

SCOTTSDALE CITY COUNCIL
WORK STUDY SESSION MINUTES
MONDAY, FEBRUARY 1, 2016



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

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Work Study Session of the Scottsdale City Council at 4:04 P.M. on Monday, February 1, 2016, in the City Hall Kiva.

ROLL CALL

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

Also Present: Acting City Manager Brian Biesemeyer
City Attorney Bruce Washburn
City Treasurer Jeff Nichols
City Auditor Sharron Walker
City Clerk Carolyn Jagger

MAYOR'S REPORT – None

PUBLIC COMMENT

- Jon Rosenberg expressed support for additional parking spaces in downtown.
- Tom Frenkel commented on parking at the Galleria.

1. Fire Department Compensation Study

Request: Presentation and discussion regarding the firefighter, fire engineer, and fire captain compensation study and possible direction to staff regarding items to be included in the proposed

FY 2016/17 operating budget.

Presenter(s): Donna Brown, Human Resources Director

Staff Contact(s): Donna Brown, Human Resources Director, 480-312-2615,
dbrown@scottsdaleaz.gov

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.

Human Resources Director Donna Brown gave a PowerPoint presentation (attached) on the Fire Department compensation study.

MOTION AND VOTE – ITEM 1

Councilwoman Milhaven made a motion to direct staff to:

1. Provide the Council with the answers to all of the Council's questions and requests for additional information, including:
 - A graph displaying the maximum salary ranges, including an average of the supplemental income in comparison to other municipal fire departments for firefighter, fire engineer, and fire captain job classifications.
 - Pay range and actual salary comparisons for the firefighter, fire engineer, and fire captain positions, and where the City ranks in relation to the marketplace for these positions.
 - The path the City will be taking if a five percent across the board increase through to the top of the salary range is approved.
 - A performance-based plan from the Fire Department that identifies evaluation criteria, the method for determining who gets what, and the ranges.
 - A summary of Fire Department employee-paid union dues from those municipalities with labor unions.
2. Include funding in the Fire Department's FY 2016/17 budget to provide for up to 5% increases within the established ranges based on performance; an increase paramedic pay from \$5,400 to \$6,800; and an increase in specialty pay for hazmat, technical rescue and airport rescue from \$2,500 to \$3,200, respectively. If, based on the information provided, four members of the Council want to revisit this direction, the matter can be agendaized for a future meeting. Councilwoman Littlefield seconded the motion, which carried 4/3, with Mayor Lane, Vice Mayor Smith, and Councilman Phillips dissenting.

2. Northeast Downtown Parking Deficiency Solutions

Request: Presentation, discussion, and possible direction to staff regarding short-term and long-term solutions to daytime parking deficiencies in Downtown Scottsdale, east of Scottsdale Road and north of Third Avenue.

Presenter(s): Paul Basha, Transportation Director; Dan Worth, Public Works Director

Staff Contact(s): Paul Basha, Transportation Director, 480-312-7651, pbasha@scottsdaleaz.gov; Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

Transportation Director Paul Basha gave a PowerPoint presentation (attached) on northeast downtown parking deficiencies.

Staff was directed to explore:

- Expansion of hours for the Downtown Trolley.
- Implementation of two-hour parking limits for P-3 properties.
- Implementation of permit parking for P-3 properties.
- A privately funded 770-space parking structure.

Councilmembers offered the following suggestions:

- Solicit interest and participation from downtown businesses, and provide critical analysis, on utilization of the Downtown Trolley, Bus Route 72, and parking permits.
- Encourage businesses to have employees park in downtown garages with trolley access.

- Monitor parking habits of Downtown Trolley users to ensure parking problems are not created in other areas of downtown.
- Provide information related to privately-funded parking structure, to include participation from businesses, no use of City funds, and use of City funds for public parking spaces.
- Explore use of parking meters in specific areas and provide information related to the impact on businesses and revenues.
- Explore potential for a City App to reflect parking availability (e.g., Wayfinding) and installation of additional parking structure signage.
- Continue Council discussions related to parking code changes and robust multimodal transportation plan.
- Review the development agreements with the tenants who use the underground parking facilities to identify potential revisions to parking space allocations.
- Allocate Proposition 400 funds towards the mass transit corridor (Scottsdale Road) to alleviate traffic and parking issues in the Shea Corridor, Airpark, and downtown.

