



SUMMARIZED MINUTES

**CITY OF SCOTTSDALE
PROTECT AND PRESERVE SCOTTSDALE TASK FORCE
REGULAR MEETING**

**4:00 p.m., Monday, January 29, 2024
Via Linda Senior Center
10440 E. Via Linda
Scottsdale, Arizona 85258**

CALL TO ORDER

The regular meeting of the Scottsdale Protect and Preserve Task Force was called to order at 4:08 p.m.

ROLL CALL

PRESENT: Cynthia Wenstrom, Chair
Raoul Zubia, Vice Chair
Carla, Member
Nicholas Hartmann
Jace McKeighan
Daniel Schweiker
Mark Winkleman
John Zikias

ABSENT: James Eaneman

STAFF: Kelly Corsette, Communications and Public Affairs Director
Ben Lane, City Clerk
Sherry Scott, City Attorney
Gina Kirklin, Finance Director

PUBLIC COMMENT

There were no public comments.

1. APPROVAL OF MINUTES

Chair Wenstrom called for corrections to the minutes.

MEMBER MCKEIGHAN MOVED TO APPROVE THE MINUTES OF DECEMBER 18, 2023.
MEMBER ZIKIAS SECONDED THE MOTION, WHICH CARRIED 8-0 WITH CHAIR

WENSTROM, VICE CHAIR ZUBIA AND MEMBERS CARLA, HARTMANN, MCKEIGHAN, SCHWEIKER, WINKLEMAN, AND ZIKIAS VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

2. ADDITIONAL BALLOT LANGUAGE CONSIDERATIONS

Ben Lane, City Clerk, and Sherry Scott, City Attorney, presented ballot language to develop final recommendations to City Council and possible strategies using an ordinance. Updated information about the election process including key dates and use of City resources was discussed. The focus was on possible revisions to the ballot language within the official title, descriptive title, and yes/no statements.

On August 6, 2024, the City will hold election for Mayor and Councilmembers. To win outright, the Mayor and Council candidates need majority of votes. Otherwise, runoffs will be held on November 5, 2024. Election ballot races for Presidency, U.S. Senator, and U.S. Representatives among other State, County, and Judicial candidacies will also be held on November 5, 2024. There will be other State and County ballot measures including tax measures also will be included on this election date.

By state law, city resources are prohibited from being used to influence the outcome of an election. However, they can be used to create the publicity pamphlet and routine communication regarding factual information about the election. Council will take action relating to the election including possibly approving the ballot language and certifying election results. Initial election results will be provided by Maricopa County after 8:00 p.m. on election day. Key dates leading up to election day were reviewed beginning with City Council approving the recommended ballot language in April through early voting on October 9th.

The County requires cities and towns to provide two ballot language options. A full text option includes an official title which is a brief explanation of what the measure does and a descriptive title which is a summary that cannot exceed 50 words and must include yes/no statements to explain what yes or no votes does. Tagline text is a shorter version, including a summary not to exceed 50 words and yes/no explanations. This includes a reference to where the full text version can be found and may be used when there is not sufficient space on the ballot.

Considerations utilized throughout this process in drafting the ballot language included incorporating feedback from the taskforce, ensuring all statutory requirements related to word limits and what should be covered in the official and descriptive titles are met, and striving to make the ballot language clear and understandable while addressing specific areas of need. The ballot language presented for review included recommendations from outside counsel's review along with some in-house revisions.

Member Carla recommended adding a zero prior to the decimal for readability purposes and to clarify the meaning of protection by replacing "public safety" with "increased public safety and fire protection." After discussion among the Task Force, the consensus was to add the zero before the decimal and to strike "public safety" and add "increased police and fire protection."

The Official Title would read:

A city code amendment to extend and reduce Scottsdale's expiring transaction privilege and use tax rate to fund increased police and fire protection, improvements, and maintenance of the city's Preserve, parks, and recreational facilities.

