and, as a result, the health or safety of the general public is in immediate danger.

2. Subject to title 41, chapter 6, article 10, and unless another penalty is provided elsewhere in this chapter, assess a civil penalty against a person that violates this chapter or any rule adopted pursuant to this chapter in an amount not to exceed \$2,000 for each violation. Each day a violation occurs constitutes a separate violation. In determining the amount of a civil penalty assessed against a person, the department shall consider all of the factors set forth in section 36-2816, subsection H. All civil penalties collected by the department pursuant to this paragraph shall be deposited in the smart and safe Arizona fund established by section 36-2856.

3. At any time during regular hours of operation, visit and inspect a marijuana establishment, marijuana testing facility or dual licensee to determine if it complies with this chapter and rules adopted pursuant to this chapter. The department shall make at least one unannounced visit annually to each facility licensed pursuant to this chapter.

4. Adopt any other rules that are not expressly stated in this section and that are necessary to ensure the safe and responsible cultivation, sale, processing, manufacture, testing and transport of marijuana and marijuana products.

C. Until the department adopts rules permitting and regulating delivery by marijuana establishments pursuant to subsection D of this section, delivery is unlawful under this chapter.

D. On or after January 1, 2023, the department may, and not later than January 1, 2025 the department shall, adopt rules to permit and regulate delivery by marijuana establishments. The rules shall:

1. Require that delivery and the marijuana and marijuana products to be delivered originate from a designated retail location of a marijuana establishment and only after an order is made with the marijuana establishment by a consumer.

2. Prohibit delivery to any property owned or leased by the United States, this state, a political subdivision of this state or the Arizona board of regents.

3. Limit the amount of marijuana and marijuana products based on retail price that may be in a delivery vehicle during a single trip from the designated retail location of a marijuana establishment.

4. Prohibit extra or unallocated marijuana or marijuana products in delivery vehicles.

5. Require that deliveries be made only by marijuana facility agents in unmarked vehicles that are equipped with a global positioning system or similar location tracking system and video surveillance

and recording equipment, and that contain a locked compartment in which marijuana and marijuana products must be stored.

6. Require delivery logs necessary to ensure compliance with this subsection and rules adopted pursuant to this subsection.

7. Require inspections to ensure compliance with this subsection and rules adopted pursuant to this subsection.

8. Include any other provisions necessary to ensure safe and restricted delivery.

9. Require dual licensees to comply with the rules adopted pursuant to this subsection.

E. Except as provided in subsection D of this section, the department may not permit delivery of marijuana or marijuana products under this chapter by any individual or entity. In addition to any other penalty imposed by law, an individual or entity that delivers marijuana or marijuana products in a manner that is not authorized by this chapter shall pay a civil penalty of \$20,000 per violation to the smart and safe Arizona fund established by section 36-2856. This subsection may be enforced by the attorney general.

F. All rules adopted by the department pursuant to this section shall be consistent with the purpose of this chapter.

G. The department may not adopt any rule that:

1. Prohibits the operation of marijuana establishments, either expressly or through requirements that make the operation of a marijuana establishment unduly burdensome.

2. Prohibits or interferes with the ability of a dual licensee to operate a marijuana establishment and a nonprofit medical marijuana dispensary at shared locations.

H. Notwithstanding section 41-192, the department may employ legal counsel and make an expenditure or incur an indebtedness for legal services for the purposes of:

1. Defending this chapter or rules adopted pursuant to this chapter.

2. Defending chapter 28.1 of this title or rules adopted pursuant to chapter 28.1 of this title.

I. The department shall deposit all license fees, application fees and renewal fees paid to the department pursuant to this chapter in the smart and safe Arizona fund established by section 36-2856.

J. On request, the department shall share with the department of revenue information regarding a marijuana establishment, marijuana testing facility or dual licensee, including its name, physical address, cultivation site and transaction privilege tax license number.

K. Notwithstanding any other law, the department may:

1. License an independent third-party laboratory to also operate as a marijuana testing facility.
2. Operate a marijuana testing facility.

L. The department shall maintain and publish a current list of all marijuana establishments and marijuana testing facilities by name and license number.

M. Notwithstanding any other law, the issuance of an occupational, professional or other regulatory license or certification to a person by a jurisdiction or regulatory authority outside this state does not entitle that person to be issued a marijuana establishment license, a marijuana testing facility license, or any other license, registration or certification under this chapter.

N. Until the department adopts rules as required by subsection A, paragraph 10 of this section:

1. A marijuana testing facility is prohibited from having any direct or indirect familial relationship with or financial ownership interest in a marijuana establishment or related marijuana business entity or management company.

2. A marijuana establishment is prohibited from having any direct or indirect familial relationship with or financial ownership interest in a marijuana testing facility or related marijuana business entity or management company.

[36-2857 Localities; marijuana establishments and marijuana testing facilities](#)

Highlighted section shows Town ability to restrict:

A. A locality may:

1. Enact reasonable zoning regulations that limit the use of land for marijuana establishments and marijuana testing facilities to specified areas.

2. Limit the number of marijuana establishments or marijuana testing facilities, or both.

3. Prohibit marijuana establishments or marijuana testing facilities, or both.

4. Regulate the time, place and manner of marijuana establishment and marijuana testing facility operations.

5. Establish reasonable restrictions on public signage regarding marijuana, marijuana establishments and marijuana testing facilities.

6. Prohibit or restrict delivery within its jurisdiction.

B. A county may exercise its authority pursuant to subsection A of this section only in unincorporated areas of the county.

C. A locality may not enact any ordinance, regulation or rule that:

1. Is more restrictive than a comparable ordinance, regulation or rule that applies to nonprofit medical marijuana dispensaries.
2. Makes the operation of a marijuana establishment or marijuana testing facility unduly burdensome if the locality has not prohibited marijuana establishments or marijuana testing facilities.
3. Conflicts with this chapter or rules adopted pursuant to this chapter.
4. Prohibits the transportation of marijuana by a marijuana establishment or marijuana testing facility on public roads.
5. Restricts or interferes with the ability of a dual licensee or an entity eligible to become a dual licensee to operate a nonprofit medical marijuana dispensary and a marijuana establishment cooperatively at shared locations.
6. Except as expressly authorized by this section or section 36-2851, prohibits or restricts any conduct or transaction allowed by this chapter, or imposes any liability or penalty in addition to that prescribed by this chapter for any conduct or transaction constituting a violation of this chapter.

IRRELEVANT SECTIONS

- [36-2850](#) Definitions
- [36-2851](#) Employers; driving; minors; control of property; smoking in public places and open spaces
- [36-2852](#) Allowable possession and personal use of marijuana, marijuana products and marijuana paraphernalia
- [36-2853](#) Violations; classification; civil penalty; additional fine; enforcement
- [36-2854.01](#) Marijuana products; labeling; packaging
- [36-2855](#) Marijuana facility agents; registration; card; rules
- [36-2856](#) Smart and safe Arizona fund; disposition of monies; exemption
- [36-2858](#) Lawful operation of marijuana establishments and marijuana testing facilities
- [36-2859](#) Advertising restrictions; enforcement; civil penalty
- [36-2860](#) Packaging; restrictions on particular marijuana products
- [36-2861](#) Contracts; professional services
- [36-2862](#) Expungement; petition; appeal; dismissal of complaints; rules
- [36-2863](#) Justice reinvestment fund; exemption; distribution; definition
- [36-2864](#) Transaction privilege tax; use tax; additional taxes prohibited; exception
- [36-2865](#) Enforcement of this chapter; special action

APPENDIX 3: EXAMPLES OF MUNICIPALITIES RESTRICTING DISPENSARIES

BY POPULATION EXAMPLE- Town of Payson

The number of marijuana facilities permitted within the limits of the Town of Payson shall be limited to two. There is no limit on the number of marijuana processing sites permitted within the limits of the town. The number of permitted marijuana facilities shall be increased by one for each population increase of 50,000 over and above the official 2010 census for Payson.

ZONING DISTRICTS / SPECIAL USE PERMIT EXAMPLE- City of Bisbee

A. Medical marijuana dispensaries may only be located within C1, C2, C3, C4 and M1 zoning districts within this City and are subject to the Special Use Permit process as established in this Zoning Code. Any such medical marijuana dispensary, or any component of such dispensary, may only be authorized upon the approval of a Special Use Permit for such use, within one of the designated districts, subject to such terms and conditions as the Mayor and Council may impose upon such use.

