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CALL TO ORDER

[Time: 00:00:03]

Mayor Ortega: I call the May 18th, 2021 city council regular meeting to order. City Clerk Ben Lane, please conduct the roll call.

ROLL CALL

[Time: 00:00:16]

City Clerk Ben Lane: Thank you, mayor. Mayor David Ortega.

Mayor Ortega: Present.

City Clerk Ben Lane: Vice Mayor Betty Janik.

Vice Mayor Janik: Present.

City Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilmember Caputi: Here.

City Clerk Ben Lane: Tom Durham.

Councilmember Durham: Here.

City Clerk Ben Lane: Kathy Littlefield.

Councilmember Littlefield: Here.

City Clerk Ben Lane: Linda Milhaven.

Councilmember Milhaven: Here.

City Clerk Ben Lane: Solange Whitehead.

Councilmember Whitehead: Here.

City Clerk Ben Lane: City Manager Jim Thompson.

City Manager Jim Thompson: Here.

Clerk Ben Lane: City Attorney Sherry Scott.

City Attorney Sherry Scott: Here.

Clerk Ben Lane: Acting City Treasurer Judy Doyle.

Acting City Treasurer Judy Doyle: Here.

City Clerk Ben Lane: City Auditor Sharron Walker.

City Auditor Sharron Walker: Here.

City Clerk Ben Lane: And the Clerk is present. Thank you, mayor.

Mayor Ortega: Thank you. We have Scottsdale police officer Tony wells as well as firefighter Quinton Memkin available if anyone requires assistance. Councilwoman Whitehead, would you please lead us in the Pledge of Allegiance?

PLEDGE OF ALLEGEANCE

[Time: 00:01:02]

Councilwoman Whitehead: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: One nation under God, indivisible, with liberty and justice for all.

MAYORS REPORT

[Time: 00:01:28]

Mayor Ortega: Well, I'm sure you heard last week in light of the CDC guidelines, I withdrew the Scottsdale face covering mandate and encourage everyone to get vaccinated. City facilities still have some occupancy restrictions while we wait for community spread to decrease down to moderate level. And we hope to get to those levels very soon.

We have announced that Scottsdale is searching for the next poet laureate. After more than ten years, Scottsdale's poet laureate, I designated Bob frost as poet laureate emeritus. If you are a local poet or know of a local poet, please log on to Scottsdaleaz.gov and search poet laureate. There you will find all the details on how to apply as well as a beautiful poem by Bob frost. We look forward to finding Scottsdale's next great poet voice.

Well, today is Judy Doyle's last day as acting city treasurer. And, of course, you are empowered with all of the budget areas, but I do want to thank you for these months of excellent service over the last year in the treasurer's office, and, of course, being in the organization as you are, we rely on your expertise always. I would like to present her, Judy. Please meet me. We have a token of our appreciation.

[Off microphone comments]

Mayor Ortega: So thank you again, on behalf of the entire city council, and our office.

PUBLIC COMMENT

[Time: 00:04:33]

Mayor Ortega: Well, the next portion of the program is the public comment. It's reserved for citizens to speak freely on a non-agendized item and so as long as it's not on the agenda you are welcome to speak for three minutes. No official council action or response is made to a public comment. At this point, we do have one public comment and I would turn it over to staff.

Shane Stone: Thank you, Mayor and city council. This is Shane Stone from the city manager's office. Our one public comment will be coming from Ms. Sampson. Ms. Sampson, you should be able to press star six on your device and begin your public comment.

Lisa Sampson: Hello, mayor and city council, can you hear me all right?

Mayor Ortega: Yes.

Lisa Sampson: Okay. Great. I'm a 35-year resident of Scottsdale and a proud alumnus of U of A and ASU, living in village grove two, which is an historic reservation neighborhood just south of old town. Thank

you so much for reading and listening to my words.

Did I forward this comment ahead of time and along with it is a map that shows you the borders of the historic preservation neighborhood around the property that I'm discussing this evening. My comment will focus on two issues.

