

SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, MARCH 17, 2015



CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:07 P.M. on Tuesday, March 17, 2015, in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane
Vice Mayor Linda Milhaven
Councilmembers Suzanne Klapp, Kathleen S. Littlefield, Guy Phillips, and David N. Smith

Absent: Councilmember Virginia Korte

Also Present: City Manager Fritz Behring, City Attorney Bruce Washburn, City Treasurer Jeff Nichols, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Girl Scout Junior Troop 700, Troop Leader Gina Keating

INVOCATION – Reverend Ryan Michael Hersch, Ascension Lutheran Church

MAYOR'S REPORT

Mayor Lane announced the 30th Annual Special Day for Special Kids on Saturday, March 21, 2015, at McCormick Stillman Railroad Park.

Mayor Lane presented the Rotary Club with a proclamation to honor their sponsorship of the 30th Annual Special Day for Special Kids.

PRESENTATION/INFORMATION UPDATES

- **APS Peak Solutions Rebate**
Presenter(s): Patricia McLaughlin, Key Account Manager, Arizona Public Service; and Joel Fisher, Sales Executive, Converge, Inc.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

Patricia McLaughlin, Key Account Manager, Arizona Public Service; and Joel Fisher, Sales Executive, Converge, Inc., presented the City with a rebate check for participation in the APS Peak Solutions Program.

PUBLIC COMMENT

- Todd Becker, Neighborhood Advisory Commission Vice Chair, encouraged everyone to participate in the Spirit of Scottsdale Awards nomination process.

MINUTES

Request: Approve the Special Meeting Minutes of February 17, 2015; Regular Meeting Minutes of February 17, 2015; and Work Study Minutes of February 24, 2015 and March 2, 2015.

Vice Mayor Milhaven made a motion to approve the Special Meeting Minutes of February 17, 2015; Regular Meeting Minutes of February 17, 2015; and Work Study Minutes of February 24, 2015 and March 2, 2015. Councilwoman Littlefield the motion, which carried 6/0.

CONSENT AGENDA

- 1. Chipotle Mexican Grill No. 2478 Liquor License (17-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.
Location: 11015 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. Pomo Pizzeria Napoletana Liquor License (20-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an agent and acquisition of control change for an existing Series 12 (restaurant) State liquor license.
Location: 8977 N. Scottsdale Road, Suite 502
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. NM Café Liquor License (21-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person transfer of a Series 7 (beer and wine bar) State liquor license for an existing location with a new owner.
Location: 6900 E. Camelback Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 4. Kaleidoscope Liquor License (22-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.
Location: 6835 E. Camelback Road, Suite B03
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 5. Kaleidoscope Liquor License (23-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (beer and wine liquor store) State liquor license for a new location and owner.
Location: 6835 E. Camelback Road, Suite B03
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. Sauce Pizza & Wine Liquor License (24-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an agent and acquisition of control change for an existing Series 12 (restaurant) State liquor license.
Location: 7135 E. Camelback Road, Suite 160
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 7. Salvatore Vineyards Liquor License (25-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 19 (tasting room) State liquor license for a new location and owner.
Location: 7064 E. 5th Avenue
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 8. Total Wine and More No. 1007 Liquor License (26-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an acquisition of control change for an existing Series 9 (liquor store) State liquor license.
Location: 10320 N. Scottsdale Road, Suite 200B
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 9. Kale & Clover Mindful Kitchen Liquor License (27-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 20511 N. Hayden Road, Suite 100
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 10. Permanent Extension of Premises for Fired Pie (2-EX-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for a Series 12 (restaurant) State liquor license.
Location: 15425 N. Scottsdale Road, Suite 100
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

11. Zara Court Final Plat (12-PP-2014)

Request: Approve the final plat for six, single-family residential lots on 1.4 acres with Single-Family Residential (R1-7) zoning.