CONDITIONAL USE PERMIT EXAMPLE- City of Globe

Section 14-5-18 Medical Marijuana Related Facilities; Conditional Use Permit Required

A. Location

1. A Medical Marijuana Dispensary may not be located within any Residential District within the City.
2. A Medical Marijuana Dispensary may not be operated as a Home Occupation anywhere within the City.
3. A Medical Marijuana Dispensary includes a Medical Marijuana Dispensary, a Medical Marijuana Cultivation Facility, a Medical Marijuana manufacturing Facility, a medical Marijuana Club, and any other medical marijuana facility of any kind.
4. A Medical Marijuana Dispensary may only be located in C-2, C-3, M-1 or M-2 Zoning Districts pursuant to a conditional use permit approved in like manner as provided in Section 14-9-6 of this Code, except that in addition thereto, the recommendations of the Planning and Zoning Commission shall also be reviewed, approved, denied or modified by the City Council prior to the issuance of any conditional use permit for a Medical Marijuana Related Facility.
5. Not more than one (1) Medical Marijuana Dispensary may be located within the City pursuant to A.R.S. 36-2804 (C), or as otherwise allowed by statute. City Council may allow additional Medical Marijuana cultivation facilities within the City that are not collocated with a dispensary licensed by the State to operate within the City.

DISTANCE EXAMPLE – City of Avondale

Medical marijuana dispensaries, marijuana establishments and marijuana cultivation locations providing product to a medical marijuana dispensary or retail marijuana establishment shall meet the following minimum separation requirements, measured in a straight line from the closest property boundary line of the parcel containing the medical marijuana dispensary, marijuana establishment or marijuana cultivation location to the closest property boundary line of the parcel containing any existing uses listed below:

1. Two thousand (2,000) feet from any other medical marijuana dispensary, marijuana establishment or marijuana cultivation location.

2. Two thousand (2,000) feet from a substance abuse diagnostic and treatment facility or other drug or alcohol rehabilitation facility.
3. Two thousand (2,000) feet from a public, private, parochial, charter, dramatic, dancing or music school, a learning center, or other similar school or educational or entertainment facility that caters to children.
4. Two thousand (2,000) feet from a childcare center or registered residential childcare facility.
5. Two thousand (2,000) feet from a public library.
6. Two thousand (2,000) feet from a park.
7. Two thousand (2,000) feet from a church or place of worship.

BY LICENSE TYPE EXAMPLE – Town of Gilbert

Sec. 42-297. - Marijuana establishment prohibited; dual licensee exception.

(a) To the fullest extent allowable by law, the operation of a marijuana establishment is prohibited in the town, except where authorized for a dual licensee who: (1) Operates both a licensed nonprofit medical marijuana dispensary and a licensed marijuana establishment cooperatively in a shared location; and (2) Has not forfeited or terminated the nonprofit medical marijuana dispensary registration from the department.

APPENDIX 4: LOCAL RETAIL MARIJUANA VISITOR TRAFFIC

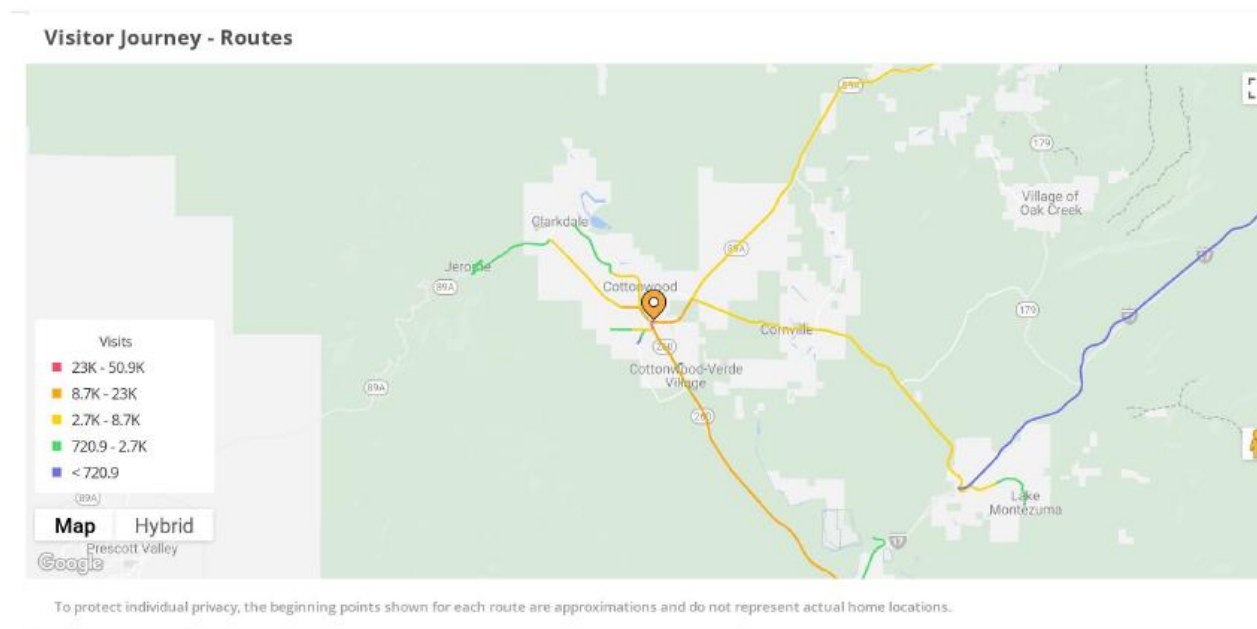
Compare various local retail marijuana for retail leakage from Camp Verde. Dispensaries analyzed using Placer.ai.

- Trulieve - Cottonwood
- Curaleaf – Cottonwood
- Noble Herb – Flagstaff
- GreenPharms – Flagstaff
- SWC Dispensary – Prescott
- Nirvana Center – Prescott Valley

TRULIEVE (HARVEST) – COTTONWOOD

Trulieve is located at 2400 Az-89A in Cottonwood. According to Placer.ai, Trulieve had 69,500 visits in the last year, down from 99,100 visits in 2022. The first year of data, 2021, shows 27,800 visits.

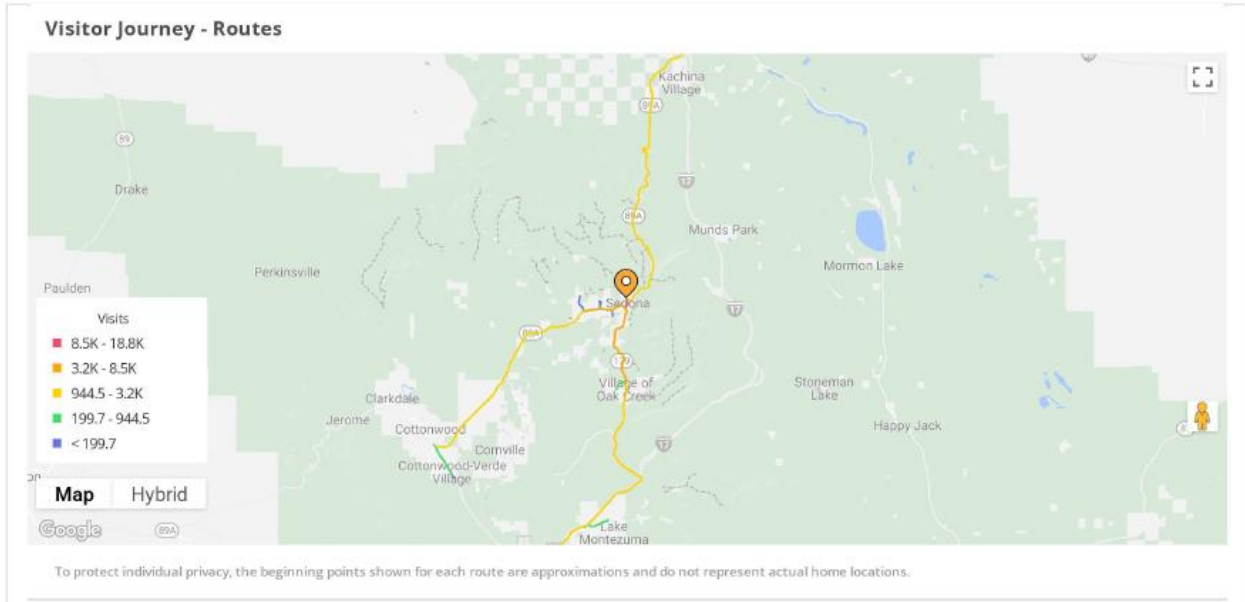
Placer.ai’s Visitor Journey – Routes shows 8,700 to 23,000 visitors from Camp Verde along Highway 260. Visitor Journey – Routes shows 2,700 to 8,700 visitors each from Sedona along 89A and Cornville/Lake Montezuma along Cornville Rd. Note: Trulieve operates as “Harvest House of Cannabis Dispensary” and is located just outside the Cottonwood city limits.



CURALEAF – SEDONA

Curaleaf is located at 465 Jordan Rd in Sedona. According to Placer.ai, Curaleaf had 19,500 visits in the last year, and 24,400 in 2022. The first year of data, 2021, shows 4,600 visits.