First, I will just provide a little background information on the old Tonalea Elementary School site at 68th street and oaks and then I will discuss a new proposal currently on the table before the Scottsdale unified school district and how it really is a wrong fit for the redevelopment within our neighborhood.

First, a little background. On the southeast corner of oak and 68th street, are the remains of what was once the cornerstone of our south Scottsdale community, Tonalea Elementary School. As a previous PTA president and the school fund-raising and event chair for many years, I'm aware of how important the school was to the community and this elementary school functioned beautifully and its last semester was the spring of 2014, where it sadly was later demolished in late 2017.

[Time: 00:06:55]

What remains today is easily visible driving by is students art work depicting the great seal of Arizona and the pillars of character counts which is a program the students were doing at the time. Students were guided by a professional artist and funded through an art awarded grant, which I wrote, by the Arizona commission on the arts.

And more lovely art is on the original 1962 administration building a tiled mural. It's very beautiful. And that means?

Mayor Ortega: You still have another minute. Please continue.

Lisa Sampson: Oh, okay. The art work left behind by the students at Tonalea Elementary School helped Scottsdale continue meeting our arts and culture goals for the proposed 2035 Scottsdale general plan. Thank goodness the district and the community agree on one thing, that no matter what proposal leases this space, the art work will be maintained and left intact on site.

Now, the main issue, Scottsdale unified school district plans to move forward with leasing this property for an amazing 20 years to Phoenix rising which is a corporate professional soccer company. On May 3rd, the city development review board met with Scottsdale unified school district and Phoenix rising, however, what is being proposed to lease and steward this property for 20 years is not welcomed in our historic residential neighborhood.

Phoenix rising has many other options and currently is showcasing their latest large soccer stadium at wild horse pass in Chandler. They have another leased field on reservation land. They are just north -- their field is north of the 202 on the east side of Hayden road and that is nine minutes from the school Tonalea which is in the middle of our residential neighborhood.

A personal call of neighbors loosely puts the vote at 80% of the affected homeowners are not in favor of welcoming this busy new enterprise to our peaceful community. The property sits to the east and north an historic neighborhood village, our neighborhood which is called village grove two. So that's the map that I attached earlier.

So Phoenix rising will have youth practices Monday through Thursday, 3:30 to 9:30 p.m., right during rush hour with soccer games all welcome and international tournaments twice yearly. Approximately 72 players with coaches and a referee will be on site, as the youth change out for more than 72 players every three hours on two fields.

These players are all children with parents, grandparents and friends who may stop or drop them off on a rotating basis, weaving their vehicles through our neighborhood streets until almost 10 p.m. every weeknight.

So our concerns are that we do not want the additional SUV traffic dropping off youth players because 68th street is clogged enough and very busy the last few years, with the additional condos which are now planting our neighborhood on Thomas and McDowell road.

It will really not be safe for youth players to run to their parents' vehicles in the dusk or the dark hours. Crossing 68th street will be dangerous and there won't be a crossing guard like when it was functioning as an elementary school.

Mayor Ortega: Thank you, Ms. Sampson. Thank you, Ms. Sampson. We really appreciate your input. Well, next -- I believe that was the only public comment. So I will close public comment. And we will look for other email information on any subject.

MINUTES – MOTION AND VOTE

[Time: 00:10:58]

Mayor Ortega: Next, we have the work study minutes of April 13th, 2021, and the special meeting minutes of April 13th, 2021, and executive session minutes of April 13th, 2021. Do I have a motion and a second?

Vice Mayor Janik: I make a motion to approve.

Councilmember Durham: Second.

Mayor Ortega: Thank you, Vice Mayor, and councilman Durham. Please indicate your vote.

Councilmember Milhaven: Aye.

CONSENT AGENDA – MOTION AND VOTE

[Time: 00:11:42]

Mayor Ortega: Thank you. Next, we have the consent agenda, which are items 1 through 13a. We did not receive any requests for public comment on the consent agenda items. We are going to take one vote to act on all the items, unless the council would like to remove any item for further discussion. So do I hear a motion on the consent items 1 through 13a?