The Descriptive Title would read:

Authorizes the City Council to extend and reduce the rate of the current 0.20% transaction privilege and use tax, expiring in 2025, to 0.15%, for 30 years to fund the protection,

improvement, and maintenance of the McDowell Sonoran Preserve and City parks and recreational facilities as determined by City ordinance.

Yes/No Statements would read:

A "YES" vote shall have the effect of authorizing the City to reduce the rate of the current 0.20% transaction privilege and use tax, expiring in 2025, to 0.15%, and extend the tax for 30 years, effective July 1, 2025, for the expanded purpose of protecting through increased police and fire resources, improving, and maintaining the McDowell Sonoran Preserve and City parks and recreational facilities as determined by City ordinance.

A "NO" vote shall have the effect of denying the City the authority to extend and reduce the expiring transaction privilege and use tax rate for the expanded purpose of protecting through increased police and fire resources, improving, and maintaining the McDowell Sonoran Preserve and City parks and recreational facilities.

The Tagline Text would read:

Shall Scottsdale's current 0.20% transaction privilege and use tax rate, expiring June 30, 2025, be reduced to 0.15% and extended for an additional 30 years to fund increased police and fire protection, improvements, and maintenance of the city's Preserve, parks, and recreational facilities as determined by city ordinance?

MEMBER CARLA MOVED TO APPROVE THE BALLOT LANGUAGE AS AMENDED DURING THE DISCUSSION. MEMBER WINKLEMAN SECONDED THE MOTION, WHICH CARRIED 8-0 WITH CHAIR WENSTROM, VICE CHAIR ZUBIA AND MEMBERS CARLA, HARTMANN, MCKEIGHAN, SCHWEIKER, WINKLEMAN, AND ZIKIAS VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

3. CONSIDERATIONS FOR THE 0.15% PRESERVE SALES TAX EXPIRING IN 2034

Gina Kirklin, Finance Director, discussed the second Preserve tax that is limited to land and land improvements and does not expire until 2034. This item was tabled at the November 6, 2023, meeting pending further information regarding putting this tax on the ballot to expand the purposes. Unfortunately, it cannot be added to the ballot.

Members discussed recommended action to be taken because consideration of this tax was part of their original charge. Ms. Kirklin responded to questions noting the projected funding needs compare debt service to the revenue stream.

VICE-CHAIR ZUBIA MOVED THAT A RECOMMENDATION BE MADE THAT THE CITY COUNCIL TAKE NO CURRENT ACTION ON THE 0.15% TAX WHICH DOES NOT EXPIRE UNTIL 2034 BECAUSE THIS TAX IS STILL NEEDED AND REQUIRED TO FUND EXISTING DEBT SERVICE; AND THAT THE CITY COUNCIL STUDY THE 0.15% TAX ANNUALLY TO DETERMINE IF THE TAX IS STILL NEEDED FOR ITS ORIGINAL VOTER-APPROVED PURPOSES OR IF THE DEBT SERVICE CAN BE PAID OFF EARLY; AND THAT THE CITY COUNCIL CONSIDER ASKING VOTERS TO TERMINATE THE TAX IF NO LONGER NEEDED. AS PART OF THIS PROCESS, WE RECOMMEND THAT THE CITY TREASURER PROVIDE AN ANNUAL UPDATE TO THE CITY COUNCIL AND THE MCDOWELL SONORAN PRESERVE COMMISSION RELATED TO THE 0.15% TAX WHICH WILL INCLUDE INFORMATION ON THE FUND BALANCE AND THE CURRENT AND PROJECTED FUNDING NEEDS. MEMBER MCKEIGHAN SECONDED THE MOTION. THE MOTION CARRIED 8-0 WITH CHAIR WENSTROM, VICE CHAIR ZUBIA AND MEMBERS CARLA, HARTMANN, MCKEIGHAN, SCHWEIKER, WINKLEMAN, AND ZIKIAS VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

4. TASK FORCE WORKING STUDY SESSION

4.1 CONSIDERATION OF DRAFT ORDINANCE FOR ALLOCATION OF 0.15% TAX

Sherry Scott, City Attorney, provided an overview of the uncodified draft ordinance for the 0.15% tax, noting the proposition and a title that explains what the ordinance is intended to do are still in progress. The reasonings for the 0.15% tax are captured within the proposed ordinance with the main point being distribution of the tax revenue. The recommended ordinance will be in the Tax Ordinance section of the City Code.