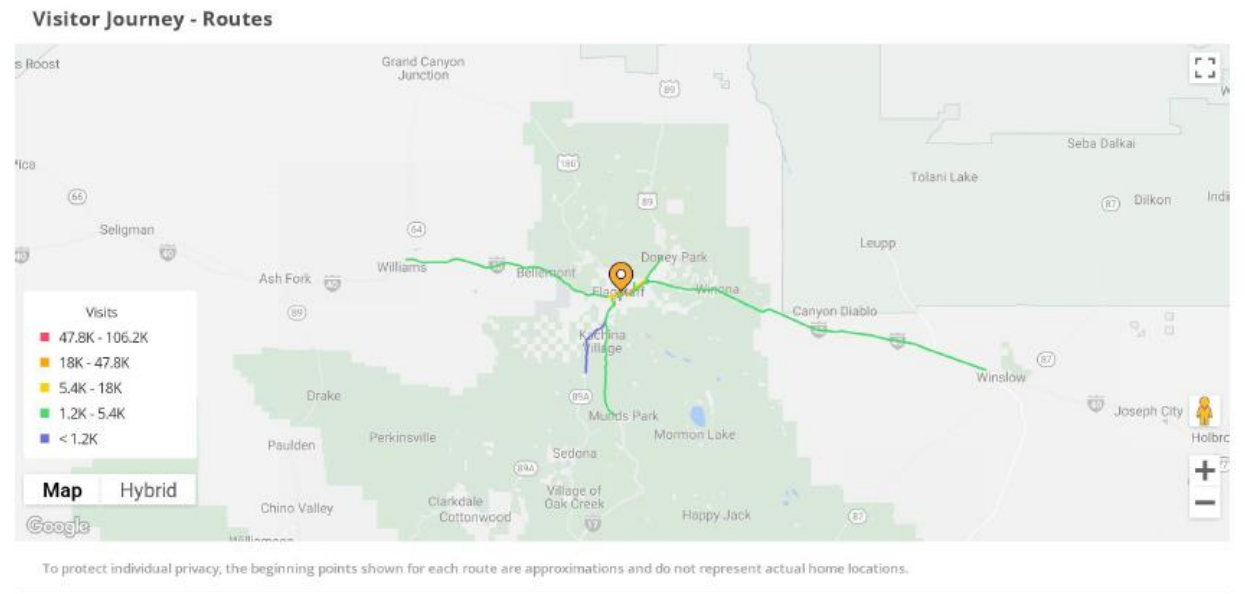
Placer.ai’s Visitor Journey – Routes show that 900-3,200 visitors traveled from Camp Verde to Curaleaf via I-17 and Hwy 179.



NOBLE HERB – FLAGSTAFF

Noble Herb is located at 522 E Rte. 66 in Flagstaff. According to Placer.ai, Noble Herb had 113,400 visits in the last year, and 52,300 in 2022. They had 31,800 visits in 2021 and 62,600 in 2020.

Placer.ai’s Visitor Journey – Routes does not show any visitors from Camp Verde but does show 1,200 – 5,400 visitors from Winslow, Williams, and Munds Park each.



Journey Direction: To Property | Dec 1st, 2022 - Nov 30th, 2023
 Data provided by Placer Labs Inc. (www.placer.ai)

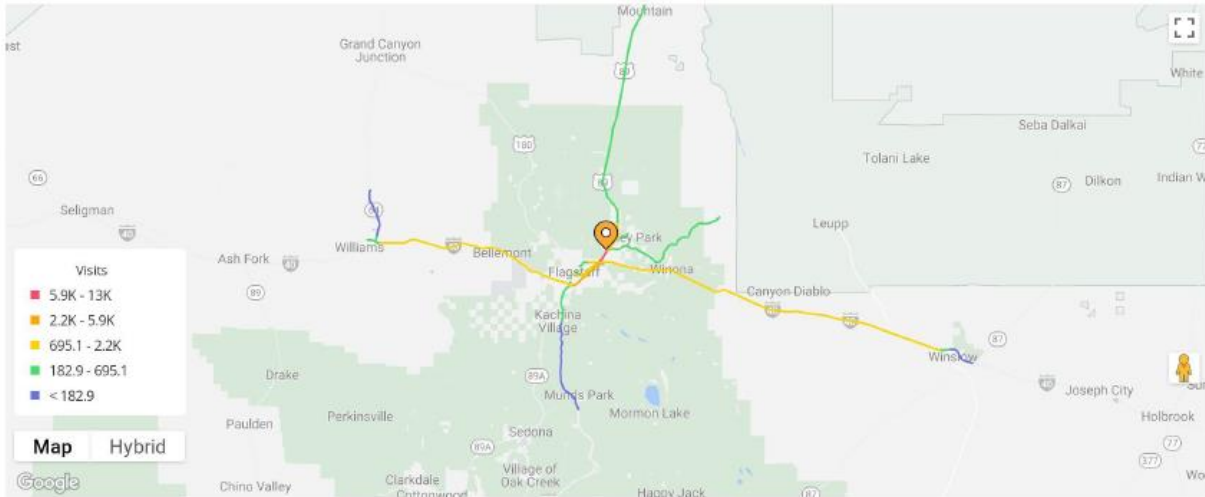


GREENPHARMS – FLAGSTAFF

GreenPharms is located at 7121 US89 in Flagstaff. According to Placer.ai, GreenPharms had 17,900 visits in the last year, down from 27,600 in 2022 and down from 33,000 in 2021.

Placer.ai’s Visitor Journey – Routes shows 700 to 2,200 visitors from Williams and Winslow each. Routes show another 200-700 from Gray Mountain, north of Flagstaff on 89, and about 200 from Munds Park.

Visitor Journey - Routes



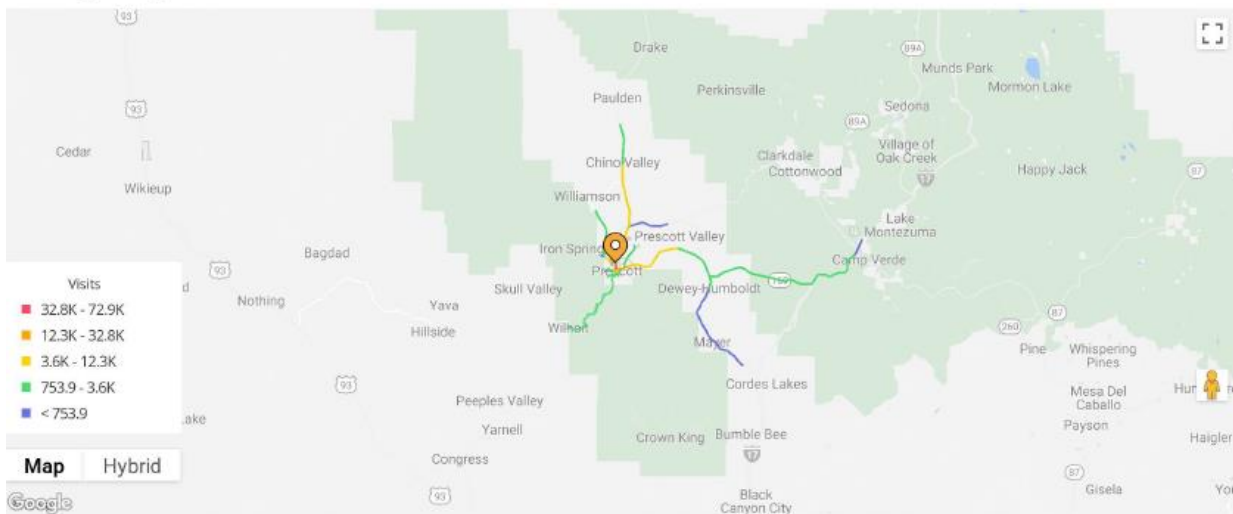
To protect individual privacy, the beginning points shown for each route are approximations and do not represent actual home locations.

SWC DISPENSARY – PRESCOTT

SWC is located at 123 E Merritt St in Prescott. According to Placer.ai, SWC had 73,000 visits in the last year. They had 67,000 visits in 2022 and 81,000 in 2021. They had 61,00 visits in 2020.

Placer.ai’s Visitor Journey – Routes shows 3,600 – 12,200 visitors from both Chino Valley along Hwy 89 and Prescott Valley along Hwy 89A. Routes Journey also showed 750 – 3,600 visitors from Camp Verde along Hwy 169, and 750 each from Lake Montezuma and Cordes Lakes.