Councilmember Durham: I would move to approve the consent items 1 through 13a.

Councilmember Littlefield: Second.

Mayor Ortega: Thank you. And we have a second from Councilwoman Littlefield. All in favor or please indicate your vote.

Councilmember Milhaven: Aye.

ITEM 14 – PUBLIC HEARING ON THE BIENNIAL CERTIFIED AUDIT OF LAND USE ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENTS PLAN AND DEVELOPMENT IMPACT FEES

[Time: 00:12:45]

Mayor Ortega: Now we are moving on to our regular case-by-case regular agenda items. Item number 14 is the public hearing on the biennial certified audit of land use assumptions, infrastructure, improvement plans and development impact fees. Our presenter is city auditor Sharron Walker, and I will now open the public hearing.

Sharron Walker: Mayor and members of council, I'm going to provide background on this report and the public hearing requirement. And then Kevin Burnett with Willdan Financial Services will present the results of his work for the public. Next, please.

So ten years ago, the state legislature added several requirements for municipal development fees, and these requirements affect the city's water and wastewater development fees. Next, please.

The law requires the city to either appoint an advisory committee, which has several monitoring oversight and reporting requirements or to provide a biennial certified audit, and the city, like most other cities, if not all other cities in Arizona has opted for the biennial certified audit. Next, please.

The statute requires that the audit is not conducted by a city employee or officials of the city. And so we have contracted with Willdan Financial Services which does meet the statutory qualifications that are required. Next, please.

The city's required to post its report on the website, which we would do anyway. And conduct a public

hearing within 60 days. The audit committee received this report and unanimously voted to accept it on April 19th, and recommended a proceeding to the public hearing. And so now I will ask Kevin Burnett with Willdan Financial Services to summarize his financial results. Next slide, please.

Kevin Burnett: Thank you, Sharon, I'm Kevin Burnett and I was privileged enough to work on this audit for you. So I will give you a little bit more background and go through the results of the audit. Next slide, please.

So as Sharon mentioned, do you have development impact fees. You have got water and wastewater development impact fees. And because you have development impact fees, they are subject to Arizona revised statute 9.463.05, which dictates that you have to have the audit or go a different route as Sharon describe and the city decided to go with the audit.

So what we looked at were the land use assumptions and the infrastructure improvement plans that were adopted by the city. Next slide, please.

What we looked at and in terms of an edit, what we are really doing is providing a check-in comparing how the city is progressing as compared to the adopted reports. So we looked at the land use assumptions which was prepared by the city in November of 2017, the infrastructure improvement plan, which outlaid the capital needs.

[Time: 00:16:07]

That was prepared by ch2m hill, again in November of 2017, and then the development fee report which was the basis of the fees that you assess and that was prepared by a Confluence Consulting LLC and Raftelis Financial Consulting in March of 2018. We looked at the development impact fees revenues and expenditures for July 1st, 2018, through June 30th, 2020 and as Sharon mentioned we completed the audit earlier this year. Next slide, please.

Again, this is more of a check in. Was the development consistent with capital needs? So, for example, if you were anticipating 10% growth in -- in customers and accounts, were you proposing to double the size of your treatment plant?

The infrastructure improvement plan was the system expanded to accommodate growth. So development impact fees can only be used for growth-related projects. So if water line breaks down or wastewater main needs to be replaced, that can't be funded through development impact fee dollars. It's only for expansions and growth-related projects.

The third thing, expenditures, were the expenditures made on eligible items? So this ties back to number two, at the same time, water development impact fees have to be used for water projects. Wastewater development impact fees have to be used for wastewater projects.

You can't use it for police or fire or -- or anything else. The level of service, that's making sure that the level of service that is experienced by your customers today is the same as what's proposed going

forward.

So an example of this would be if the EPA says you need to meet different treatment conditions, treatment standards on your wastewater flows, if you are going to upgrade your treatment standards, it has to be shared equally between existing and new development. You can't fully fund the cost of the advanced treatment services on the back of growth. And then the final thing permit sampling, we were just doing a check to make sure that the fees were appropriately assessed.