Member Carla questioned the enforceability of the "whereas" statements. Ms. Scott explained the "whereas" statements offer an introduction to why the Council is taking a specific action. This ordinance is not changing any ordinance in the Preserve ordinance; rather, it is enacting the ordinance it is referring to.

Member Carla recommended amending the 7% appropriation under Section A to read "7% for full police park ranger unit for increased parks and McDowell Sonoran Preserve Security."

Member Carla recommended amending the language in Section B to eliminate "WestWorld" specifically because it reads like WestWorld has to be done first. After discussion members agreed the focus is on the debt incurred in accordance with the provisions outlined in Section 16-52, use of 0.15% tax, and agreed to strike "WestWorld" and amend the language to read "or to be issued to finance specifically included improvements or other capital projects..."

Member Zikias expressed concern with language of the debt requirement as limited to no more than 25% of the tax revenues on an annual basis. Ms. Kirlkin explained the financial policy requires the use of sales tax revenue to set up a reserve that can be used to supplement debt payments. Debt will not be issued beyond the forecasted 25% revenue collection. This statement should not be interpreted as limiting or excluding reserves to make a debt service payment.

A discussion ensued among members with Member McKeighan stating the language is intentionally limiting because the focus is on letting voters know that 75% of the revenue is being used for the purposes outlined in Section A.

Ms. Scott reviewed Section C, noting the language must be amended to accommodate the reserve and its use as required by the financial policy. Member Schweiker recommended this be sent back for staff to refine the language and brought back at the next meeting for further discussion.

Ms. Scott discussed revisions made to the 10% appropriation under Section A. The suggested amended language was: "10% for the technical rescue team in the McDowell Sonoran Preserve and city parks and for fire fuel mitigation around the McDowell Sonoran Preserve and in the city parks for the protection and maintenance of the McDowell Sonoran Preserve and city parks."

After discussion among members, the language was further modified to read: "10% for additional technical rescue team(s) for the McDowell Sonoran Preserve and city parks and for fire fuel mitigation around the McDowell Sonoran Preserve and around the city parks for the protection and maintenance of the McDowell Sonoran Preserve and city parks."

Member Carla discussed citizen oversight committees and recommended utilizing the current Citizen Preserve Commission and Citizen Parks Commission to provide the citizen oversight

for the 0.15% tax revenue. These commissions would be responsible for providing an annual accounting report to the City Council for the life of the tax. Member Schweiker agreed with this recommendation because it would provide transparency. A discussion ensued and Ms. Scott stated this would amend the purpose of the two boards and would require amendments to the ordinance. This will be reviewed by staff and a recommendation will be presented at the next meeting.

4.2 DISCUSSION ON DRAFT COUNCIL WORK STUDY PRESENTATION

Chair Wenstrom tabled this agenda item until the next meeting as Ms. Andrews was unable to attend this meeting.

5. IDENTIFICATION OF ADDITIONAL TASK FORCE MEETING DATES

Ms. Kirklin stated the next meeting will be held on February 21, 2024, and the meeting with the City Council will be on February 27, 2024, at 4:00 p.m. Mr. Lane confirmed this date will allow time to get the information to the City Council.

6. IDENTIFICATION OF POSSIBLE FUTURE AGENDA ITEMS

The following were identified:

- Section C of the Ordinance
- Citizen Oversight

7. ADJOURNMENT

With no further business to discuss, being duly moved by Vice Chair Zubia and seconded by Member Zikias, the meeting adjourned at 5:41 p.m.

AYES: Chair Wenstrom; Vice Chair Zubia; Members Carla, Hartmann, McKeighan Schweiker, Winkleman and Zikias.

NAYS: None

SUBMITTED BY:
eScribers, LLC