

SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY JUNE 11, 2019



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 5:01 P.M. on Tuesday, June 11, 2019, in the City Hall Kiva.

ROLL CALL

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

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

PLEDGE OF ALLEGIANCE – Councilwoman Whitehead

INVOCATION – Pastor Andre Wadsworth from Impact Church

MAYOR'S REPORT

Mayor Lane spoke on wildfire prevention.

PRESENTATIONS/INFORMATION UPDATES

- **What Works Cities Silver 2019 Certification Award**
Presenter(s): Megan Lynn, Management Assistant

Management Assistant Megan Lynn gave a PowerPoint presentation (attached) on the City's What Works Cities Silver 2019 Certification Award.

PUBLIC COMMENT

- David Ortega commented on the Maverick Mural.
- Bob Pejman expressed concern about downtown parking.
- Janine Gelsinger and Rev. Rahdeem Bobinson objected to the City's panhandling signs.

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.

ADDED ITEMS

A1. Added Items

Consent Item Nos. 24A and 24B were added to the agenda on June 10, 2019.

Request: Vote to accept the agenda as presented or continue the added item(s) to the next scheduled Council meeting, which is June 25, 2019.

MOTION AND VOTE – ADDED ITEMS

Councilmember Korte made a motion to accept the agenda as presented. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

MINUTES

Request: Approve the Special Meeting Minutes of May 14, 2019, and May 21, 2019; Regular Meeting Minutes of May 14, 2019, and May 21, 2019; and Executive Session Minutes of May 14, 2019.

MOTION AND VOTE – MINUTES

Councilman Phillips made a motion to approve the Special Meeting Minutes of May 14, 2019, and May 21, 2019; Regular Meeting Minutes of May 14, 2019, and May 21, 2019; and Executive Session Minutes of May 14, 2019. Councilwoman Klapp seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

CONSENT AGENDA

How the Consent Agenda Works: The Council may take one vote to act on all of the items on the Consent Agenda, or may remove items for further discussion. If you wish to speak on an item on the Consent Agenda, please complete a Request to Speak card for each topic you wish to address. **You will be given one opportunity to speak on any or all Consent items listed on the agenda.** After all of the speakers have finished, the Council will decide which items to remove for additional discussion and/or presentation from staff. Items not removed from the Consent Agenda will be considered in one motion. Items removed for clarification or discussion by the Council will be acted on as appropriate.

1. **Inchin's Bamboo Garden Liquor License (40-LL-2019)**

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: 10050 N. Scottsdale Road, Suites 121, 123, and 125

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

2. **Taliesin West Liquor License (45-LL-2019)**

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 7 (beer and wine bar) State liquor license for a new location and owner.

Location: 12621 N. Frank Lloyd Wright Boulevard

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 3. Phoenix Ale Brewery Central Kitchen Liquor License (47-LL-2019)**
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: 8320 N. Hayden Road, Suite D-100
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 4. David's Hamburgers and Mexican Food Liquor License (49-LL-2019)**
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: 7212 E. Main Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 5. Original Gyros Express Liquor License (50-LL-2019)**
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: 7132 E. Becker Lane
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. Gatsby's Liquor License (51-LL-2019)**
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: 28190 N. Alma School Parkway, Suite 209
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 7. Il Bosco Pizza Liquor License (52-LL-2019)**
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: 7120 E. Becker Lane
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 8. The Living Room Gainey Ranch Conditional Use Permit (16-UP-2018)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 11486** approving a Conditional Use Permit for live entertainment in a 9,670± square-foot restaurant with Central Business District Planned Community District (C-2 PCD) zoning.
Location: 8977 N. Scottsdale, Suite 500
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

- 9. Perlstein Abandonment (9-AB-2016)**
Request: Adopt **Resolution No. 10621** authorizing the abandonment of a 25-foot Roadway Easement along the northern boundary of a property with Single-Family Residential, Environmentally Sensitive Lands (R1-35 ESL) zoning.
Location: 8845 E. Sierra Pinta Drive
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 10. Siena Estates Final Plat (2-PP-2018)**
Request: Approve the final plat for a new residential subdivision comprised of 7 lots and open space tracts, with amended development standards for the net lot area, minimum lot width, and required setbacks on a 3.8±-acre site with Single-Family Residential, Planned Residential District (R1-18 PRD) zoning.
Location: 5814 N. Cattletrack Road; and 5811 and 5805 N. Sundown Drive
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 11. Telecommunications Code Amendment**
Requests:
1. Adopt **Ordinance No. 4389** amending Scottsdale Revised Code, Chapter 47, Streets, Sidewalks and Public Works Generally, to update the telecommunication provisions.
 2. Adopt **Resolution No. 11403** declaring the document titled "*Amendments to Various Provisions of Chapter 47 of the Scottsdale Revised Code Regarding Streets, Sidewalks and Public Works Including an Update Primarily to the Telecommunications Provisions*" to be a public record.
- Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 12. Wireless Communications Antenna Site Revocable License Agreement**
Request: Adopt **Resolution No. 11412** authorizing Agreement No. 2019-041-COS with Verizon Wireless, LLC, to permit the continued operation of a wireless communication antenna site at the northeast corner of Pima Road and Dynamite Boulevard.
Location: 28175 N. Pima Road
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 13. Fire Station 616**
Request: Adopt **Resolution No. 11500** to authorize:
1. Construction Bid Award No. 19PB009 with Danson Construction, LLC, the lowest responsive bidder, in the amount of \$3,929,800 for construction of Fire Station 616 to be located on Cave Creek Road, just west of 110th Street.
 2. A FY 2018/19 capital budget appropriation transfer in the amount of \$50,000 from the Fire Station 613 Design capital project (BB52) to Fire Station 616 Design and Construction capital project (BC03) to be funded by the General Fund.
 3. A FY 2018/19 capital budget appropriation transfer in the amount of \$51,496 from the Fire Station 613 Construction capital project (BC02) to Fire Station 616 Design and Construction capital project (BC03) to be funded by the General Obligation Bond 2015 – Question 5 Public Safety Fire funds.
 4. A FY 2018/19 capital budget appropriation transfer in the amount of \$132,185 from the Fire Station 613 Construction capital project (BC02) to Fire Station 616 Design and Construction capital project (BC03) to be funded by the General Fund.