So if I came in and requested a one inch meter, was I charged for a one inch meter or did somebody accidentally charge me for a two inch meter or type in my meter size incorrectly? Next slide, please. So our review of the land use assumptions, we did identify minor differences between what was projected and what was actually occurred.

Bearing in mind that the studies that were undertaken were based on the best available information at the time, and that there was going to be some anomalies between what was projected and what actually occurred. That's very normal and that's something that we see in all of these studies. We're in the first two years of the study period.

[Time: 00:19:18]

So the fact that you are a little bit off right now is not concerning to us at this point in time. A review of the infrastructure improvement plan, some of the identified projects were completed. Some have been undertaken but not completed yet, and some had not yet been started, much like the land use assumptions, we were looking at a ten-year period.

So you are only -- the first would years into a ten-year period. So, again, we're not concerned with the fact that some of the projects have not been completed yet and some have not been undertaken. It's a ten-year horizon that the plan was based on.

The third, the review of expenditures, all of the expenditures were on development impact fee-related projects and they fell into the right pockets if you will. So water-funded water related projects, wastewater fees impact wastewater projects. So that was where it should be. Next slide, please.

The level of service, we identified an appropriate matching of new development and available resources. You need to have some new development occur and at the same time, you did expand the systems both water and wastewater to accommodate that new growth.

So the level of service was appropriate and in our review of the permit sampling, fees were correctly charged based on the development. So, again, in my example, a one-inch meter was charged the one-inch meter rate. We did not identify any inequities in implementing the plan or assessing the fees. Next slide, please.

So in our professional opinion, the city's development impact fee program was conducted consistent with and in compliance with Arizona revised statute 9.463.05 and you have done everything that you

need to do and we did not have any issues with the implementation of your development impact fees. Next slide.

So with that brief overview, if you have any questions, I'm happy to try to answer them for you. And we can also move to the next slide, which basically just asks to invite public comments. Thank you, mayor.

Mayor Ortega: I see no request to speak amongst my colleagues, but are there any questions in particular on the report?

ITEM 14 – MOTION AND VOTE

[Time: 00:22:11]

Mayor Ortega: Accordingly, I will close public hearing, and I will accept a motion to -- at this point it would be to accept the report.

Councilmember Littlefield: Mayor? I move to accept the report as presented. Thank you.

Councilmember Caputi: Thank you.

Mayor Ortega: Thank you, Councilwoman Littlefield. Seconded by Councilwoman Caputi. Any discussion? All in favor, please register your vote.

Councilmember Milhaven: Aye.

ITEM 15 – PUBLIC HEARING ON PROPOSED WATER AND WASTEWATER LAND USE ASSUMPTIONS AND INFRASTRUCTURE IMPROVEMENTS PLANS

[Time: 00:22:40]

Mayor Ortega: Thank you. We will now move on to item number 15. The public hearing on proposed water and wastewater land use assumptions and infrastructure improvement plans. Brian Biesemeyer, the water resource executive director will be making the presentation, but I will now open the public hearing. Also mentioning that I do not see any requests by the public for a public comment. So I will now let Brian proceed with the presentation.

Brian Biesemeyer: Thank you, mayor. Brian Biesemeyer, executive director for Scottsdale water, and some of this will be very recognizable from the last presentation you had on our audit, but this brief presentation is on the land use assumptions and infrastructure improvement plans for water and wastewater, which are the basis for our development fees. Next slide, please.

Development fees are one-time fees charged to offset costs associated with providing necessary public services to a new development. They must result in beneficial use to the development, and historically

Scottsdale has used water and wastewater development fees -- has used development fees only for water and wastewater. Next slide, please.

And they are used following the general plan's guidance that development should pay for itself. Next slide.

They are -- state law imposes restrictions on how these development fees must be developed and part of that is land use assumptions, and infrastructure improvement plans that have to be adopted prior to the adoption or the amendment of development fees. Next slide.