3. Legislative Update

Request: Provide an update to the Council and receive possible direction regarding current and pending State legislative issues and policies.

Presenter(s): Brad Lundahl, Government Relations Director

Staff Contact(s): Brad Lundahl, Government Relations Director, 480-312-2683,
blundahl@scottsdaleaz.gov

Government Relations Director Brad Lundahl gave a PowerPoint presentation (attached) on current and pending State legislation and policies.

Staff was directed to continue to monitor HB 2200 (Mobile Home Parks; Use Exchange).

Staff was directed to support HB 2536 (Fine Art; Facilities Relocation; Cost Reimbursement).

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

The Work Study Session adjourned at 8:23 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

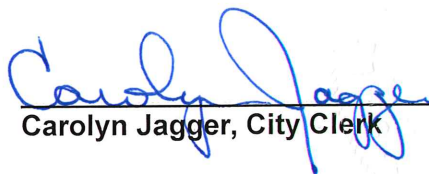
Officially approved by the City Council on February 23, 2016

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Work Study Session of the City Council of Scottsdale, Arizona held on the 1st day of February 2016.

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

DATED this 23rd day of February 2016.



Carolyn Jagger, City Clerk

Item 1

Fire Department Compensation Work Study Session

February 1, 2016



Fire Department Compensation Study

- Overview
- Salary range comparisons
- Pay program comparisons
- Options
- Financial impacts
- Council direction

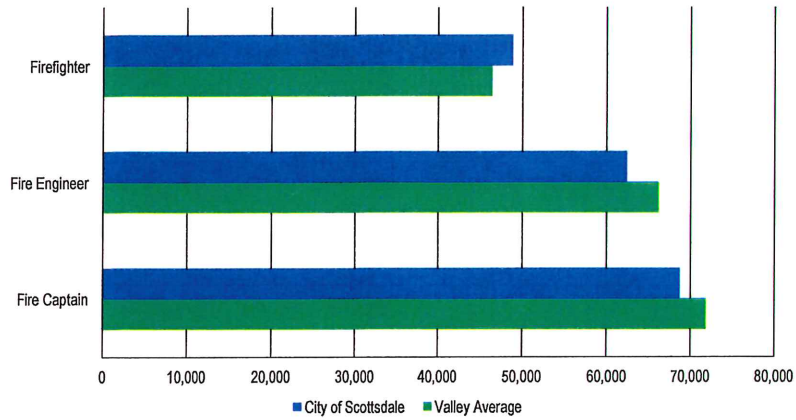
Overview

- Cross-Departmental team formed
- Focus on comparable wages, competitive salary ranges, and specialty pay
- Three sworn classifications were selected: firefighter, fire engineer, and fire captain

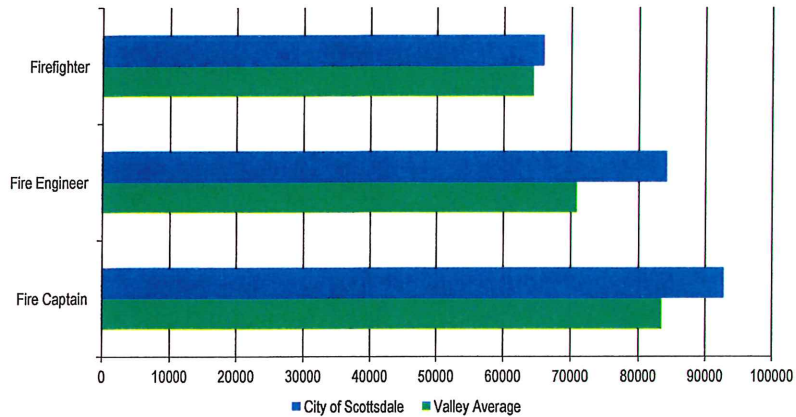
Salary Range Comparisons

- Nine valley cities were surveyed
- Firefighter, fire engineer and fire captain's pay are competitive in the market
- Although minimum salary ranges are competitive, Scottsdale's maximum salary ranges for fire engineer and fire captain are higher