5. A FY 2018/19 CIP Transportation Fund Capital Contingency Budget Appropriation transfer in the amount of \$1,513,300 to the Fire Station 616 Design and Construction capital project (BC03) to be funded by the CIP General Fund.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

14. **Study on the Possible Expansion of Existing Downtown Parking Garages Budget Transfer**
Request: Adopt **Resolution No. 11496** authorizing a FY 2018/19 General Fund Capital Contingency budget appropriation transfer in the amount of \$81,100 to a newly created CIP project titled Expansion of Existing Downtown Parking Garages to be funded by the In-Lieu Parking Fees Fund.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

15. **Scottsdale Heritage Connection Project Budget Transfer**
Request: Adopt **Resolution No. 11513** authorizing a FY 2018/19 CIP budget appropriation transfer in the amount of \$37,800 from the Civic Center Library Story Time Room Expansion project (PF02) to the Civic Center Library Scottsdale Heritage Connection project (PF03) to be funded by the General Fund for the purpose of fully funding the Scottsdale Heritage Connection project.
Staff Contact(s): Kira Peters, Library Director, 480-312-2691, kcpeters@scottsdaleaz.gov; Dave Lipinski, City Engineer, 480-312-2641, dlipinski@scottsdaleaz.gov

16. **Community Action Program Intergovernmental Agreement**
Request: Adopt **Resolution No. 11476** authorizing Agreement No. 2016-092-COS-A3, the third amendment to the agreement with the Maricopa County Human Services Department, to extend the agreement for another year and provide additional funds for the City's Community Action Program.
Staff Contact(s): Greg Bestgen, Human Services Department Director, 480-312-0104, gbestgen@scottsdaleaz.gov

17. **Aviation Business Center Lease Agreement**
Request: Adopt **Resolution No. 11441** authoring Agreement No. 2018-015-COS-A1, the first amendment to the agreement with Volanti Restaurant and Lounge, LLC, for the lease of restaurant and office space in the Scottsdale Airport Aviation Business Center.
Staff Contact(s): Gary Mascaro, Aviation Director, 480-312-7735, gmascaro@scottsdaleaz.gov

18. **Scottsdale Airport Hangar Lease Agreements**
Request: Adopt **Resolution No. 11417** authorizing the following agreements for the lease of general aviation executive box hangar space at Scottsdale Airport:
 1. Agreement No. 2019-042-COS with SDL AZ Holdings, LLC, dba Ross Aviation – Scottsdale
 2. Agreement No. 2019-043-COS with Van Horn Aviation, LLC
 3. Agreement No. 2019-044-COS with Stephen Darcy
 4. Agreement No. 2019-045-COS with Clayton Wolfe
 5. Agreement No. 2019-053-COS with Brown Community Management, Inc.**Staff Contact(s):** Gary Mascaro, Aviation Director, 480-312-7735, gmascaro@scottsdaleaz.gov

19. WestWorld Agreements Code Amendment

Request: Adopt **Ordinance No. 4399** amending Scottsdale Revised Code, Chapter 2, Administration, Section 2-221, to authorize the City Manager to execute WestWorld agreements with terms of five years or less.

Staff Contact(s): Brian Dygert, WestWorld General Manager, 480-312-6825, bdygert@scottsdaleaz.gov

20. Fine Art Retail Transaction Privilege Tax Exemption

Request: Adopt **Ordinance No. 4403** amending Appendix C of the Scottsdale Revised Code to add a retail transaction privilege tax exemption for sales of fine art to out-of-state customers and establishing a retroactive effective date of May 30, 2017.

Staff Contact(s): Jeff Nichols, City Treasurer, 480-312-2364, jenichols@scottsdaleaz.gov

21. State Lobbying Services Contract

Request: Adopt **Resolution No. 11467** authorizing Contract No. 2015-118-COS-A5 with The Aarons Company, LLC, in the amount of \$54,000 to provide state lobbying services on behalf of the City for FY 2019/20.

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

*****22. Global Ties Arizona Contract**

(Removed at the request of staff.)

23. Cities of Service

Request: Adopt **Resolution No. 11506** authorizing the Mayor to sign the Cities of Service Declaration of Service to join the Cities of Service coalition.

Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288, bstockwell@scottsdaleaz.gov

24. 2018 Board and Commission Annual Report

Request: Accept the 2018 annual report approved by each publicly appointed board, commission, and working task force.

Staff Contact(s): Rommel Cordova, Management Assistant, 480-312-7287, rcordova@scottsdaleaz.gov

24A. Baseball Facilities Agreement and Papago Baseball Facilities Sublease

Request: Adopt **Resolution No. 11408** to authorize:

1. Baseball Facilities Agreement No. 2019-039-COS with San Francisco Giants Baseball Club, LLC, and the Scottsdale Charros, Inc., for the operation of Major League Baseball training facilities.
2. Papago Baseball Facility Sublease Agreement No. 2019-104-COS with San Francisco Giants Baseball Club, LLC, for the use of the Papago Baseball Facility.
3. A FY 2019/20 cash transfer of approximately \$650,000 from the CIP Stadium Improvement IGA Fund and the Stadium Capital Improvement Fund to a newly established operating cost center titled Scottsdale Stadium Maintenance and Operations in the Special Programs Fund.
4. A FY 2019/20 budget appropriation transfer in the amount of \$518,300 from the Scottsdale Renovations Project (PB57) to a newly established operating cost center titled Scottsdale Stadium Maintenance and Operations in the Special Programs Fund.

Staff Contact(s): William Murphy, Assistant City Manager, 480-312-7954, bmurphy@scottsdaleaz.gov

Community Services Director Bill Murphy gave a PowerPoint presentation (attached) on the proposed Baseball Facilities Agreement and Papago Baseball Facilities Sublease.

Mayor Lane opened public testimony.

Former Councilman Dennis Robbins, Scottsdale Charros, spoke about the contract extension.

Mayor Lane closed public testimony.