Visitor Journey - Routes



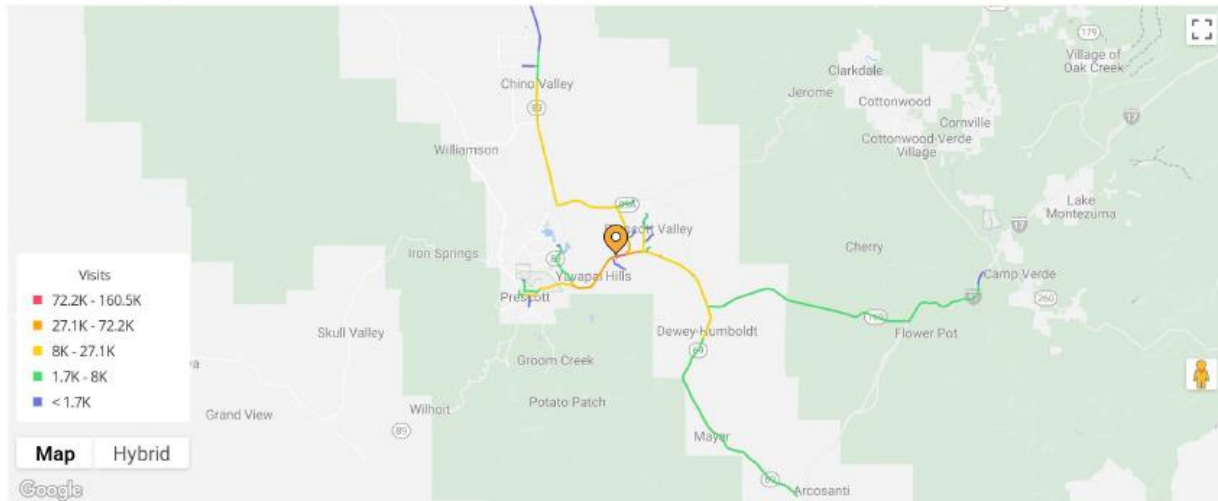
To protect individual privacy, the beginning points shown for each route are approximations and do not represent actual home locations.

NIRVANA CENTER – PRESCOTT VALLEY

Nirvana Center is located at 6287 E Copper Hill Dr in Prescott Valley. According to Placer.ai, Nirvana Center had 163,700 visits in the last year. They saw 138,300 visits in 2022, 165,300 visits in 2021 and 134,400 in 2020.

Placer.ai’s Visitor Journey – Routes shows 8,000 to 27,000 visitors that travel along Hwy 89 from Chino Valley and along Hwy 69 from Dewey Humboldt. The Visitor Journey also shows 1,700 – 8,000 traveled on Hwy 69 from Cordes Junction, and Hwy 169 from Camp Verde each.

Visitor Journey - Routes



To protect individual privacy, the beginning points shown for each route are approximations and do not represent actual home locations.

<https://www.headset.io/industry-reports/a-deep-dive-into-the-arizona-cannabis-market>

Retail Marijuana

Town of Camp Verde, Economic Development

Topics to be covered

- Arizona TPT and Excise Tax
- Local Dispensary Traffic
 - Cottonwood & Sedona
 - Flagstaff
 - Prescott & Prescott Valley
- Industry Sales Data
- Potential Revenue
- Next steps to allow retail marijuana
- Retail Marijuana Zoning Examples
- Staff recommendations

Arizona TPT and Excise Tax

AZ Transaction Privilege Tax

- 3.65% to Town of Camp Verde
- 6.35% to Yavapai County

The 3.65% TPT would be released to Camp Verde with no additional restrictions on how funds are used.

<https://www.aztaxes.gov/>

<https://www.azleg.gov/ars/36/02856.htm>

Town Council Work Session

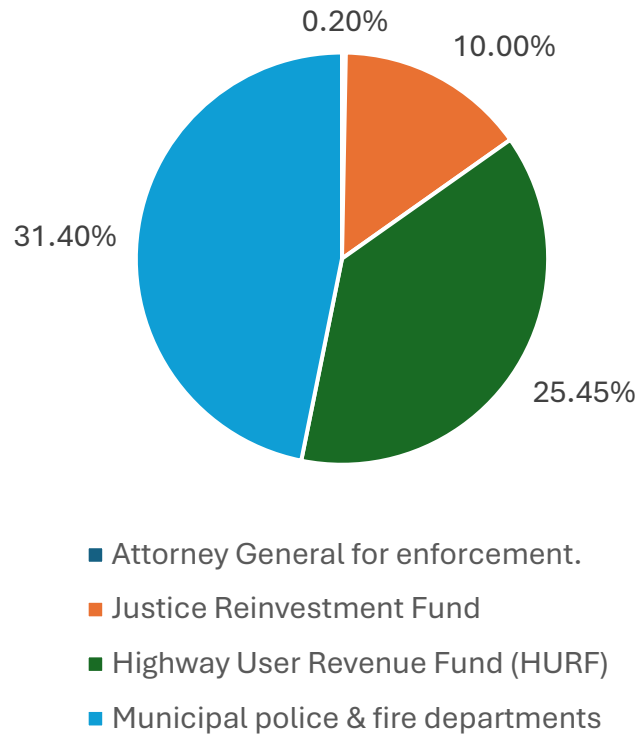
Marijuana Excise Tax

- Created through Proposition 207 and applied to the sale and use of recreational marijuana.
- The 16% Excise Tax is deposited into Smart and Safe Arizona Fund and is distributed at least twice annually.

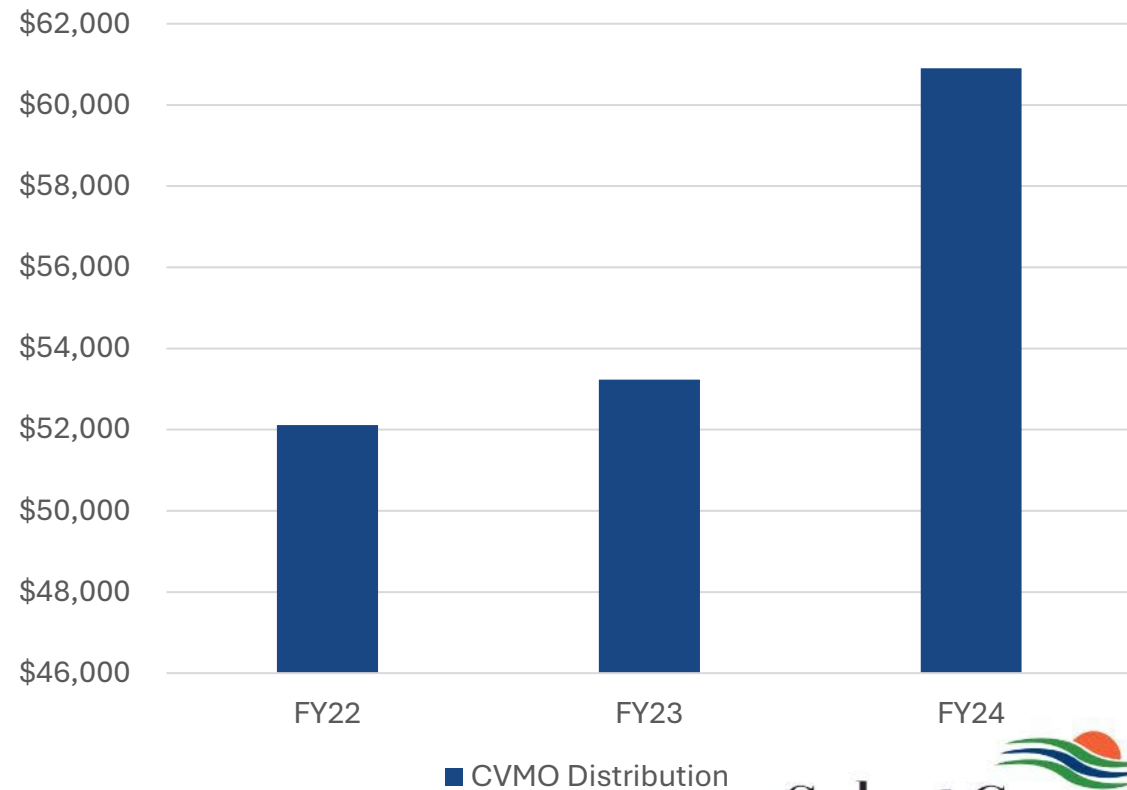
September 25, 2024

Arizona TPT and Excise Tax cont.