Location: 8346 and 8354 E. Thomas Road

Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

12. Eagle Feather Road Sewer Improvements Construction Bid Award

Request: Adopt **Resolution No. 10034** authorizing Construction Bid Award 15PB018 to Axiom Contracting, LLC, the lowest responsive bidder, at the unit price bid of \$185,650 for construction of the Eagle Feather Road sewer improvements.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

13. Citywide Vertical Construction Services Job Order Contract Modification

Request: Adopt **Resolution No. 10030** authorizing Contract No. 2013-039-COS-A4 with Balfour Beatty Construction, LLC, for the third option year of the Citywide vertical construction services job order contract.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

14. 3rd Avenue and North Craftsman Court Drainage Project Intergovernmental Agreement

Request: Adopt **Resolution No. 10046** authorizing:

1. Contract No. 2015-053-COS with the Flood Control District of Maricopa County to allow partnership and cost share for the 3rd Avenue and North Craftsman Court Drainage Project.
2. A FY 2014/15 General Fund Capital Contingency Budget appropriation transfer in the amount of \$32,000 to a newly created capital project titled 3rd Avenue and North Craftsman Court Drainage Project to be funded by contributions being authorized under this intergovernmental agreement.
3. A budget transfer in the amount of \$28,000 from capital project Neighborhood Stormwater Management Improvements (YB05A) to the newly created capital project.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

15. Paradise Drive Storm Drain Project Intergovernmental Agreement

Request: Adopt **Resolution No. 10047** authorizing:

1. Contract No. 2015-054-COS with the Flood Control District of Maricopa County to allow partnership and cost share for the Paradise Drive Storm Drain Project.
2. A FY 2014/15 General Fund Capital Contingency Budget appropriation transfer in the amount of \$230,000 to a newly created capital project titled Paradise Drive Storm Drain Project to be funded by contributions being authorized under this intergovernmental agreement.
3. A budget transfer in the amount of \$183,000 from capital project Neighborhood Stormwater Management Improvements (YB05A) to the newly created capital project.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

16. 8525 East Pinnacle Peak Road Drainage Project Intergovernmental Agreement

Request: Adopt **Resolution No. 10048** authorizing:

1. Contract No. 2015-055-COS with the Flood Control District of Maricopa County to allow partnership and cost share for the 8525 East Pinnacle Peak Road Drainage Project.
2. A FY 2014/15 General Fund Capital Contingency Budget appropriation transfer in the amount of \$27,000 to a newly created capital project titled 8525 East Pinnacle Peak Road Drainage Project to be funded by contributions being authorized under this intergovernmental agreement.
3. A budget transfer in the amount of \$34,000 from capital project Neighborhood Stormwater Management Improvements (YB05A) to the newly created capital project.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555,
daworth@scottsdaleaz.gov

17. Transportation On-Call Engineering and Professional Services Contracts

Item 17 was moved to the Regular Agenda (see below).

18. 2014 Board and Commission Annual Report

Request: Receive the 2014 annual report approved by each publicly appointed board, commission, and working task force.

Staff Contact(s): Rachel Smetana, Mayor's Chief of Staff, 480-312-7806,
rsmetana@scottsdaleaz.gov

19. Notice of Intention to Increase Water and Wastewater Rates and Fees

Request: Adopt notice of intention to increase water and wastewater rates, increase miscellaneous water charges, and make housekeeping adjustments to Chapter 49 of the Scottsdale Revised Code for Fiscal Year 2015/16, and establish May 12, 2015, as the date for a public hearing.

Staff Contact(s): Brian Biesemeyer, Water Resources Director, 480-312-5683,
bbiesemeyer@scottsdaleaz.gov

20. Monthly Financial Report

Request: Accept the FY 2014/15 Monthly Financial Report as of January 2015.

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilwoman Klapp made a motion to approve Consent Items 1 through 20, absent Item 17, which was moved to the Regular Agenda. Vice Mayor Milhaven seconded the motion, which carried 6/0.

REGULAR AGENDA

17. Transportation On-Call Engineering and Professional Services Contracts

Request: Adopt the following resolutions authorizing transportation on-call engineering and professional services contracts in an amount not to exceed \$1,000,000 per term:

1. **Resolution No. 10060** authorizing Contract Nos. 2015-060-COS with EcoPlan Associates, Inc., and 2015-061-COS with Kimley-Horn and Associates, Inc., for environmental assessments.