24B. Scottsdale Stadium Renovations Capital Project

Requests:

1. Adopt **Resolution No. 11455** authorizing CM@Risk Contract No. 2019-006-COS-A1 with Hunt Construction Group, Inc., in the amount of \$16,566,729 for design-build manager construction phase services, Guaranteed Maximum Price, to include the not-to-exceed costs for construction of remaining Phase 1 improvements of the Scottsdale Stadium Renovations Capital Project (PE05).
2. Adopt **Resolution No. 11497** authorizing a FY 2018/19 budget appropriation transfer in the amount of \$22,200,000 from three capital contingency budgets for appropriation only including:
 - a. \$15,553,700 from the additional available budget appropriation in the Adopted FY 2018/19 Capital Improvement Plan (CIP).
 - b. \$4,062,600 from the CIP Contingency for Future Grants.
 - c. \$2,583,700 from the CIP Airport Contingency for Future Grants to the Scottsdale Stadium Renovations Capital Project (PE05) to be funded by contributions from the San Francisco Giants in the amount of \$2,500,000; the stadium's concessionaire in the amount of \$2,500,000; and Municipal Property Corporation Bonds that will be issued with debt service payments supported by an annual allocation from the Tourism Development Fund and capital contributions from the San Francisco Giants and Scottsdale Charros in the amount of \$17,200,000.

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

MOTION AND VOTE – CONSENT AGENDA

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 24B, absent Item 22, which was removed at the request of staff. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

REGULAR AGENDA

25. Truth in Taxation Hearing and Public Hearing on the Proposed Fiscal Year 2019/20 Property Tax Levy

Requests:

1. Solicit public testimony on the proposed FY 2019/20 property tax levy.
2. By a roll call vote, approve a motion to levy the proposed property taxes, taxes to be assessed by ordinance on June 25, 2019.

Presenter(s): Judy Doyle, Budget Director

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

Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the Proposed Fiscal Year 2019/20 property tax levy.

Mayor Lane opened the Truth in Taxation public hearing on the proposed Fiscal Year 2019/20 Property Tax Levy, noted for the record that there were no requests to speak, and closed the public hearing.

MOTION AND VOTE – ITEM 25

Councilmember Korte made a motion to levy the proposed property taxes, taxes to be assessed by ordinance on June 25, 2019. Councilman Phillips seconded the motion, which carried 7/0, by roll call vote, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

26. Public Hearing on Proposed Fiscal Year 2019/20 Municipal Streetlight Improvement District Expenses and Property Tax Levy (by District)

Requests:

1. Solicit public testimony on the proposed FY 2019/20 Streetlight Improvement District proposed expenses and tax levy.
2. Approve a motion to adopt the annual statements and estimates of expenses and levy the proposed FY 2019/20 Streetlight Improvement District taxes, by district, taxes to be assessed by ordinance on June 25, 2019.

Presenter(s): Judy Doyle, Budget Director

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

Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2019/20 Municipal Streetlight Improvement District expenses and property tax levy.

Mayor Lane opened the public hearing on the proposed Fiscal Year 2019/20 Municipal Streetlight Improvement District expenses and property tax levy, noted for the record that there were no requests to speak, and closed the public hearing.

MOTION AND VOTE – ITEM 26

Councilmember Korte made a motion to adopt the proposed FY2019/20 Streetlight Improvement District tax levy, by district, taxes to be assessed by ordinance on June 25, 2019. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

27. Final Public Hearing on the Fiscal Year 2019/20 Budget

Request: Solicit public testimony on the FY 2019/20 Operating Budget and Capital Improvement Plan, as tentatively approved on May 14, 2019.

Presenter(s): Judy Doyle, Budget Director

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

Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2019/20 Budget.

Mayor Lane opened the final public hearing on the proposed Fiscal Year 2019/20 Budget, noted for the record that there were no requests to speak, and closed the public hearing.

PUBLIC COMMENT – None

CITIZEN PETITIONS

28. Receipt of Citizen Petitions – None

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 6:06 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on


July 1, 2019

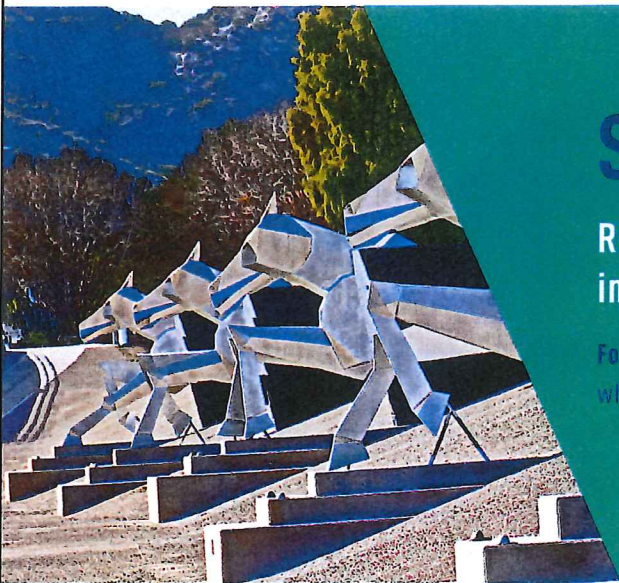
CERTIFICATE

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 11th day of June 2019.

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

DATED this 1st day of July 2019.


Carolyn Jagger, City Clerk



SCOTTSDALE, AZ

Recognized for using data to improve residents' lives

For more information, visit:
whatworkscities.bloomberg.org/certification

WHAT WORKS CITIES
SILVER 2019

Bloomberg Philanthropies

1

What Works Cities is designed to accelerate cities' use of data and evidence to improve people's lives.