Minimum Salary Range Comparison



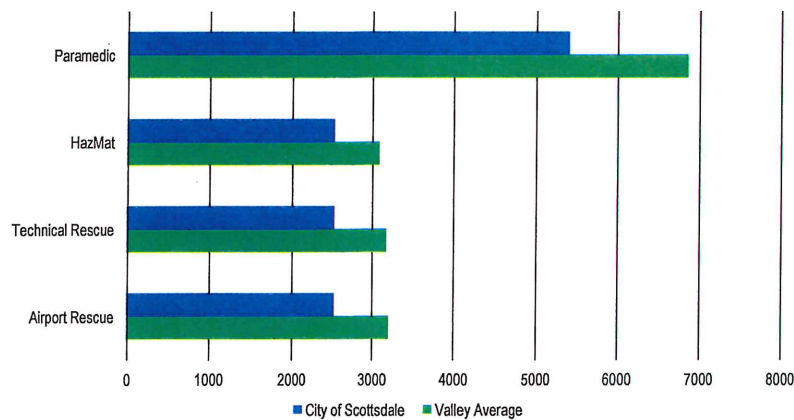
Maximum Salary Range Comparison



Pay Program Comparisons

- Supplemental Pay vs. Specialty Pay
- Scottsdale does not provide supplemental pay as the other comparators
- Scottsdale is below the local market average for paramedic, hazmat, technical rescue, and airport rescue

Specialty Pay Comparison



For Council Consideration:

- Up to 5% within the established ranges based on performance
- Increase paramedic pay from \$5400 to \$6800
- Increase specialty pay for hazmat, technical rescue, and airport rescue from \$2520 to \$3200 respectively

Financial Implications

*Above 3% forecast pay increase for employees
(in millions – rounding differences may occur)*

Fiscal Year	5%	Paramedic	Specialty	Total
16/17*	+0.31	+0.21	+0.06	+0.58
17/18	0.58	0.21	0.06	0.85
18/19	0.86	0.21	0.06	1.13
19/20	0.96	0.21	0.06	1.23
20/21	0.86	0.21	0.06	1.13
5-Year Additional	+3.56	+1.04	+0.31	+4.92

*Based on 27 pay periods in fiscal year
Includes increases for health/dental, OT,
retirement in the outer years

Council Decisions

1. Up to 5% within the established ranges based on performance
2. Increase paramedic pay from \$5400 to \$6800
3. Increase specialty pay for hazmat, technical rescue, and airport rescue from \$2520 to \$3200

Item 2

**Downtown Scottsdale Parking
Challenges and Solutions**

Tonight's Discussion

- 1. Downtown Parking History**
- 2. Current Challenges**
- 3. Parking Data**
- 4. Short-term Recommendations**
- 5. Mid-term Recommendations**