2. **Resolution No. 10061** authorizing Contract Nos. 2015-062-COS with AECOM Technical Services, Inc., and 2015-063-COS with IBI Group US for high capacity transit analysis assistance.
3. **Resolution No. 10062** authorizing Contract Nos. 2015-064-COS with CivTech, Inc., and 2015-065-COS with Kimley-Horn and Associates, Inc., for street and path illumination analysis.
4. **Resolution No. 10063** authorizing Contract Nos. 2015-066-COS with Michael Baker Jr. Inc., 2015-067-COS with Burgess & Niple, Inc., and 2015-068-COS with Lee Engineering, LLC, for master transportation plan assistance.
5. **Resolution No. 10064** authorizing Contract Nos. 2015-069-COS with AECOM Technical Services, Inc., 2015-071-COS with J2 Engineering & Environmental Design, LLC, and 2015-072-COS with Lee Engineering, LLC, for multi-use paths and bicycle lanes design services.
6. **Resolution No. 10065** authorizing Contract Nos. 2015-073-COS with CivTech, Inc., 2015-074-COS with J2 Engineering & Environmental Design, LLC, and 2015-075-COS with Kimley-Horn and Associates, Inc., for multi-use paths and bicycle lanes planning services.
7. **Resolution No. 10066** authorizing Contract Nos. 2015-076-COS with Burgess & Niple, Inc., 2015-077-COS with Kimley-Horn and Associates, Inc., 2015-078-COS with Lee Engineering, LLC, and 2015-079-COS with Parsons Transportation Group, Inc., for neighborhood traffic management planning and design services.
8. **Resolution No. 10067** authorizing Contract Nos. 2015-080-COS with Michael Baker Jr. Inc., 2015-081-COS with Kimley-Horn and Associates, Inc., 2015-082-COS with Lee Engineering, LLC, and 2015-083-COS with Walker Parking Consultants/Engineers, Inc., for parking analysis services.
9. **Resolution No. 10068** authorizing Contract Nos. 2015-084-COS with AECOM Technical Services, Inc., and 2015-085-COS with CivTech, Inc., for traffic impact and parking analysis.
10. **Resolution No. 10069** authorizing Contract Nos. 2015-086-COS with Kittelson & Associates, Inc., 2015-087-COS with Kimley-Horn and Associates, Inc., and 2015-088-COS with Lee Engineering, LLC, for traffic operation analysis services.
11. **Resolution No. 10070** authorizing Contract Nos. 2015-089-COS with AECOM Technical Services, Inc., 2015-090-COS with Kimley-Horn and Associates, Inc., and 2015-091-COS with Lee Engineering, LLC, for traffic safety analysis services.
12. **Resolution No. 10071** authorizing Contract Nos. 2015-092-COS with AECOM Technical Services, Inc., 2015-093-COS with CivTech, Inc., and 2015-094-COS with Parsons Brinckerhoff Inc., for transit planning assistance.
13. **Resolution No. 10072** authorizing Contract Nos. 2015-096-COS with Burgess & Niple, Inc. and 2015-102-COS with Kimley-Horn and Associates, Inc. for transportation planning assistance.

Staff Contact(s): Paul Basha, Transportation Director, 480-312-7651,
pbasha@scottsdaleaz.gov

MOTION NO. 1 – ITEM 17

Councilwoman Littlefield made a motion to approve Item 17, absent Resolution No. 10061. Councilman Phillips seconded the motion. The motion was later withdrawn.

MOTION NO. 2 AND VOTE – ITEM 17

Councilwoman Klapp moved to adopt Resolution Nos. 10060, 10061, 10062, 10063, 10064, 10065, 10066, 10067, 10068, 10069, 10070, 10071, and 10072. Vice Mayor Milhaven seconded the motion, which carried 6/0.

21. McDowell Corridor Building Permit Fee Modification

Request: Adopt **Resolution No. 9990** establishing the McDowell Corridor Fee Schedule to allow for certain residential and commercial development related fees in the McDowell Corridor Revitalization Area to be temporarily modified for a two-year period and automatically terminate at the end of the two-year period.

Presenter(s): Kim Chafin, Senior Planner

Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

Senior Planner Kim Chafin gave a PowerPoint presentation (attached) on the proposed McDowell Corridor building permit fee modifications.

Mayor Lane opened public testimony.

Margaret Dunn, representing Scottsdale Gateway Alliance, spoke in support of the proposed McDowell Corridor Fee Schedule modifications.