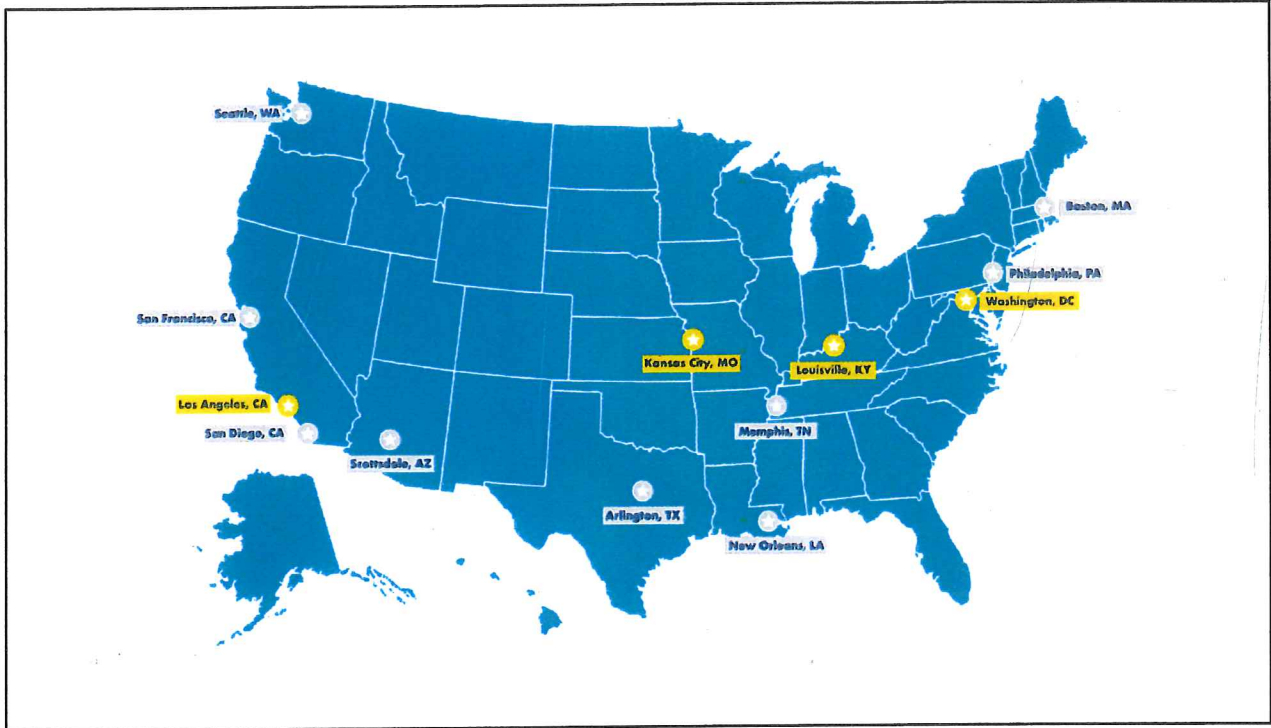
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**Boston, DC, KC, LA, Louisville,
Memphis, New Orleans,
Philadelphia, San Diego,
San Francisco, Seattle...and**

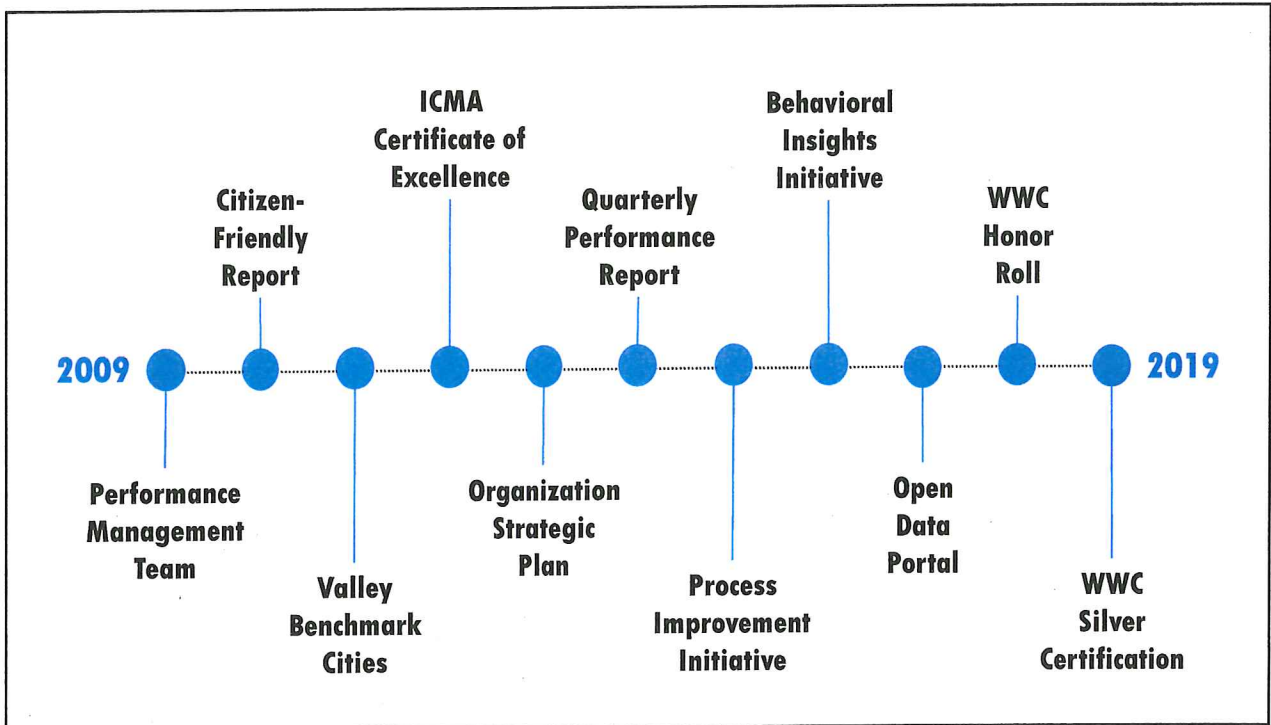
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**Boston, DC, KC, LA, Louisville,
Memphis, New Orleans,
Philadelphia, San Diego,
San Francisco, Seattle...and
CITY OF **SCOTTSDALE****

4

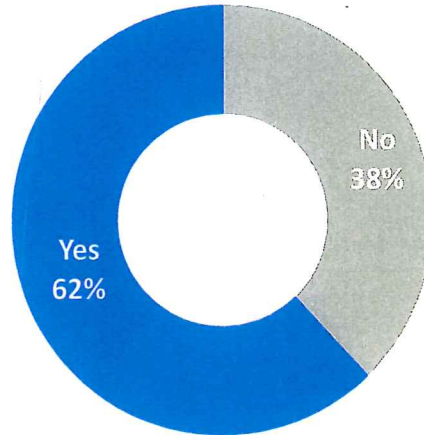


5



6

Did Scottsdale Meet the Criteria?