We also have constraints as far as how long certain reports have to be reviewed. So we do have a timeline outline and we are at May 18th for the public hearing on the infrastructure improvement plan, and the land use assumptions.

We proposed for it in July to request adoption of those two plans, and then we would proposed a hearing on the development fee report which will result after the adoption of those plans ultimately coming to council in September for development -- for adoption of development fees and then they would be applicable should council vote for adoption in January. Next slide.

[Time: 00:25:42]

The land use assumption report is required by state law to cover a ten-year period of time. So it's governing 2021 through 2030. It must be updated at least every five years and in Scottsdale, we generally update ours every three to four years. It shows projections of changes in land use densities and densities in population for the service area for that ten-year period. Next slide.

Key data used is information from the Maricopa Association of Governments, Scottsdale general plan, our zoning classifications, our integrated water resource master plan, as well as input from the city of Scottsdale long range planning group. Next slide.

One key element defined in the LUA are service areas and generally, the service areas are defined by state law as the city limits with some exceptions. On the water side, there's the Epcor service area. A small area in Scottsdale serviced by Epcor that is taken out. We have some county islands that are serviced by Scottsdale water. These were acquired through acquisition of private water companies, and/or the city of Phoenix area, service areas, and so the service was already established in there and Scottsdale water continues to provide the service for those small county islands.

On the wastewater service area, again, generally, it's the city limits. We do calculate in some flows that we get from Phoenix and Paradise Valley as well as black mount and Fountain Hills sanitary district. It covers the same ten-year land use assumptions. It needs to be updated every five years and, again, we do these together, generally every three to four years. A couple of features are equivalent demand units and level of service, which I will talk about on some following slides and then the IIP also estimates the cost of system expansion. Next slide.

So equivalent demand units. The state law requires that you define equivalent demand unit. And for us, we design that as demand from one detached single family unit. The same for water and wastewater. Next slide, please.

State law requires that a level of service also be established, and we have defined these level of services a little differently on the water and the wastewater side because on the water side, we need to be able to provide peak demand or peak day and water demand varies considerably by the season. So in the summertime we have our peaks. We are substantially higher than in the wintertime. So the level of service we define is the ability to meet peak day demand for each EDU on the wastewater side, flows are much more stable, and then we define that level of service as the ability to meet average annual day demand per EDU. Next slide.

So we take the land use assumptions, and then build the infrastructure improvement based on the land use assumptions and then with those, that infrastructure improvement plan, we come up with a development or our impact fees. Next slide.

[Time: 00:29:28]

So taking those all together and looking at the infrastructure improvement plan, over this ten-year period, we have come up with a total of the IIP of about 287 million between water and wastewater. You will note that there is that middle column that says funded with rates and why would we put rates into an impact fee calculation and what's that about?

Well, that's a great question and next slide, I think I can hopefully give you an example. So one example is one project we have is at Camelback Road sewer improvement project. So we will take a 15-inch sewer line and going to replace it with a 21-inch sewer line.

There's a current flow in that sewer line and when you upsize it to 21 inches, the current flows would take up 48% of the capacity in the sewer, and the new projected flows would take up 52%. Therefore, we are required to split that cost, meeting the current level of service with the -- with that 48% and then the 52% for the new development. Therefore, there is a rate impact for replacing the sewer main. There is a benefit to everyone by doing it all at the same time. And that's how that rate component gets put in there.

So go back one slide, please. So if you can see, rate component is small in some areas, particularly more on the water side overall. They are the same idea translates over on the water and the wastewater slide. Next slide. And then before I go on -- so we looked at the LUA and the IIP and then our next step would be our development fee report.

We have done some preliminary work and so the next slide will show what we estimate as our draft for our impact fees, your development fees but, again, they are only a draft and we have to -- we will publish the development fee report and finalize that before we have an exact number. Next slide, please.

But as we are looking at it now, the water development fee per EDU is roughly about \$4,700 and which is going up, and the wastewater development fee is \$2,600. It's really flat and so the wastewater fee is not projected to increase. Next slide, please.