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEM 23

Councilman Phillips made a motion to adopt Resolution No. 9990. Councilwoman Klapp seconded the motion, which carried 6/0.

22. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of February 2015.

Presenter(s): Jeff Nichols, City Treasurer

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of February 2015.

MAYOR AND COUNCIL

23. Initiate Council Review of the Development Review Board's February 19, 2015 Decision Regarding 35-DR-2014#2 (Fate Brewing Company Grain Storage Silo)

(Removed at the request of Councilwoman Littlefield)

PUBLIC COMMENT – None

CITIZEN PETITIONS

28. **Receipt of Citizen Petitions**

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

Staff Contact(s): Carolyn Jagger, City Clerk, 480-312-2411, cjagger@scottsdaleaz.gov

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

The Regular City Council Meeting adjourned at 6:21 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on April 14, 2015

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 17th day of March 2015.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 14th day of April 2015.



Carolyn Jagger, City Clerk

Item 21

McDowell Corridor Building Permit Fee Modification

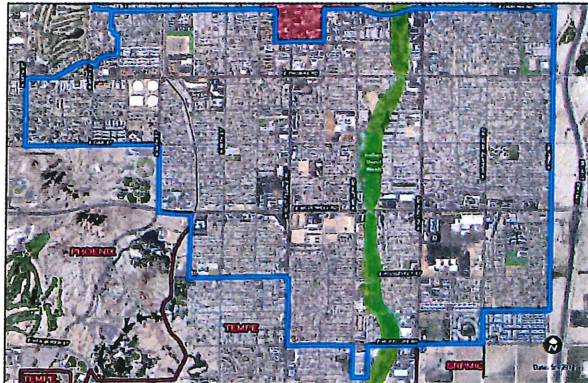
City Council
March 17, 2015

Coordinator: Kim Chafin, AICP, LEED-AP

McDowell Road Corridor

City Council Priority: "Partner with residents and businesses to revitalize the McDowell Road corridor."

The McDowell Corridor, an 8 square mile area, comprises 4% of the City's land area, and is home to 21% of Scottsdale's population.



Commercial Stakeholders Say:

- Making things look better will help everyone.
- People thinking positively about the area will help everyone.
- “Little guys” with smaller lots, less money & less development experience are more likely to benefit from City programs/policies than “big guys”.
- “Big guys” just want an open, friendly attitude, and they’re willing to spend the money to do the things they need to do.
- A majority of property owners have in mind some type of physical improvement they would like to make to their property, but are hesitant to move forward because they don’t want to be the only one in the area to take a risk.

Neighborhoods Say:

- Bring back a building permit fee reduction program similar to the one implemented by the City from 2004 – 2009.



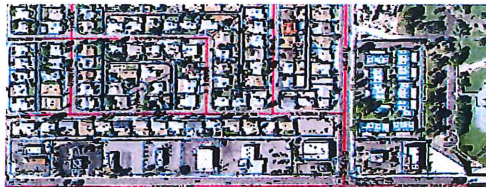
Previous Program History - Residential

- Cost of fees can be an important issue in moving forward with a home improvement project.
- Prior to implementation of previous South Area Residential Fee Reduction Program, most residential reinvestment was for:
 - replacement of water heaters
 - electrical work
 - similar positive, but limited repairs.
- Following implementation of the Program, there was an increase in permits for:
 - additions
 - larger renovations
 - patio/garage enclosures.



Previous Program History - Business

- This area contains many of community's business neighborhoods built during City's rapid growth of 1960's & 1970's.
- Business zones along McDowell, Scottsdale, Hayden, Thomas and Osborn Roads reflect their suburban lineage. Linear development patterns segmented businesses into individual sites or moderately sized commercial centers. This led to little encouragement for reinvestment.



- Many area commercial properties need reinvestment due to:
 - aging physical structures
 - the need to be competitive with newer & more aggressive business areas.