7

WHAT WORKS CITIES

Silver Certification
51-66% of criteria met

Cities are **GOOD** at understanding data, tracking progress, and using data and evidence to inform decisions

WHAT WORKS CITIES

Gold Certification
67-84% of criteria met

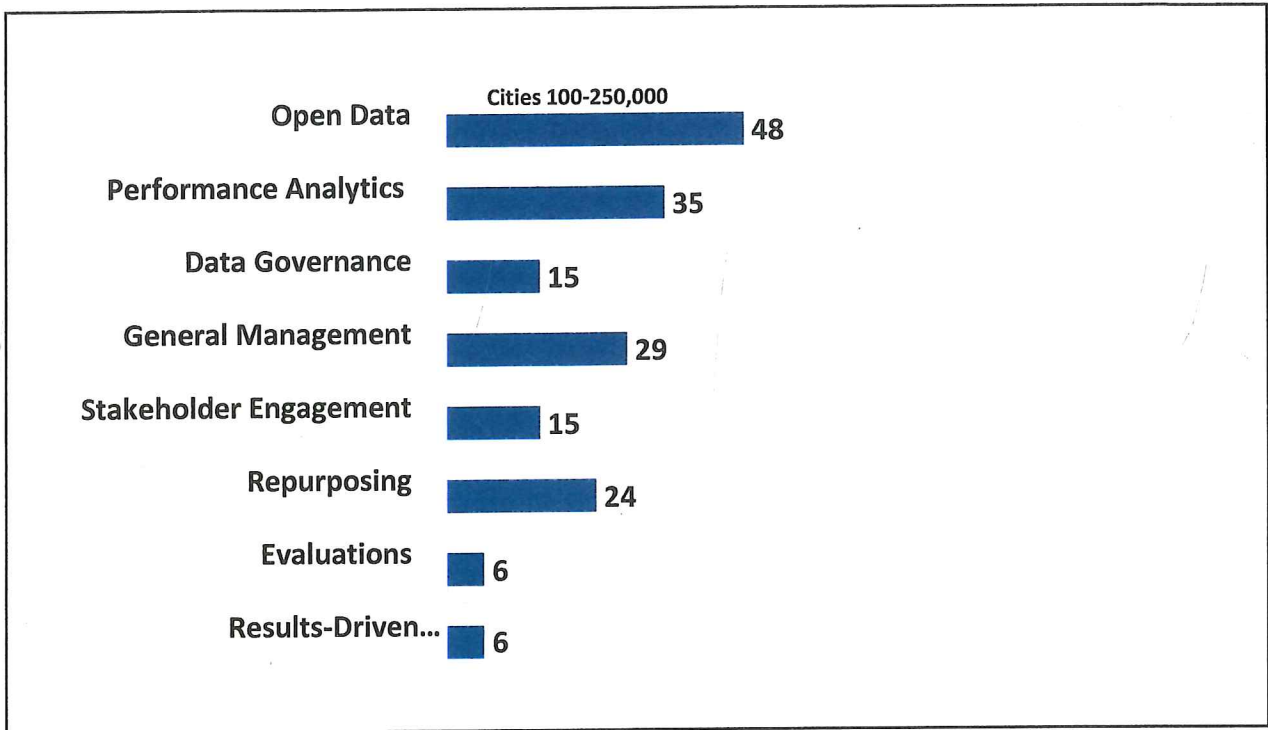
Cities are **GREAT** at understanding data, tracking progress, and using data and evidence to inform decisions

WHAT WORKS CITIES

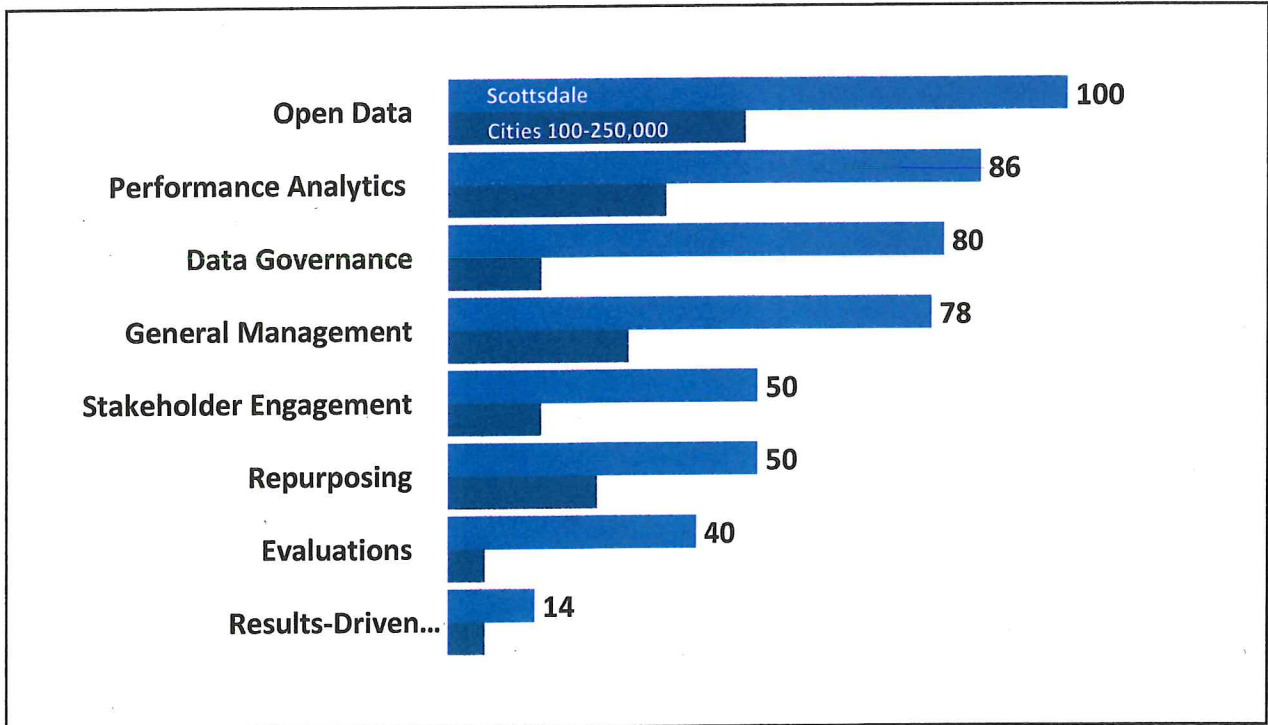
Platinum Certification
85-100% of criteria met

Cities are **EXEMPLARY** and set the precedent in understanding data, tracking progress, and using data and evidence to inform decisions

8



9



10



11



12



13



14

CITY OF SCOTTSDALE REPORT TO OUR CITIZENS Fiscal Year 2017-18

Where we've been and where we're going

Fifty years ago, Scottsdale celebrated the opening of City Hall. Completing a project of that scale required cooperation between a renowned architect, residents and city staff. Thousands celebrated its grand opening, an opportunity that will be recreated this fall with "Scottsdale Celebrate '68."