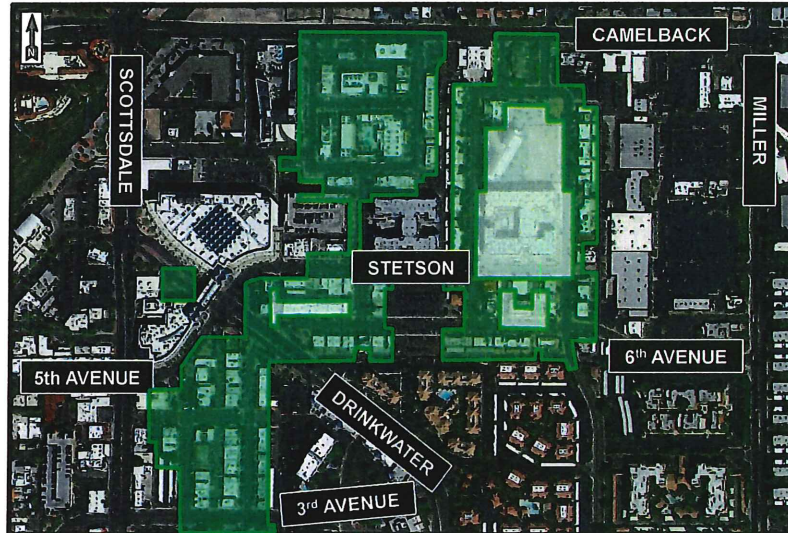
Downtown Parking History

- 1962: 1st Parking Ordinance and Exempt C-2**
- 1964: Parking Overlay**
- 1965: P-1 and P-2**
- 1966: P-3**
- 1967: Remove C-2 Exemption**
- 1969: Comprehensive Zoning Ordinance**
- 1970: On-Street Angle Parking Credit**
- 1972: P-3 Parking Credit**
- 1974: Parking Improvement Districts**
- 1981: Remote Parking Provisions**

Downtown Parking History

- 1985: In-Lieu Payment Parking Created**
- 1995: Comprehensive Amendments**
- 2003: Angle Parking Credit Removed**
- 2003: Simplified Parking Requirements**
- 2006: Parking Requirements Amendments**

1,585 Parking Space Credits



Changing Office Use

Nationally businesses use smaller individual offices with larger common areas

Competing cities have:

Lower parking requirements

Subsidized parking availability

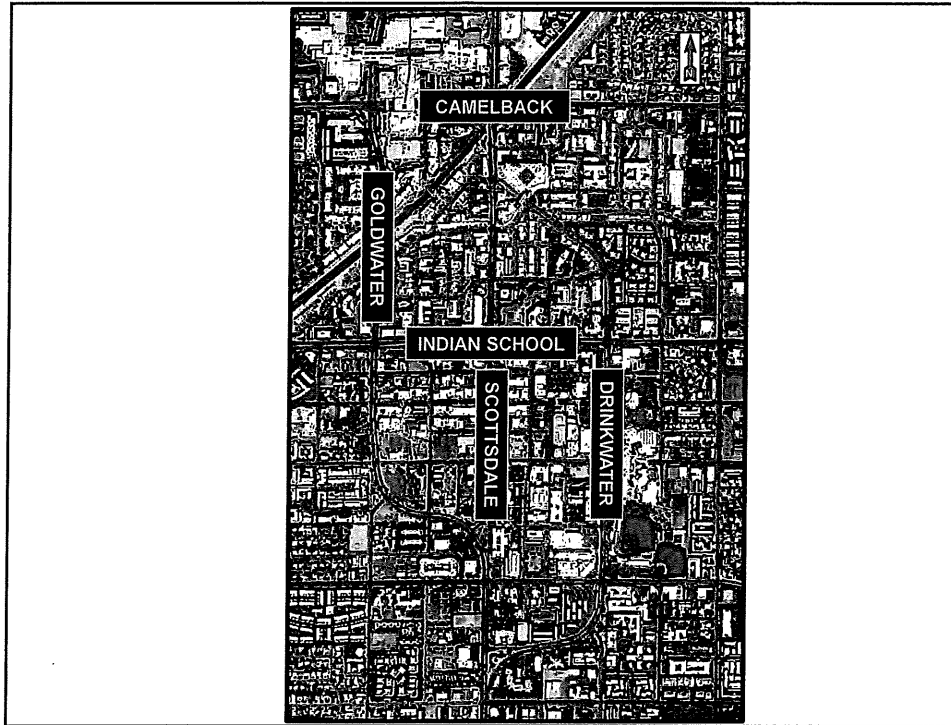
More transit options

Consultant Parking Data

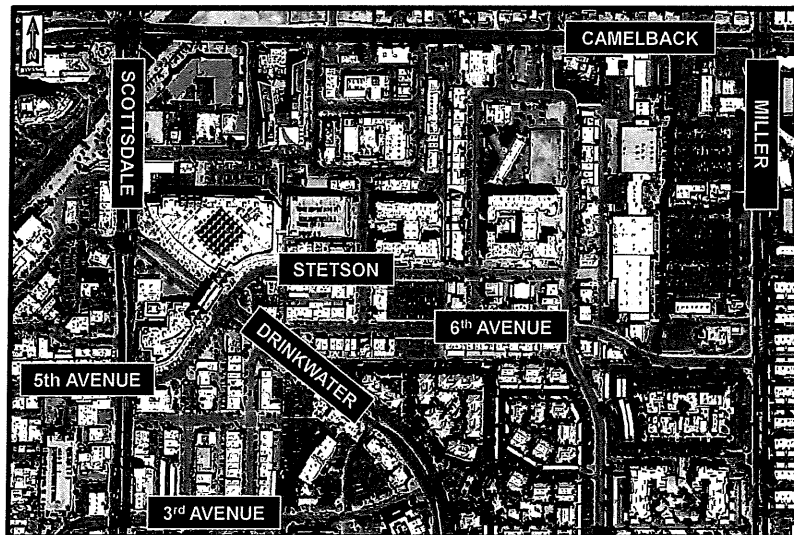
Detailed Downtown Parking Inventory
~ 20,000 Spaces Entire Downtown
~ Half Public, Half Private
Large number of 3-hour restricted spaces
Detailed Parking Occupancy counts
Validated and identified deficiencies