Looking long term, as you saw in the -- as -- as Ms. Walker addressed in the last presentation on our audit, the development fee laws changed in 2011, 2012. We had two years until 2014 to put the new law into effect and you can see that based on that, our fees dramatically decreased in 2014. And that was primarily due to the window that we had looked through for projecting development fees. State law had a ten-year window. We looked had looked at a much larger window.

We had looked at a 40-year window which had a lot more infrastructure in it to put on our impact fees. So the narrower ten-year window limits the amount of impact on the development fees. It will cause the development fees to go up and down more as the ten-year window slides and certain large infrastructure becomes part of the infrastructure improvement plan.

[Time: 00:33:33]

In this particular time, the increase on the water is largely due to expansion of our CAP water treatment plant. And we wonder if you have the ten-year plan for the window and that dramatically increases the water impact fee. Also, as we now have done for EDUs our residential and impact fees are basically the same. However, in the past, they were -- they were different for commercial and residential. So next slide, please.

So you can see that previously on the 2012 impact fees, the commercial impact fees were substantially more, and have decreased through that. Next slide, please. So what's next?

We will finish the development fee report, and finalize that, and schedule for public meeting in July. And, again, that development fee is based on these two documents that I have gone through this evening. Next slide. Pending your questions, that concludes my report.

Mayor Ortega: Thank you, Mr. Biesemeyer. Is there any question from the council? And will you continue with the presentation at this point? Or are you concluded with that segment?

Brian Biesemeyer: Mr. Mayor, I'm concluded with the segment.

Mayor Ortega: Okay. Well, then I see no questions arising from council. But before I request a motion, I will close the public hearing. So public hearing is now closed.

ITEM 15 – MOTION AND VOTE

[Time: 00:35:32]

Mayor Ortega: And I will accept a motion to accept report which we just heard. I have a motion from Councilwoman Whitehead and a second from Councilwoman Littlefield. Please register your vote.

Brian Biesemeyer: Mayor, but I'm sorry, the adoption of those will come at a later date, I believe.

Mayor Ortega: We're just accepting your report. We're not judging it.

Brian Biesemeyer: Thank you, Mayor. Sorry for the corruption -- for the interruption.

Councilmember Milhaven: Yes.

Mayor Ortega: Is that okay? Am I okay?

City Attorney Sherry Scott: Certainly.

ITEM 16 – MONTHLY FINANCIAL UPDATE

[Time: 00:36:21]

Mayor Ortega: Thank you. We will now move to item 16, the monthly financial update, and our acting city treasurer will make this presentation.

Judy Doyle: Great. Thank you being mayor and members of council. Tonight is the monthly financial update through April. Next slide, please.

Looking at the fiscal year-to-date general fund sources we are \$26.6 million or 11% favorable when compared to budget. I will touch on those categories that are driving the significant variances. As we have been seeing each month, the majority of the overall increase is in the taxes local category, at 17.6 million favorable or 16%, virtually all of which is sales tax, which will cover in more detail. State shared sales tax are favorable. That continues to be the majority of the variance in this category which again is consistent with what we are seeing in the local sales tax. Charges for services is showing a favorable variance of 13%, or \$1.3 million.

It's due to hosting a much larger equestrian show at WestWorld than originally planned and reimbursements from the state and the Maricopa County for costs related today assistance that the fire department provided in response to fires around Arizona. And the TCP payment for the fourth quarter for fiscal year '19/20, that was received in fiscal year to 2021 and license and fees is reporting \$1.2 million favorable variance primarily due to recreation fees. Favorable variance continues to be related to the occupancy in the recreational facilities during the pandemic being much better than expected. Fines, fees and forfeiture is unfavorable, \$700,000 or 12%, due to lower received photo radar revenues related to photo enforcement sites being down. Less people were out on the roads and others delaying payments related to fines.

Additionally, there's less jail dormitory revenue as a result of fewer offenders being housed in the jail due to COVID concerns and then finally, the variance and transfers in is primarily due to a reimbursement of the general fund for a debt service payment that's funded by the CIP stormwater

fees.