Like constructing a building, operating a city is a collaborative effort. Voters elect a mayor and six council members to govern. Nearly 2,700 employees and more than 5,100 volunteers serve our nearly 250,000 residents. As residents, your tax dollars support city services. Read this annual report to learn how. Please contact the City Manager's Office if you have comments or suggestions on how we can improve this report: 480-312-2800 | citymanager@scottsdaleaz.gov

Value Scottsdale's Unique Lifestyle and Character

Visit our town 240 days a year in 40 weeks.

More than 1,000 people enjoy the Old Town Scottsdale.

Highlighted Accomplishments

- The city launched a rebranding effort to focus attention on Old Town Scottsdale and its unique character.

Looking Forward

- Scottsdale Arts, with additional financial support from the city, will continue to grow Canal Convergence, a destination event that brings increasing amounts of people and attention to Scottsdale.

Learn more at ScottsdaleAZ.gov, search "about"

Local Sustainability

Highlighted Accomplishments

- Approved the 2017-18 Sustainability Plan.
- Approved the 2017-18 Sustainability Report.
- Approved the 2017-18 Sustainability Action Plan.
- Approved the 2017-18 Sustainability Budget.
- Approved the 2017-18 Sustainability Policy.

Planning Forward

- Approved the 2017-18 Sustainability Plan.
- Approved the 2017-18 Sustainability Report.
- Approved the 2017-18 Sustainability Action Plan.
- Approved the 2017-18 Sustainability Budget.
- Approved the 2017-18 Sustainability Policy.

Pursue Meaningful Open Space

Highlighted Accomplishments

- Approved the 2017-18 Open Space Plan.
- Approved the 2017-18 Open Space Report.
- Approved the 2017-18 Open Space Action Plan.
- Approved the 2017-18 Open Space Budget.
- Approved the 2017-18 Open Space Policy.

Planning Forward

- Approved the 2017-18 Open Space Plan.
- Approved the 2017-18 Open Space Report.
- Approved the 2017-18 Open Space Action Plan.
- Approved the 2017-18 Open Space Budget.
- Approved the 2017-18 Open Space Policy.

Transportation

Highlighted Accomplishments

- Approved the 2017-18 Transportation Plan.
- Approved the 2017-18 Transportation Report.
- Approved the 2017-18 Transportation Action Plan.
- Approved the 2017-18 Transportation Budget.
- Approved the 2017-18 Transportation Policy.

Planning Forward

- Approved the 2017-18 Transportation Plan.
- Approved the 2017-18 Transportation Report.
- Approved the 2017-18 Transportation Action Plan.
- Approved the 2017-18 Transportation Budget.
- Approved the 2017-18 Transportation Policy.

Neighborhoods

Highlighted Accomplishments

- Approved the 2017-18 Neighborhoods Plan.
- Approved the 2017-18 Neighborhoods Report.
- Approved the 2017-18 Neighborhoods Action Plan.
- Approved the 2017-18 Neighborhoods Budget.
- Approved the 2017-18 Neighborhoods Policy.

Planning Forward

- Approved the 2017-18 Neighborhoods Plan.
- Approved the 2017-18 Neighborhoods Report.
- Approved the 2017-18 Neighborhoods Action Plan.
- Approved the 2017-18 Neighborhoods Budget.
- Approved the 2017-18 Neighborhoods Policy.

Support Economic Vitality

Highlighted Accomplishments

- Approved the 2017-18 Economic Vitality Plan.
- Approved the 2017-18 Economic Vitality Report.
- Approved the 2017-18 Economic Vitality Action Plan.
- Approved the 2017-18 Economic Vitality Budget.
- Approved the 2017-18 Economic Vitality Policy.

Planning Forward

- Approved the 2017-18 Economic Vitality Plan.
- Approved the 2017-18 Economic Vitality Report.
- Approved the 2017-18 Economic Vitality Action Plan.
- Approved the 2017-18 Economic Vitality Budget.
- Approved the 2017-18 Economic Vitality Policy.

Key Statistics:

- 2017-18 Budget: 30% Full Budget
- 2017-18 Budget: 25% Debt Service
- 2017-18 Budget: 47% Debt Service
- 2017-18 Budget: 100% Debt Service
- 2017-18 Budget: 100% Debt Service
- 2017-18 Budget: 100% Debt Service



CERTIFICATION IN DATA EXCELLENCE

**WHAT
WORKS
CITIES
SILVER 2019**

Item 24A

Scottsdale Baseball Facilities Agreement



1

Scottsdale Timeline

- Master Plan Discussion - Began in 2015
- Approve Master Plan - City Council approval - March 2018
- Papago Lease - Phoenix City Council approval - April 2018
- Award Design-Build contract - July 2018
- Scottsdale, Phoenix and Giants agreement on Papago - Year-round Player Development - December 2018
- MOU - City Council approval - March 19, 2019
- GMP 1 / Phase 1 - City Council approval - March 19, 2019
- Phase 1 Construction Start - April 2019
- New Baseball Facility Agreement completed - June 11, 2019
 - ✓ Sublease for Papago Baseball Facility
 - ✓ Giants / Charros contract obligations (terms)