Arizona Marijuana Excise tax distribution



CVMO distribution



<https://www.azleg.gov/ars/36/02856.htm>

Town Council Work Session

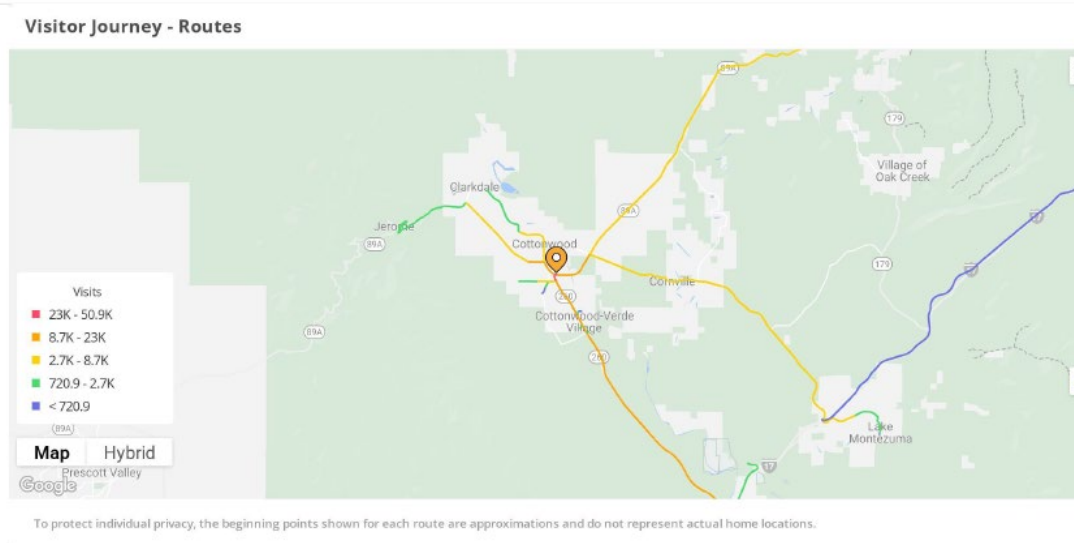
CVMO Distribution data obtained from TOCV Finance Dept.

September 25, 2024

Local Dispensary Traffic

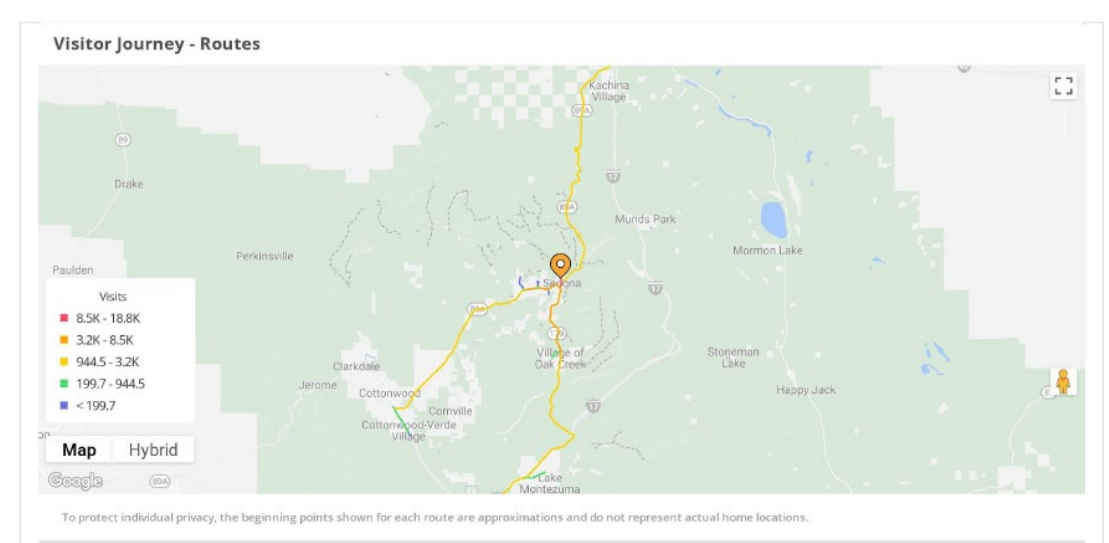
Trulieve/Harvest - Cottonwood

Curaleaf - Sedona



2023 – 69,500 visits
2022 – 99,100 visits
2021 – 27,800 visits

8.7k-23k from CV

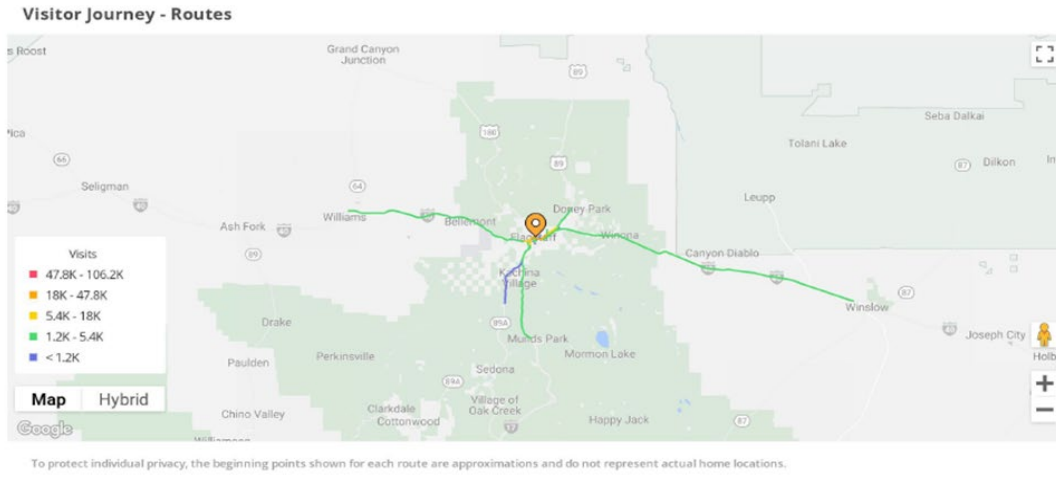


2023 – 19,500 visits
2022 – 24,400 visits
2021 – 4,600 visits

3.2k-8.5K from CV

Local Dispensary Traffic

Noble Herb - Flagstaff

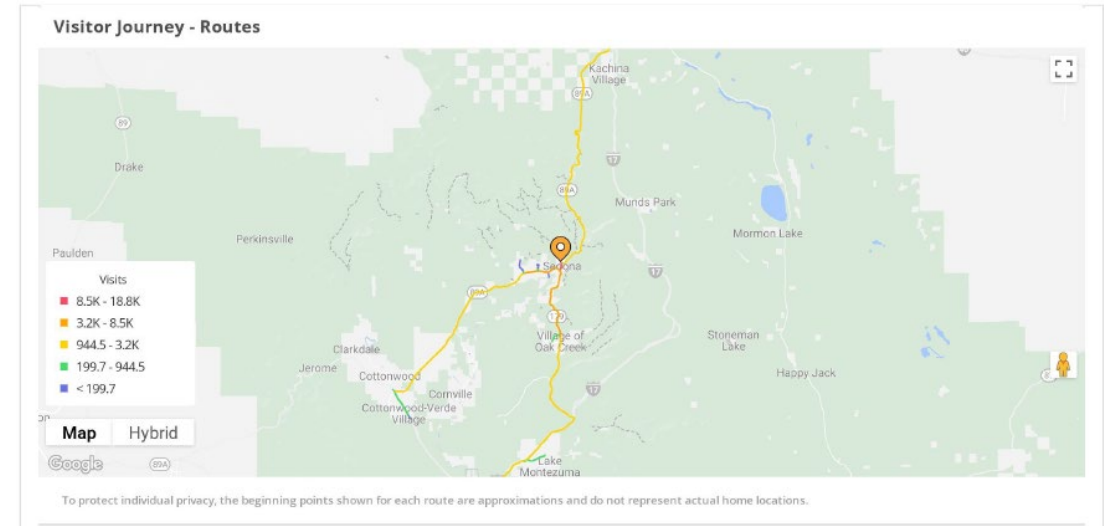


Journey Direction: To Property | Dec 1st, 2022 - Nov 30th, 2023
Data provided by Placer Labs Inc. (www.placer.ai)

2023 – 113,400 visits
2022 – 52,300 visits
2021 – 31,800 visits

1,200 – 5,400 from
Winslow, Williams, and
Munds Park

Greenpharms - Flagstaff

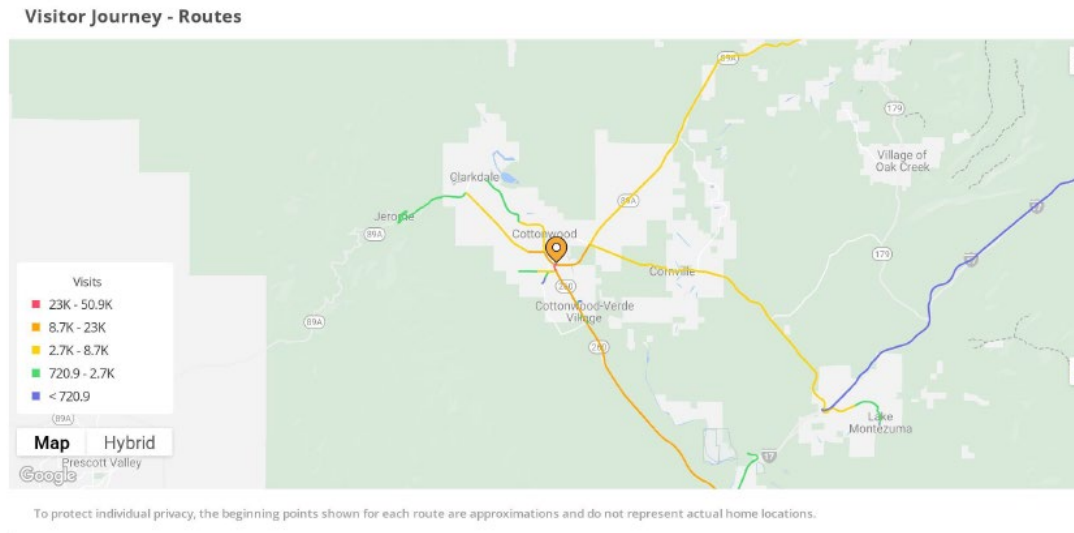


To protect individual privacy, the beginning points shown for each route are approximations and do not represent actual home locations.