Public/Private Investment

A series of public & private reinvestment efforts have been initiated in the area over past several years, including:

- Streetscape improvements on Scottsdale, McDowell & Thomas Roads
- Miller Road sewer
- New Eldorado Park Fire Station
- Crosscut Canal improvements
- Neighborhood Trolley program
- Neighborhood Traffic Management improvements on Oak St, 87th St, 74th Pl, 86th St, 85th Pl, Palm Lane, Roosevelt St
- New bus shelters & increased bus service
- Development of mixed-use project at SkySong
- Improvements to auto dealer facilities on McDowell & Scottsdale Road
- Development of new housing



Comprehensive Approach

- Reducing costs of home improvements in some of our oldest neighborhoods can help encourage reinvestment and support healthy residential neighborhoods.
- Coupled with programs to support & enhance adjacent business areas, a temporary, 2-year modification to building permit fees fits well with a comprehensive approach to public & private reinvestment in the McDowell Road Corridor.



Single Family Addition	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0
Single Family Remodel	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Single Family Detached Structure	Current Fee	Proposed Fee
Livable area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate review	\$235	\$0
Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 (higher)
Base Fee	\$159	\$0
Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 (higher)
Base Fee	\$159	\$0

Residential

Applications	Current Fee	Proposed Fee
Pre-Applications - DR	\$87	\$60
DR - New Construction	\$1,515	\$1,000
Staff Approval - Major	\$307	\$200
Staff Approval - Minor	\$87	\$60
Commercial Addition	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft	\$0.61 Sq Ft
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Lowest floor certificate revu	\$235	\$0
Comm. Remodel (Existing)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Commercial T.I. (New)	Current Fee	Proposed Fee
Area with A/C	\$0.61 Sq Ft x 30%	\$0.61 Sq Ft x 30%
Covered area non A/C	\$0.32 Sq Ft	\$0.32 Sq Ft
Base Fee	\$159	\$0
Certificate of Occupancy	\$128	\$0
GIS Fee	\$255	\$0
Fence Walls	Current Fee	Proposed Fee
Linear Footage	\$0.17 LF	\$0.17 LF or \$78 (higher)
Base Fee	\$159	\$0
Retaining Walls	Current Fee	Proposed Fee
Linear Footage	\$1.70 LF	\$1.70 LF or \$78 (higher)
Base Fee	\$159	\$0

Commercial

Financial Impact

Single-Family 1,000 sq. ft. addition

\$777 savings to homeowner



Commercial 1,000 sq. ft. addition

\$777 savings to business owner

Projected fiscal impact to City: approx \$38,259 less in annual permit revenue

Purpose & Recommendation

Designed to encourage reinvestment to:

- Bring additional economic activity in to the area
- Grow property values
- Encourage other owners & businesses to reinvest
- in their properties.



Adopt Resolution 9990 establishing McDowell Corridor Fee Schedule allowing building permit fees to be temporarily modified for a 2-year period, and automatically terminating at end of 2 years.



Monthly Financial Update As of February 28, 2015

City Council
March 17, 2015
Prepared by: City Treasurer

General Fund Operating Sources February 2015: Fiscal Year to Date

(in millions; rounding differences may occur)

Sources Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$57.1	\$61.3	\$65.6	\$63.6	\$2.0	3%
0.1% Public Safety	5.5	6.0	6.4	6.2	0.2	3%
State Shared: Sales Tax	11.6	12.5	12.9	12.9	0.1	1%
Income Tax	14.8	16.1	17.5	17.5	-	-
Auto Lieu Tax	4.4	4.8	5.0	4.6	0.4	8%
Property Taxes (Primary)	15.2	15.4	14.9	15.7	(0.7)	(5%)
Franchise Fees/In-Lieu Tax	8.1	8.4	8.3	8.3	-	-
Other: Licenses, Permits & Fees	5.1	5.5	6.6	5.3	1.3	25%
Fines & Forfeitures	4.4	4.2	4.8	4.8	-	-
Miscellaneous	6.1	4.8	4.7	3.5	1.1	32%
Building Permits	7.4	10.2	9.9	7.6	2.3	30%
Interest Earnings	0.8	1.2	0.5	0.4	0.1	31%
Indirect Cost Allocations	4.7	4.3	4.3	4.3	-	-
Transfers In	5.1	4.9	6.3	6.4	(0.1)	(2%)
Subtotal Operating Sources	\$150.4	\$159.6	\$167.8	\$161.1	\$6.6	4%
Bond Proceeds *	31.3	-	-	-	-	-
Total Operating Sources	\$181.6	\$159.6	\$167.8	\$161.1	\$6.6	4%