2

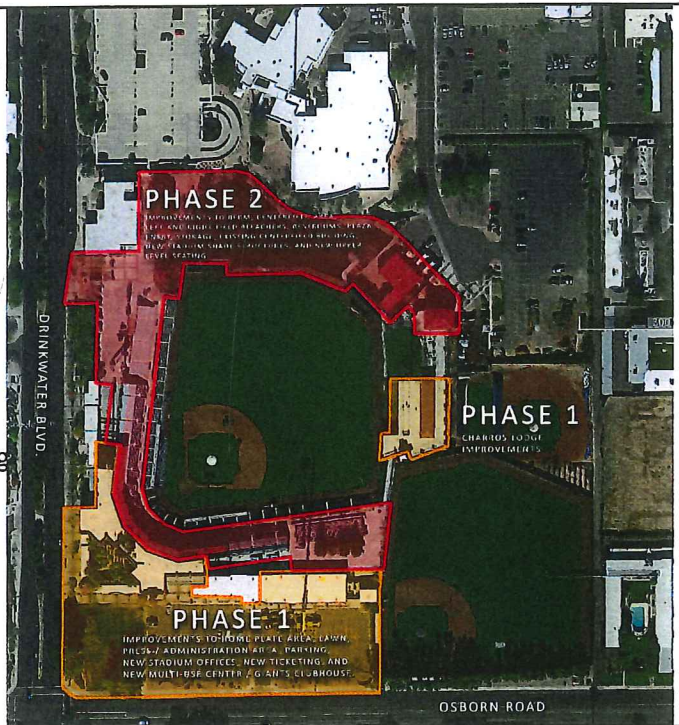
DRAFT - Phasing

Phase 1 -

April 2019 -

Feb. 2020

- Clubhouse
- Indoor Multi-Use Spaces
- Entry and Parking
- Press box
- Ticketing and Administration
- Charro Lodge
- Right Field Concourse



3

Baseball Facility Agreement Financial Points

- Binding Capital Commitments for Phase 1
 - ✓ SF Giants - \$15.125M (\$11.7M net present value)
 - ✓ Charros - \$2.7M (\$1.8M net present value)
 - ✓ COS - up to \$30M (+\$5M previously committed to design)
- Phase 1 Construction - Completion for Spring Training 2020
- ❖ Separate Concessionaire agreements (SFG and COS)
 - ✓ Commitment secured for a \$2.5M Phase 1 payment in January 2020
 - ✓ Additional dollars for Phase 2 TBD based on Design

4

New Baseball Facility Agreement

- Capital contributions for Phase 1 improvements
- Partnership between Giants/Charros/City extends for an additional 25 years - 2044 - Option for extensions to 2054
- Increase annual Maintenance and Operations payments from Giants/Charros to City with annual escalator for inflation to assure cost recovery:
 - ✓ Facility maintenance and operations*
*Can be increased in response to request(s) for additional City services @ actual costs
 - ✓ Lifecycle replacement
 - ✓ Annual billing for actual costs of utilities and cleaning
 - ❖ First payment will begin at +/- \$740K for Stadium
 - ❖ Previously capped at up to \$400K for ISP and Stadium

5

New Baseball Facility Agreement (con't.)

- Giants/Charros use for Spring Training (Jan 1 - March 31)
- Additional use outside Spring Training (Apr 1 - Dec 31) will require reservation subject to availability and fees
- City will program multi-use facility in Jan and work with Giants during Feb/Mar on opportunities for space/events
- Giants - Financial commitment to open Papago Baseball Facility by March 2021 - Thus out of ISP in February 2021
- ISP (Indian School Park) - Will be open to reservations for youth, adult, senior, collegiate and other similar opportunities - Increased opportunity for new fees/revenue for reservations, events, etc.

6

Baseball Facility Agreement Timeline / Next Steps

- Contracts - Approved Baseball Facility Agreement - June 2019
- Finalize multi-use Business Plan / L William Siedman Research Institute (ASU) - Summer 2019
- COS / Concessionaire - Contract extension discussion-completion Summer 2019
- Development of Event Schedule for multi-use facility space and stadium venue - Summer 2019
- Indian School Park - Baseball reservation/event/revenue opportunities begin 2020-2021
- Stadium construction completed for Spring Training 2020

7

City Staff Action Plan:

- Continue Initiation of Marketing Stadium Multi-Use Facilities
 - ✓ Assistance from Experience Scottsdale and SF Giants
- Continue Initial efforts for scheduling and securing events for Indian School Park Athletic Facilities
- Summer complete Multi Use Business Plan with L. William Seidman Research Institute (ASU)
- Community Services Divisional Budget Planning for 2020/21
- Develop Transition plan for relocation of SF Giants from ISP to Papago
- Plan/Prepare for 2020 Spring Training Operations

8

Main Multi-Use Event Space and Clubhouse



9

Public Input and Recommendations

- Open House and stakeholder meetings past 24 months
- 200+ Letters of Support in Packet - Scottsdale Charros business community
- DRB approval February 21, 2019
- Tourism Development Commission - March 19, 2019
- ✓ Approved 6-1 Use of Tourism Funds for Stadium Project

10

Council Action Requested

Adopt Resolution No. 11408 authorizing:

1. The City to enter into Contract No. 2019-039-COS, Baseball Facilities Agreement among the City of Scottsdale, San Francisco Giants Baseball Club LLC, and the Scottsdale Charros, Inc. for the operation of Major League Baseball training facilities;
2. The City to enter into the Papago Baseball Facility Sublease, Contract No. 2019-104-COS, with the San Francisco Giants for use of the Papago Baseball Facility;
3. A FY 2019/20 cash transfer of approximately \$650,000 from the CIP Stadium Improvement IGA Fund and the Stadium Capital Improvement Fund to a newly established operating cost center entitled Scottsdale Stadium Maintenance and Operations in the Special Programs Fund;
4. A FY 2019/20 budget appropriation transfer in the amount of \$518,300 from the Scottsdale Renovations Project (PB57) to the newly established operating cost center entitled Scottsdale Stadium Maintenance and Operations in the Special Programs Fund.

11

Questions?



12

FY 2019/20 Property Tax Levy and Rate

Truth in Taxation Hearing & Public Hearing
June 11, 2019 City Council Meeting

Property Tax – Net Assessed Value (\$ millions)

	FY 18/19	FY 19/20	\$ Change	% Change
Net Assessed Value	\$5,997.0	\$6,323.1	\$326.1	5.4%
<i>Appreciation Existing Property</i>			\$243.7	2.7%
<i>New Property</i>			\$82.5	35.1%

Rounding differences may occur.

Property Tax (\$ millions)

Secondary	FY 18/19	FY 19/20	\$ Change	% Change
Levy	\$34.2	\$33.0	-\$1.2	- 3.6%
Rate	0.5705	0.5214	- 0.0491	- \$8.6%
Primary				
Levy	\$31.6	\$32.6	\$1.1	3.4%
Tort Claims	\$0.3	\$0.3	-\$0.1	- 21.6%
Total Levy	\$31.9	\$32.9	\$1.0	3.1%
Rate	0.5316	0.5198	- 0.0118	- 2.2%
Total				
Levy	\$66.1	\$65.8	-\$0.3	- 0.4%
Rate	1.1021	1.0412	- 0.0609	- \$5.5%

Rounding differences may occur.