2023 – 17,900 visits
2022 – 27,600 visits
2021 – 33,000 visits

Local Dispensary Traffic

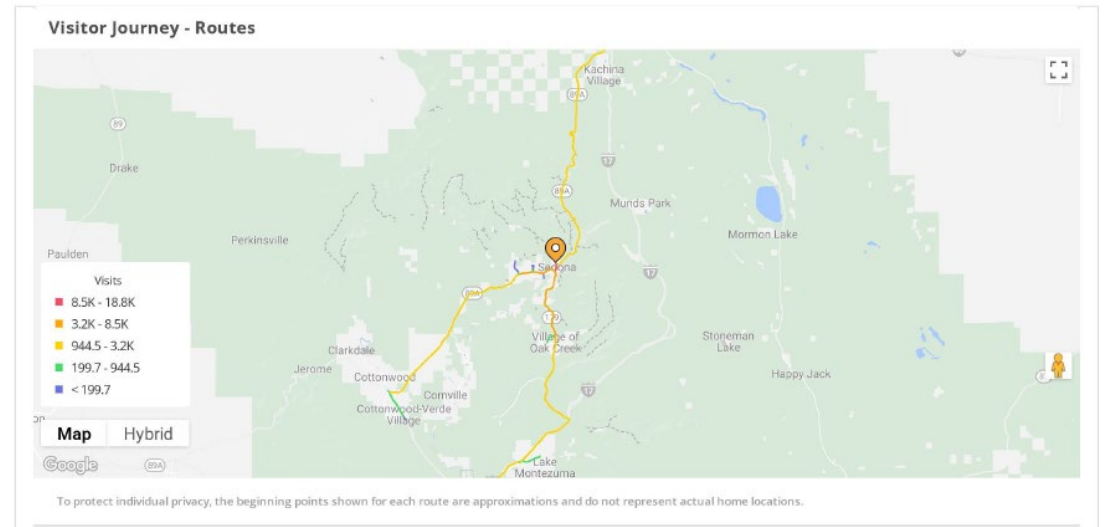
SWC Dispensary - Prescott



2023 – 73,000 visits
 2022 – 69,000 visits
 2021 – 81,000 visits
 2020 – 61,000 visits

750 -3.6k from CV
 750 from Cordes
 Lakes

Nirvana Center – Prescott Valley



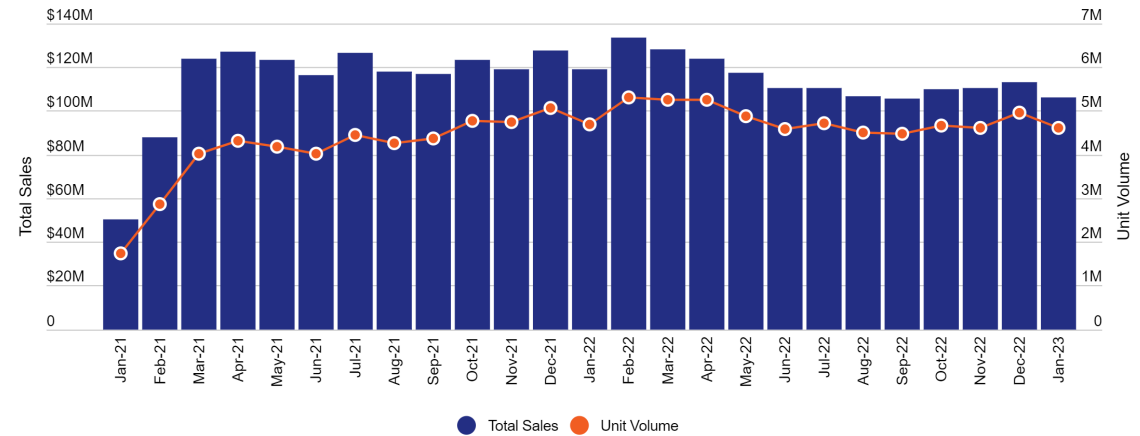
2023 – 163,700 visits
 2022 – 138,000 visits
 2021 – 165,300 visits

1.7k-8k from CV

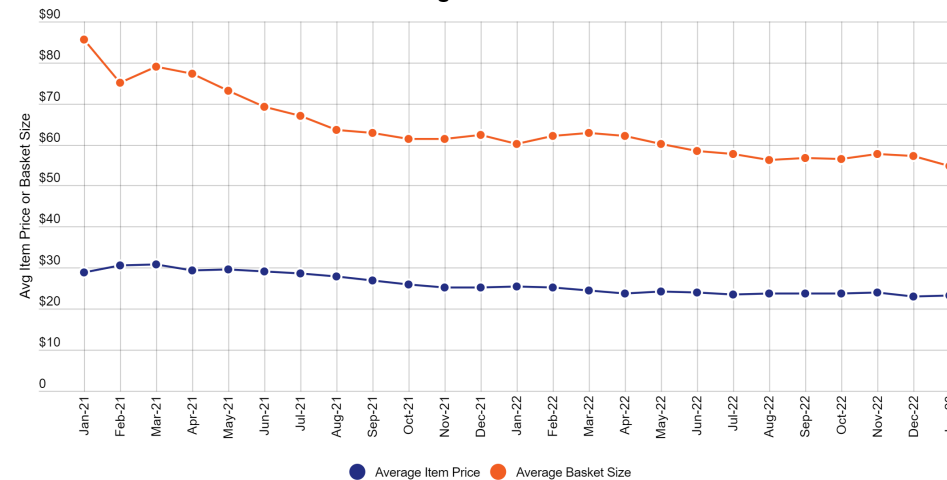
Industry Sales Data: Headset.io

- The top graph shows the total retail sales and unit volume by month in Arizona’s cannabis market from June 2021 to June 2023.
- The bottom graph shows average item price and basket (transaction) size in Arizona for the same time period as above.
 - Item price is consistent \$20-\$30
 - Average transaction decreased from mid \$80’s to mid \$50’s.

Arizona Total Monthly Sales and Unit Volume



Arizona Average Item Price and Basket Size



Potential Revenue

New Fast Food (260/I-17 Junction)

- Chick-Fil-A avg sales per unit: \$5,013,000
- A Possible Camp Verde location could open at 75% of Prescott Valley's size

Projections

	Chick-Fil-A Revenue	Town Taxes (3.65%)
Nationwide avg	\$5,013,000	\$182,975
75% size of avg	\$2.5M - \$3.75M	\$91,250- \$136,875
Initial Projected	\$833K-1,250M	\$30,416- \$45,625

Potential Revenue Scenarios (page 5-6 of report)

- Scenario 1: Customer count is the low Placer.ai projection of Camp Verde customers that currently shop at existing Marijuana Dispensaries. Average Transaction is 66% of the 2023 Average Basket Size from Headset.io. This follows the trend from 2021.
- Scenario 3: Customer count is the high Placer.ai projection of Camp Verde customers that currently shop at existing Marijuana Dispensaries. Average Transaction is the 2023 Average Basket Size from Headset.io.
- Scenario 4: Customer count is the low projection from MITA for a small rural town, similar to Camp Verde. Average Transaction is the 2023 Average Basket Size from Headset.io.
- Scenario 6: Customer count is the low projection from a local industry professional for a new retail location. Average Transaction is the 2023 Average Basket Size from Headset.io.

FY Customers	Avg Trans.	FY Revenue	FY Tax Revenue
14,800	\$36.67	\$542,716	\$19,809
45,400	\$55.00	\$2,552,000	\$93,148
65,455	\$55.00	\$3,600,000	\$131,400
141,818	\$55.00	\$7,800,000	\$284,700

Next steps to allow retail marijuana

- Updating and amending both the Town Code and Planning & Zoning Ordinance would likely involve, at minimum:
 - additional research with other municipalities,
 - public engagement sessions, and
 - public readings of proposed changes.
- Town Council would amend Town Code Article 16-4
- Town Council would amend, at minimum, the Planning and Zoning Ordinance Sections 103 - Definition of Terms, and Section 203 – Use Districts.