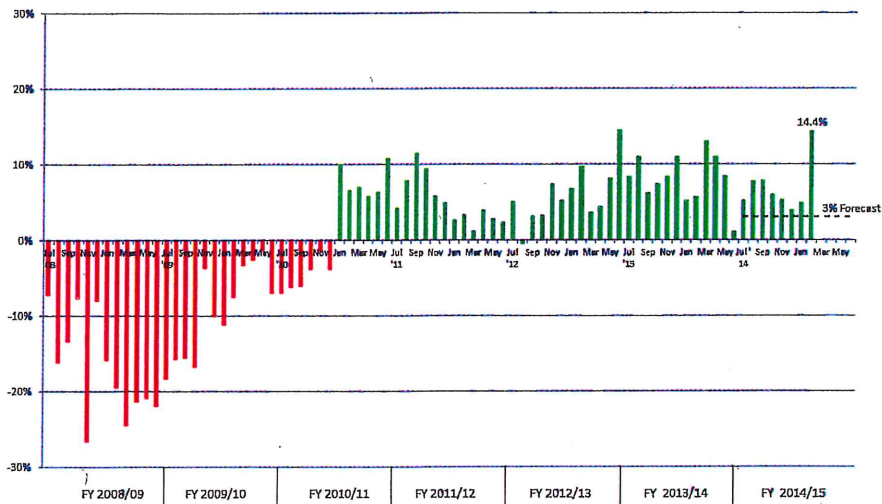
* To fund the Nordstrom Garage Lease Payoff.

General Fund Operating Sources: Sales Tax February 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Consumer Spending:</i>						
Small retail stores	\$9.4	\$10.2	\$10.8	\$10.8	\$ -	-
Large retail stores	6.0	6.1	6.3	6.3	-	-
Misc goods & services	4.3	4.7	5.1	5.0	0.1	2%
Grocery & convenience	4.2	4.3	4.5	4.5	-	-
Auto sales & maintenance	7.1	8.0	8.8	8.5	0.3	4%
<i>Tourism/Entertainment:</i>						
Hotel lodging & misc sales	2.4	2.6	2.9	2.8	0.1	5%
Restaurants & bars	4.9	5.1	5.7	5.3	0.4	7%
<i>Business:</i>						
Construction	5.7	7.2	8.2	7.2	1.0	14%
Rental	8.3	8.3	8.5	8.5	-	-
Utilities	3.1	3.0	3.1	3.0	0.1	2%
Licenses, penalties/interest	1.7	1.8	1.6	1.7	(0.1)	(7%)
Total 1.0% Sales Tax	\$57.1	\$61.3	\$65.6	\$63.6	\$2.0	3%

General Fund Sales Tax: 1.0% General Purpose — Year over Year Change



General Fund Operating Uses: by Category February 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$73.6	\$80.2	\$82.7	\$83.2	\$0.5	1%
Overtime	4.6	5.4	5.7	4.4	(1.4)	(32%)
FICA	5.0	5.5	5.7	5.6	-	-
Retirement	10.3	12.0	12.9	13.0	0.1	1%
Health/Dental & Misc	10.1	10.4	10.5	10.7	0.2	2%
<i>Total Personnel Services</i>	<i>\$103.6</i>	<i>\$113.6</i>	<i>\$117.5</i>	<i>\$116.9</i>	<i>(\$0.6)</i>	<i>(1%)</i>
Contractual, Commodities, Capital Outlay	36.1	39.4	41.2	41.9	0.7	2%
<i>Total Operating Expenses</i>	<i>\$139.7</i>	<i>\$152.9</i>	<i>\$158.7</i>	<i>\$158.8</i>	<i>\$0.1</i>	<i>0%</i>
Debt Serv. & Contracts	33.9**	1.6	1.6	1.6	-	-
Transfers Out	3.3	0.4	-	-	-	-
<i>Total Operating Uses</i>	<i>\$176.9</i>	<i>\$155.0</i>	<i>\$160.2</i>	<i>\$160.3</i>	<i>\$0.1</i>	<i>0%</i>
*Pay Periods thru February:	17	18	18			