Scottsdale Property Taxes



State Education - \$0.49



Community College \$0.16



Maricopa County \$0.19



Special Districts \$0.06*



City Secondary Tax \$0.05
City Primary Tax \$0.05

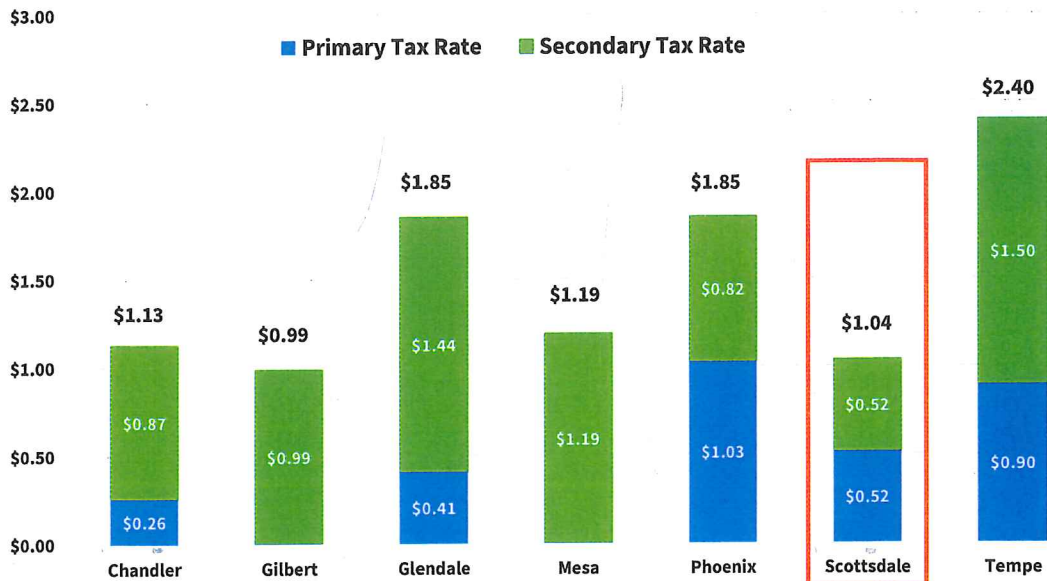
Primary property taxes are used by the City of Scottsdale to pay for city services and operational expenses and comprise about 11% of Scottsdale's General Fund operating budget.

Secondary property taxes based on limited assessed property values are restricted to pay debt service on voter-approved general obligation bonds for such things as parks, libraries, streets, and police/fire stations.

*Excludes street lighting districts, which vary by geographical location, types of lights, and City vs. HOA ownership.



Property Tax Rate Comparison



5

5

Action

1. Solicit public testimony on the proposed FY 2019/20 property tax levy.
2. By a roll call vote, approve a motion to levy the proposed property taxes, taxes to be assessed by ordinance on June 25, 2019.

6

6

FY 2019/20
Municipal Streetlight
Improvement District
Property Tax Levy

Public Hearing
June 11, 2019 City Council Meeting

1

Background

- Established 1971 to allow taxpayers residing in the benefiting area to pay for the operation of streetlights
- 355 Streetlight Improvement Districts (SLID) formed by petition of the property owners

2

2

Background

- Sole purpose to purchase electricity for lighting public streets
- Special Taxing District property tax
- Levy is calculated based on estimated energy costs

3

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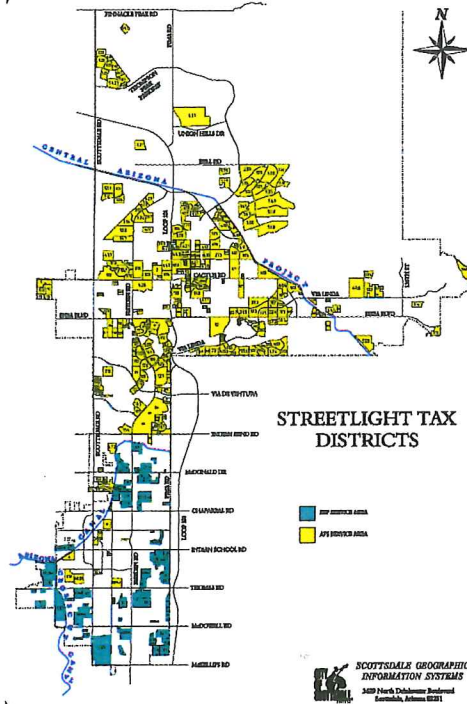
Background

- Operating costs vary by district –
Usage / # streetlights
SRP vs APS rates
- 355 separate property tax calculations representing 33,750 properties

4

4

**FY 2019/20
Proposed
Expense and
Tax Levy
\$621,953**



Action

1. Solicit public testimony on the FY 2019/20 SLID proposed expense and tax levy.
2. Approve a motion to levy the proposed FY 2019/20 SLID taxes, by district, taxes to be assessed by ordinance on June 25, 2019.

Item 27

FY 2019/20 Budget Final Public Hearing

June 11, 2019
City Council Meeting

1

FY 2019/20 Final Budget Changes - CIP

Art in Public Places

- Skysong-ASU Scottsdale Center for Innovation
- Marshall Way Entry Feature
- Raintree Drive: Scottsdale Road to Hayden Road

Fire Stations

- 603 Relocation
- 613 Construction
- 605 Renovation

2

2

Class & Comp Study

City Councilmembers - 69% below market

- Increase monthly salary from \$1,500 to \$2,585
- Councilmembers who take office on or after January 2021

Mayor - 42% below market

- Increase monthly salary from \$3,000 to \$4,250
- Begins with the Mayor who takes office in January 2021

3

3

City Council FY 2019/20 Budget Review

Feb. 5	• Financial Policies
Mar. 5	• Rate & Fee Changes; Medical Benefits
Mar. 19	• CIP Subcommittee Recommendations
Mar. 26	• Bond 2019 Work Study Session
Apr. 15	• Calling for Special Election; Proposed Budget
May 14	• Adopt Rates & Fees; Adopt Tentative Budget

4

4

City Council FY 2019/20 Budget Review

Jun. 11 • Final Budget Adoption; TNT Hearing

Jun. 25 • Final Adoption of Tax Levies