Retail Marijuana Zoning Examples

- Camp Verde:
 - Heavy Commercial District (C3)
**Medical Marijuana Dispensaries are currently allowed in Zoning Ordinance. Both types of dispensaries are not allowed per Town Code.
- Cottonwood:
 - Light Commercial (C1)
 - Heavy Commercial (C2)
 - Heavy Industrial (I2)
- Sedona:
 - Commercial (CO)
 - Industrial (IN)
- Prescott Valley:
 - Commercial: General Sales and Services (C2)
 - Commercial: Minor Industrial (C3)

BY POPULATION EXAMPLE - Town of Payson

- The number of marijuana facilities permitted within the limits of the Town of Payson shall be limited to two. There is no limit on the number of marijuana processing sites permitted within the limits of the town. The number of permitted marijuana facilities shall be increased by one for each population increase of 50,000 over and above the official 2010 census for Payson.

ZONING DISTRICTS / SPECIAL USE PERMIT EXAMPLE - City of Bisbee

- Medical marijuana dispensaries may only be located within C1, C2, C3, C4 and M1 zoning districts within this City and are subject to the Special Use Permit process as established in this Zoning Code. Any such medical marijuana dispensary, or any component of such dispensary, may only be authorized upon the approval of a Special Use Permit for such use, within one of the designated districts, subject to such terms and conditions as the Mayor and Council may impose upon such use.

Community Development Recommendation

CDD staff will follow Council direction in the question of allocating staff time in the research and review of marijuana dispensaries in our Zoning Ordinance. Based on research provided by the Economic Development Department, we note that Camp Verde currently allows Medical Marijuana Dispensaries in the Heavy Commercial District (C3), that Cottonwood allows dispensaries in Light Commercial (C1), Heavy Commercial (C2), and Heavy Industrial (I2) zoning districts, that Sedona allows dispensaries in Commercial (CO), and Industrial (IN) zoning districts, and that Prescott Valley allows dispensaries in Commercial: General Sales and Services (C2) and Commercial: Minor Industrial (C3) zoning districts.

The updates to this ordinance are anticipated to divert planning staff resources from existing council priority projects including the General Plan update, Livestock Ordinance, Sign Ordinance, Comprehensive Update to the Zoning Ordinance, etc.

- John Knight, Community Development Director

CVMO Recommendation

The Camp Verde Marshals office command staff recognizes the need for further discussion regarding retail marijuana sales in Camp Verde. It is our position that the regulation of sales to minors is a big concern, Arizona Department of Health is highly understaffed resulting in unregulated checks for sales to minors. Recent student surveys show 13.2% of minors who use THC have purchased directly from retail stores, 18% of youth obtained through medical card holders. We understand the increase in tax revenue the town would receive would be beneficial, but again feel that further discussion is needed to ensure that regulations on both state and local levels are being conducted.

CVMO welcomes an opportunity to come to the table for further discussion in this matter.

- CVMO Command staff

Economic Development Recommendation

The Economic Development Department supports relaxing the Town Code and Zoning Ordinance to allow for retail marijuana in Camp Verde, as it could contribute to a robust economy and diversify our tax base. While our residents may have differing opinions on whether they want dispensaries, the truth is that bringing recreational marijuana can have an economic impact on local tax revenue, boost the local economy, and even enhance our tourism efforts. The sales tax revenue generated from dispensary operations would bolster local finances, providing essential funds for public services and infrastructure projects that are crucial for sustaining and enhancing the quality of life for our residents. There is existing demand for recreational marijuana and those sales tax funds are being captured elsewhere instead of in Camp Verde.

In addition to the tax benefits, the sales tax revenue is similar to that of a fast-food establishment, but with a small footprint, half the workforce, and no drive-thru. On average, dispensaries hire between 30-50 employees, with 25-30 of these positions being full-time roles. These job opportunities provide stable income and benefits to a significant portion of our workforce, contributing to overall economic stability and growth.

Continued on next slide.

Economic Development Recommendation

Due to the limited number of licenses for recreational dispensaries in Arizona, it is highly unlikely that Camp Verde will experience a proliferation of dispensaries. Should this be a concern, the Economic Development Department recommends exploring solutions like the Town of Payson employs to only have two dispensaries for their population.

Expanding retail dispensary operations to include C1, C2, and C3 Commercially Zoned districts will maximize revenue opportunities and integrate the marijuana industry more seamlessly into the local economy. Allowing retail locations to operate in well-lit and well-trafficked commercial areas will significantly reduce the likelihood of criminal behavior associated with marijuana transactions. This approach not only supports our economic goals but also aligns with the Town's commitment to maintaining public safety and reducing illegal activities within our community.

- Molly Davies, Deputy Town Manager / Economic Development Director
- David Meyers, Economic Development Specialist

Questions?

**(Corrected) MINUTES
TOWN OF CAMP VERDE
SPECIAL SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, AUGUST 14, 2024 at 5:30 P.M.**

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

1. **Call to Order** Mayor Dee Jenkins called the meeting to order at 5:30 PM.
2. **Roll Call.** Council Members Jackie Baker, Wendy Escoffier, Robin Godwin, Cris McPhail, Jessie Murdock (arrived at 5:33 pm), Vice Mayor Marie Moore, and Mayor Dee Jenkins.

Others Present. Town Attorney Trish Stuhan, Town Manager Miranda Fisher, Acting Town Clerk Virginia Jones, Acting Deputy Town Clerk Jadie Edwards.

3. **Pledge of Allegiance** Councilor Escoffier led the Pledge of Allegiance.
4. **Discussion and possible direction regarding retail marijuana in Town of Camp Verde.** Staff Resource: Economic Development Specialist David Meyers

Economic Development Specialist David Meyers presented on this item with a PowerPoint. Within his presentation, Mr. Meyers went over the following topics:

- Arizona TPT and Excise Tax
- Local Dispensary Traffic
 - Cottonwood and Sedona
 - Flagstaff
 - Prescott and Prescott Valley
- Industry Sales Data
- Potential Revenue
- Next Steps to Allow Retail Marijuana
- Retail Marijuana Zoning Examples
- Staff Recommendations

This presentation came as a result of Economic Development being tasked with the job of researching additional revenue for the town. In order for a Retail Marijuana Dispensary to be opened in Camp Verde, town code and zoning ordinance would have to be updated.

Mr. Meyers shared three different recommendations/statements from the town.

Community Development- Ready and willing to follow the direction of Council. They will do the research they need and are open to allowing dispensaries in the town.

*Camp Verde Marshal's Office-*They recognize the need for further discussion.

Regulation of the accessibility to minors is a big concern of theirs.

Economic Development- They feel that opening the code to allow a dispensary would aid the town in economic diversification and would support the town's tax-based revenue and workforce.

Lastly, he shared that there is a limited number of licensees around the state. Arizona Department of Health regulates the number of dispensaries. Though Council may update code and ordinance, it doesn't guarantee a dispensary to open in the town. It simply allows an interested party, who holds a dispensary license, to locate to the town.

As a part of his presentation, Mr. Meyers answered questions from the Council.

Vice Mayor Moore asked about the additional taxing of the dispensary. It is 16% additional excise tax.

Mr. Meyers shared that they used Placer AI to get a read on the traffic flow into the marijuana dispensaries in surrounding municipalities. Within this data, they were able to see how much traffic came from the direction of Camp Verde. He explained that Placer AI is an app that tracks cell phone locations.

Councilor Murdock asked who regulates the sale of marijuana.

Mr. Meyers told her that the license of the seller is very specific and comes with many regulations regarding who they can sell to.

Councilor Escoffier asked if CVMO could help assist in the regulation of sales to minors. Commander Jacobs from the Camp Verde Marshal's Office said that, to his knowledge, they cannot go in and check ID's in dispensaries.

Councilor Escoffier also asked who regulates the potency of the THC.

It is to Mr. Meyers' understanding that the potency is highly regulated at the state level.

Town Manager Miranda Fisher spoke and reiterated the heavy regulation at the state level. Each dispensary faces losing their license for not abiding by these regulations.

Town Attorney Trish Stuhan also reiterated the thorough regulation that the state does in the sale of marijuana via dispensaries. There are extensive state regulations.

She stated that surprise inspections of the dispensary may also be done as a way to keep them legally operating.

Public Comment:

Mary Phelps spoke in support of this item. She gave personal testimony into her reasons behind that.

Ben Flood spoke in support of this item. Being in the cannabis industry, Mr. Flood gave information on the different licenses and regulations in selling marijuana in a dispensary. He shared that he knows of at least two interested parties in bringing a dispensary to the town. He also shared that bringing in a dispensary to the town would help with revenue.