Consultant Parking Report

22 Nation-wide Best Practices
9-page Potential Solutions Discussion



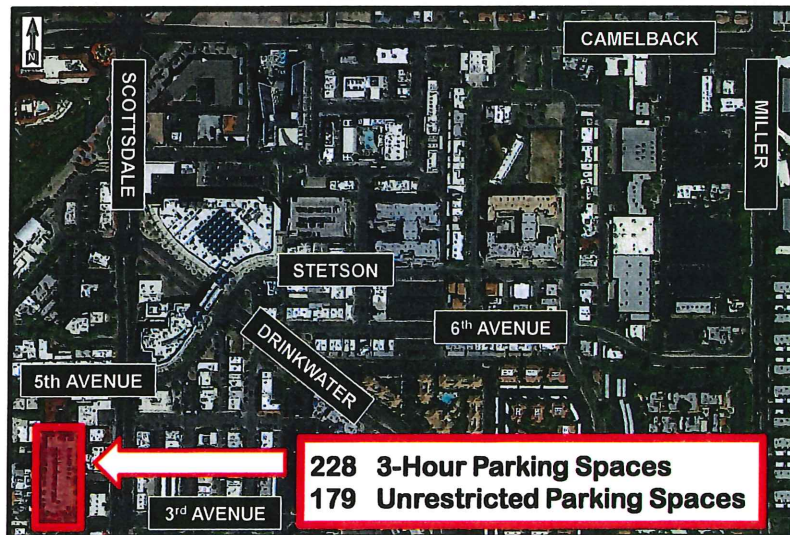
Northeast Downtown



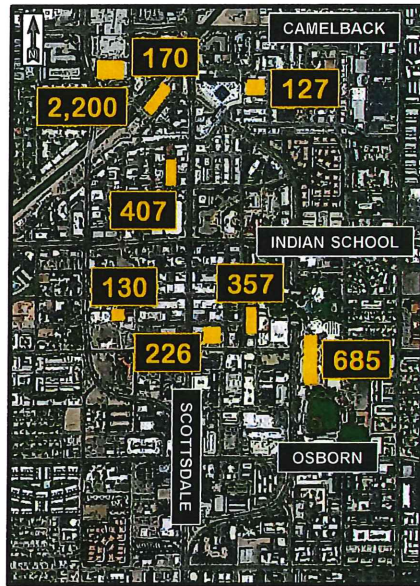
Available Parking Spaces



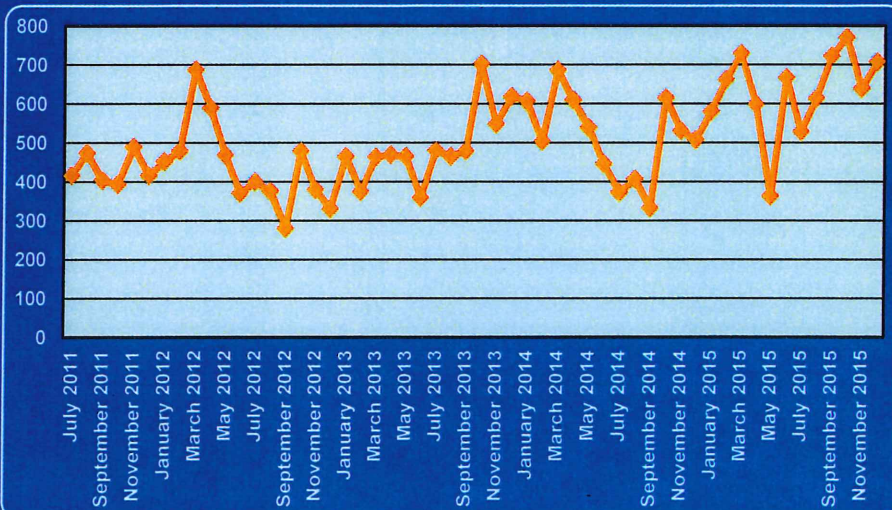
5th Avenue Parking Structure



Downtown Parking Structures



Historic Parking Citations

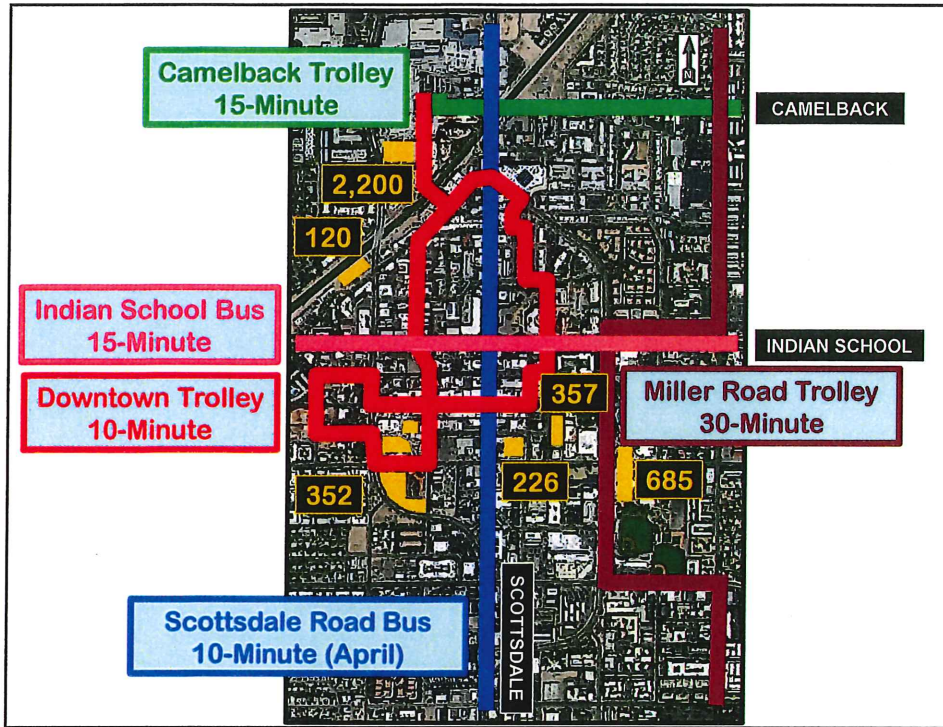


Multiple Solutions Necessary

Change parking behaviors
Increase transit
Encourage businesses to encourage transit
Allow parking structures

Short-term Solutions

Begin Downtown Trolley at 5:00 AM
Change 3-hour Parking Limit to 2-hour
Permit Parking for P-3 Properties