** Includes the Nordstrom Garage Lease Payoff.

General Fund Operating Uses: by Division February 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Division	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$11.8	\$12.0	\$12.6	\$13.2	\$0.6	4%
Administrative Services	9.4	10.2	10.5	10.9	0.4	3%
Comm. & Econ Development	15.5	16.7	16.9	16.9	-	-
Community Services	21.0	22.2	22.6	23.1	0.5	2%
Public Safety - Fire	19.1	21.3	22.5	22.3	(0.2)	(1%)
Public Safety - Police	52.3	58.1	61.6	60.8	(0.9)	(1%)
Public Works	10.6	12.3	11.8	11.5	(0.2)	(2%)
<i>Total Operating Expenses</i>	<i>\$139.7</i>	<i>\$152.9</i>	<i>\$158.7</i>	<i>\$158.8</i>	<i>\$0.1</i>	<i>0%</i>

General Fund Results: Summary February 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$181.6*	\$159.6	\$167.8	\$161.1	\$6.6	4%
Uses	176.9*	155.0	160.2	160.3	0.1	0%
Change in Fund Balance	\$4.7	\$4.6	\$7.6	\$0.8	\$6.5	

* The Nordstrom Garage Lease Payoff paid for with bond proceeds.

General Fund Operating Sources February 2015

(in millions: rounding differences may occur)

Sources Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$7.8	\$8.1	\$9.2	\$8.5	\$0.7	8%
0.1% Public Safety	0.8	0.8	0.9	0.8	0.1	8%
State Shared: Sales Tax	1.7	2.0	1.9	1.9	-	1%
Income Tax	1.9	2.0	2.2	2.2	-	-
Auto Lieu Tax	0.6	0.4	0.7	0.7	0.1	8%
Property Taxes (Primary)	0.6	(0.6)	0.5	0.6	(0.1)	(19%)
Franchise Fees/In-Lieu Tax	(0.1)	0.0	0.9	-	0.9	n/a
Other: Licenses, Permits & Fees	0.5	0.6	0.7	0.6	-	7%
Fines & Forfeitures	0.6	0.6	0.6	0.7	-	(7%)
Miscellaneous	1.2	0.7	0.5	0.6	(0.1)	(15%)
Building Permits	1.0	1.1	0.8	1.0	(0.2)	(17%)
Interest Earnings	0.1	0.2	0.0	-	-	-
Indirect Cost Allocations	0.6	0.5	0.5	0.5	-	-
Transfers In	(0.4)	0.5	0.5	0.6	(0.1)	(23%)
Subtotal Operating Sources	\$16.9	\$16.8	\$20.0	\$18.9	\$1.1	6%
Bond Proceeds *	-	-	-	-	-	-
Total Operating Sources	\$19.0	\$16.8	\$20.0	\$18.9	\$1.1	6%

* To fund the Nordstrom Garage Lease Payoff.

General Fund Operating Uses: by Division February 2015

(in millions: rounding differences may occur)

Division	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.6	\$1.0	\$1.4	\$1.4	\$0.1	5%
Administrative Services	0.9	1.1	1.1	1.2	0.1	8%
Comm. & Econ Development	1.8	2.0	2.0	2.0	-	-
Community Services	2.3	2.4	2.5	2.5	-	-
Public Safety - Fire	2.5	2.7	2.8	2.6	(0.3)	(10%)
Public Safety - Police	6.4	7.0	7.4	6.9	(0.4)	(6%)
Public Works	1.2	1.7	1.4	1.5	0.1	6%
<i>Total Operating Expenses</i>	<u>\$16.8</u>	<u>\$17.9</u>	<u>\$18.6</u>	<u>\$18.0</u>	<u>(\$0.6)</u>	<u>(3%)</u>

General Fund Results: Summary February 2015

(in millions: rounding differences may occur)

	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$19.0*	\$16.8	\$20.0	\$18.9	\$1.1	6%
Uses	16.8	18.3	18.6	18.0	(0.6)	(3%)
Change in Fund Balance	<u>\$2.2</u>	<u>(\$1.5)</u>	<u>\$1.4</u>	<u>\$0.9</u>	<u>\$0.5</u>	

* Includes \$2.1 million of bond proceeds to payoff Nordstrom Garage Lease.