After public comment, Council continued their discussion.

Councilor Murdock asked if it's possible to use the tax revenue from the dispensary as a dedicated tax instead of just going to the general fund.

Ms. Stuhan said that it is possible to restrict funds for specific uses. She would like to check into this question and get back to them with more detail.

Vice Mayor Moore thanked Economic Development for their great presentation, as well as the two community members who spoke on behalf of this agenda item. She would like for town staff to research and move forward on amending the zoning ordinance and town code. She knows this is a controversial subject and empathizes with the Marshal's Office concern, however, the reality is that there are a lot of grow centers of Camp Verde, and the town gets nothing back for this. This would be the solution to getting something in return. She also feels like this would be a great way for the town to make more money. Now that she knows there are people with licenses wanting to come to Camp Verde, she would like to see this as a high priority with Community Development. She would like to see something back by the end of the year. As far as the zoning use district for retail marijuana, she feels that it's best suitable for commercial. She would ask that Community Development really dive into this subject and get back to them.

Town Planner Cory Mulcaire stated that they would request clear direction in moving forward with this and would like direction with what projects should be paused while they move forward and pursue information on retail marijuana.

Councilor McPhail shared that 4 years ago when this topic first presented itself to the town, she took it upon herself to do research in online platforms in order to help understand the need for marijuana. The Marshal's Office and MATFORCE did not want to normalize recreational marijuana for the teenagers.

She also felt that bringing a dispensary to Camp Verde may not make a huge difference in revenue, as there are dispensaries in nearby places that people are already utilizing. She questioned whether there was another business that could come to the town in order to bring in greater revenue.

Having said all this, she is open to re-visiting this topic, especially if someone with a license would like to present a business plan to the town.

Councilor Escoffier was very pleased with the presentation. She fully recognizes the medical value of THC. She is, however, conflicted that it's still illegal at the federal level.

Councilor Godwin said that if the town doesn't have a dispensary, people are going to go elsewhere for their marijuana, and all their money will go with them. She would like to see a dispensary come to the town for both consumers and citizens in pain to have an easier time accessing it.

Mayor Jenkins would like to move forward with a Work Session in order to gain more information.

She feels this would give them the best information to make an educated decision moving forward.

After discussion between Council and staff, the direction to staff from Council was to schedule a Work Session with Community Development in order to figure out where this topic prioritizes among other projects they are working on or have on their list to begin working on. She reminded the public that Work Sessions are between staff and council, but the public is welcome to attend.

5. Discussion, consideration and possible approval of Resolution 2024-1146 a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, declaring and adopting the results of the primary election held on July 30, 2024. Staff Resource: Acting Town Clerk Virginia Jones

Before the motion, Mayor Jenkins read through some suggested corrections that she would like to have made in Resolution 2024-1146.

These suggestions were:

- After the word Mayor, add (2-year term)
- On section 8, she would like the paragraph that says "after voters to permanently," she would like that to read "to permanently increase the expenditure base of the town as determined by the economic estimates commission by \$950,000"
- In section 10, replace the word "affect" with "affective"

On a **Motion** from Councilor Escoffier, seconded by Councilor McPhail, the Council moved to approve resolution 2024-1146, as noted with changes, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, declaring and adopting, the results of the primary election held on July 30, 2024.

Roll Call Vote:

- Councilor Baker: Aye
- Councilor Escoffier: Aye
- Councilor Murdock: Aye
- Mayor Dee Jenkins: Aye
- Vice Mayor Moore: Aye
- Councilor McPhail: Aye
- Councilor Godwin: Aye

Motion Carried 7-0.

6. Presentation of Certificate of Election to Mayor Elect Dee Jenkins. Staff Resource: Acting Town Clerk Virginia Jones

Acting Town Clerk Virginia Jones presented Dee Jenkins with a Certificate of Election as the Mayor Elect, as she received 55.48% of the votes.

7. Presentation of Certificate of Nomination to the following candidates moving forward to the November 5, 2024 Election for 3 Council seats: Jackie Baker, Brian Bolton, Robert Foreman, Jerry Martin, Jessie Murdock, Patricia Seybold.

Staff Resource: Acting Town Clerk Virginia Jones

Ms. Jones presented Certificate of Nominations to Jackie Baker, Brian Bolton, Robert Foreman, Jerry Martin, Jessie Murdock, and Patricial Seybold for the Council Candidates moving forward to the November 5, 2024 election for 3 Council seats.

Mayor Jenkins thanked and congratulated all the candidates.

8. **Presentation, discussion and direction to staff regarding a proposal for a health clinic in the Town of Camp Verde on property generally located at First Street and Head Street. Note: The Town may convene in executive session pursuant to A.R.S. § 38-431.03(A)(3), (A)(4) and (A)(7) for discussion or consultation for legal advice with the Town Attorney and possible instruction to the Town Attorney regarding the purchase, sale, or lease of Town-owned property and the Town's position in contract negotiations regarding the property.** Staff Resource: Town Manager Miranda Fisher

Town Manager Miranda Fisher shared background information on this agenda item. She stated that the New Access Points Grant is now open, which aims to establish new service delivery sites for Healthcare Center Programs. In attendance are two entities- Black Canyon Community Health and Yavapai County Community Health Services, who are interested in Camp Verde.

Dr. Liz Latham, Chief Medical Officer from Black Canyon Community Health, spoke requesting letters of support for Black Canyon Community Health, in order to bring their healthcare to Camp Verde and bring a community health center to the town. She felt it would be a big benefit to the citizens.

Councilor Escoffier asked Dr. Latham if the practice would take Medicare. Dr. Latham told her they would take Medicare, ACCCHS, and private insurance.

Councilor Murdock asked if her facility would do last minute sports physicals, for those who need them done immediately. Dr. Latham told her yes. In fact, she said they often do school physical events.

Leslie Horton, Director of Yavapai County Community Health Services, along with Willa Miller, Assistant Director of Clinical Services, spoke requesting letters of support for Yavapai County Community Health Services. She also reiterated that there's a place for both entities to apply for this grant. She explained the services that this community health center would offer.

Location wise, Dr. Latham's practice is looking at the old Spectrum Health Care building, where as Ms. Horton's is looking at town owned property.

Vice Mayor More asked whether either facility would be a walk-in clinic. Both clinics offer same day appointments but aren't necessarily a walk-in clinic.

Councilor Murdock asked about the number of applicants. It was explained that there is a great number of applicants country wide, as this grant has not come up for many years. She also clarified the grant application is due August 31st.

Public Comment:

Robert Foreman spoke on this agenda item. He spoke in support of a health clinic locating to the property generally located at First and Head St.

Ms. Fisher gave some insight on the agenda item and the fact that the county is looking at town owned land for their clinic, therefore, they are looking for direction from Council to begin those negotiation conversations.

It was decided by Council to convene into Executive Session in order to conclude this item, as well as the rest of the agenda items.

On a **motion** by Vice Mayor Moore, seconded by Councilor McPhail, the Council **moved** to enter Executive Session to pursuant to A.R.S. § 38-431.03(A)(3), (A)(4) and (A)(7) for discussion or consultation for legal advice with the Town Attorney and possible instruction to the Town Attorney regarding the purchase, sale, or lease of Town-owned property and the Town's position in contract negotiations regarding the property **and** an executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding Council-Manager form of government, roles, and communications.

Roll Call Vote:

Councilor Baker: Aye
Councilor Escoffier: Aye
Councilor Murdock: Aye
Mayor Dee Jenkins: Aye
Vice Mayor Moore: Aye
Councilor McPhail: Aye
Councilor Godwin: Aye

Motion Carried 7-0.

9. Executive Session.

Council went into executive session at 7:46 p.m.

Mayor Jenkins read the agenda item to be discussed in the executive session.

- An executive session pursuant to A.R.S. § 38-431.03(A)(3), (A)(4) and (A)(7) for discussion or consultation for legal advice with the Town Attorney and possible instruction to the Town Attorney regarding the purchase, sale, or lease of Town-owned property and the Town's position in contract negotiations regarding the property. An executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding Council-Manager form of government, roles, and communications.

- 10. **Reconvene into Open Session**
Council returned to the open meeting at 8:30pm.
- 11. **Council Discussion and/or Action** regarding any of the Above Executive Session Items.
Mayor Jenkins provided a summary of what was discussed in executive session. Regarding agenda item 8, Council gave direction to staff to work with the two proposed clinics. No action taken on agenda item 9.
- 12. **Adjournment**
Meeting adjourned at 8:31pm.

CERTIFICATION



 Mayor Dee Jenkins



 Acting Town Clerk Virginia Jones

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Special Session of the Town Council of Camp Verde, Arizona, held on August 14, 2024. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 5 day of September, 2024.



 Virginia Jones, Acting Town Clerk