2-Hour Parking Maximum

Stop 3-hour Vehicle Rotation

Requires Additional Enforcement Budget

Permits for P-3 Properties

Allow all-day parking for identified vehicles

Fee requires revised ordinance

Mid-term Solution

**New privately-constructed and operated,
publicly-owned 770-space structure**

1,585 Spaces Credited

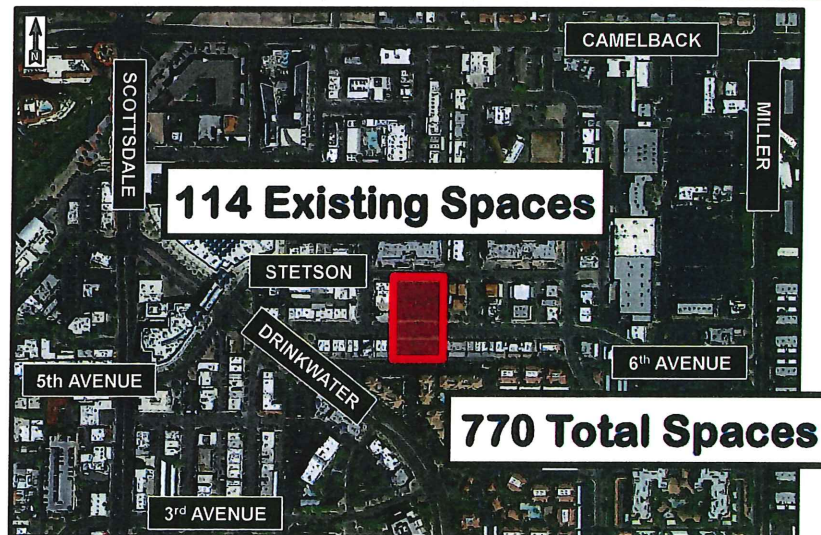
703 Available On-Street

770 New Structure

1,473 Provided

Requires zoning ordinance change

New Private Parking Structure



770 Parking-Space Structure



Other Potential Solutions

On-street Parking Meters

Credit Card and Sensor Technology

First 1 or 2 hours free

**Office Requirement of 6 parking spaces
per 1000-square-foot**

Rescind P-3 Parking credits

Other Potential Solutions

**Other Parking Structure Financing
Bond
Improvement District
Community Facilities District
Business Facilities District
Sell Property requiring Parking Structure
Larger Parking Structure
Taller, Deeper, or Adjacent property**

Seeking Direction

**Downtown Trolley
Two-hour and Permit Parking
Privately funded 770-space Structure

Other Potential Solutions**

Item 3

State Legislative Update

**Scottsdale City Council
February 1, 2016**

Legislative Update

- Today is the 22nd day of the First Regular Session of the 52nd Legislature.
- 1015 bills have been introduced.
- 914 bills were introduced last year by this date.

HB 2115 – Public Employees; Misappropriation; Penalty

- Provides that if any public officer or employee of a public agency is found to have misappropriated public monies, that person is not eligible to receive any severance pay, annuity payments, pension benefits or any other benefit that would otherwise be provided by the public agency.
- Requires these provisions to be included in any employment contract entered into by a public agency after the effective date of this legislation.
- Introduced by Representative Warren Petersen (Gilbert) and passed the Government & Higher Education Committee on Thursday, January 28th (vote 6-2)

HB 2028 – Taxes; Payment; Condemned Property

- City of Scottsdale bill.
- States that if a municipality acquires real or personal property by condemnation, that entity is not required to pay unpaid taxes, penalties and interest in an amount that exceeds the fair market value of the property interest acquired.
- Introduced by Representative Darin Mitchell (Litchfield Park).
- HELD in Ways & Means Committee

HB 2200 – Mobile Home Parks; Use Exchange

- Makes various changes to landlord/tenant statutes for instances when there is a “change-in-use for a mobile home park.
- Requires that if a mobile home park change-in-use requires approval by a municipal governing body, the 180 day notice that the landlord is required to provide to the tenant who is being relocated, is to be provided 180 days after final action by the council.
- Increases the maximum payment amount a tenant may collect from the Mobile Home Relocation Fund (Fund) by \$2500 and provides an increase of 3% each calendar year.

HB 2200 – Mobile Home Parks; Use Exchange

- Reduces the size of the relocation area where a tenant can seek reimbursable moving expenses from a 50 mile radius to 25 miles radius.
- Prohibits landlords from increasing rent within a 180 day notice period (currently 90 days) before giving notice of a change-in-use.
- Expands the list of moving expenses for which the relocation payment may be used.

HB 2200 – Mobile Home Parks; Use Exchange

- Increases the amount the landlord is required to pay to the Fund for each tenant filing for relocation assistance from \$500 to \$1,000 for each single section mobile home, and from \$800 to \$1,200 for a multi-section mobile home. The dollar amounts must be increased each calendar year by 3%.
- Prohibits landlords from accepting or soliciting any new contracts for mobile homes or recreational vehicles on the property that is the subject of the proposed change-in-use, beginning with the initiation of change-in-use proceedings with the municipality.

HB 2200 – Mobile Home Parks; Use Exchange

- Requires landlords to maintain the grounds and services on the property until all tenants have vacated.
- Provides that a landlord who by “intimidation or subterfuge” (defined in the bill) knowingly causes the tenant to vacate the property before or during the change in use process is guilty of a class 6 felony.
- Introduced by Representative Jay Lawrence (Scottsdale) and has not yet been assigned to a committee.

HB 2536 – Fine Art; Facilities Relocation; Cost Reimbursement

- Would exempt specified sales of a “work of fine art” (defined) from the state retail transaction privilege tax.
- Provisions are limited to art that is purchased by a nonresident at an *art auction* or *gallery* and delivered to an out-of-state destination.
- Introduced by Representative Michelle Ugenti-Rita. Assigned to Ways & Means and Appropriations.

HB 2536 – Fine Art; Facilities Relocation; Cost Reimbursement

Definition ARS 44-1771

"Work of fine art" means an original or multiple original art work which is:

- (a) A visual rendition, including a painting, drawing, sculpture, mosaic or photograph.
- (b) A work of calligraphy.
- (c) A work of graphic art, including an etching, lithograph, offset print or silk screen.
- (d) A craft work in materials, including clay, textile, fiber, wood, metal, plastic or glass.
- (e) A work in mixed media, including a collage or a work consisting of any combination of subdivisions (a) through (d).

SB 1199 – Employment; Housing; Public Accommodations; Antidiscrimination

- Expands the list of attributes for which a person cannot be discriminated against in employment practices, various housing related statutes, and in places of public accommodation.
- List now includes "sexual orientation," "gender identity," and "veteran status."
- Introduced by Senator Andrew Sherwood (Tempe) but has not been yet assigned to a committee for a hearing

SB 1118 – Office of Tourism Continuation

- SB 1118 would extend the statutory life of the Arizona Office of Tourism for eight years, ending on to July 1, 2024.
- The Office of Tourism is currently set to sunset on July 1, 2016.
- SB 1118 was introduced by Senator Kimberly Yee (Phoenix) and passed unanimously from the Senate Commerce and Workforce Development Committee.
- City of Scottsdale registered support.

HB 2026 – Municipal Tax Exemption; Residential Rental

- Will prohibit municipalities with a population of more than 100,000 persons located in Maricopa and Pima counties from levying a transaction privilege tax on the business of renting or leasing real property for residential purposes.
- The bill provides a schedule to phase out existing residential rental tax levies by 25% each year over a four year period.
- The bill is retroactive to January 1, 2016.

HB 2026 – Municipal Tax Exemption; Residential Rental

- In full effect, this legislation is estimated to have a >\$6.2 million negative impact to Scottsdale.
- HB 2020 was introduced by Representative Darin Mitchell (Litchfield Park) and has been assigned to the House Ways & Means Committee.

Any Questions?