The favorable variance is the result of higher enterprise franchise fees due no more revenue collected in the water and the water reclamation fund that anticipated, which consequentially affects the transfers into the general fund. The increase is the result of greater water deliveries compared to the four-year running average, due to the lack of rain and excessive temperatures that Scottsdale had faced this year. Next slide, please.

Looking at the 1% sales tax, we are 17.5 million or 19% favorable to our budget. I will note for just the month of April, we came in over budget, 1.9 million, or 19%. The big drivers of favorable variance will sound very familiar, automotive, primarily due to car dealers doing better than expected, again presumably as a result of the promotions and incentives that dealerships have been offering.

Construction primary due to the increase in construction activity and speculative sale activity. Dining and entertainment, restaurants are doing better than anticipated, with their reduced capacity as result of the pandemic.

Hotel/hotel, favorable due in part to hotels doing better than anticipated, despite less people traveling and an increase in bookings with short-term vacation rental properties. Miscellaneous retail stores primarily due to increased online shopping and then finally other activity due to increase in taxable sales from computers, software, hardware and wholesalers and manufacturers. Next slide, please.

[Time: 00:40:12]

Now, turning to the uses side, this reflects favorable variance of 2 million or 1%. As I mentioned the unfavorable variance of the \$8 million in the transfers out is related to the purchase of land from the Arizona State land department for the WestWorld main access and master plan project. So without the transfers out, we are reflecting a favorable \$6.8 million variance or about 3%. Personnel services and contractual services are making up the majority of the favorable variance, and I will touch on the personnel services. And as I mentioned previously, months primarily due to the timing of invoices.

We are seeing saving in jail services due to fewer offenders being arrested and sent to Maricopa County jail in an attempt to mitigate the spread of COVID and fewer enforcement dispositions. We're also seeing savings in maintenance costs at various locations within the city. Scaled down events have placed less usage at locations such as the Tony Nelssen Equestrian Center. Next slide, please.

Personnel services has a \$3.9 million or 2% favorable variance. Salaries is favorable, 2%, or 2.3 million, again, primarily due to ranked promotions within public safety with replacement employees coming in at a lower rate than the person who was promoted. And then retirement is favorable, 1.4 million, primarily due to overall public safety requirement -- retirement expenses being lower than estimated as the person coming in is at a rate lower than the person who was promoted retired. And this is the expenditure variances that I walked through but at a division level. Next slide, please.

The change in the general fund fund balance through April is favorable by 29.6 million.

The next few slides will show where we think we will land at fiscal year-end for sources, uses and change in fund balance. So a few new slides for this evening's presentation. Next slide, please.

This slide compares our approved budget or what we thought our sources would be for the fiscal year when we adopted the budget, compared to where we forecast our sources to be at year-end which I will add is what we had assumed to the tentative budget. As I shared with you this evening, through April, we were 27.6 million or 11% favorable when compared to budget.

Each month I have been sharing with you explanations for our favorable variances, and because of those reasons, compared with our conservative forecasting, we are anticipating that we will finish the year better in our sources by 21.4 million, or 7%. Next slide, please.

[Time: 00:43:13]

Now comparing our approved budget or what we thought our uses would be for the fiscal year when we adopted the budget, compared to where we forecast our uses to be at year end, which again is what we had assumed in the tentative budget. I have been sharing personnel services favorable variance with you each month, primarily in salaries and in retirement. We anticipate holding on to that savings, that favorable variance until year end.

Additionally, we have identified expenses for staff time related to the Scottsdale AZCares funding priorities, and we will be moving those expenses to the AZCares fund creating more of a favorable variance in personnel services in the general fund which is forecasted at 7.4 million, or 4% at year end. Contractual services, the majority of the favorable variance is due to the timing of invoices. We anticipate truing up those timing differences by year end.

I have also mentioned related to contractual services that we have seen savings in jail services in photo enforcement. We do anticipate the savings to be primarily offset by additional fleet maintenance and repair costs and then finally the forecasted unfavorable variance of 34.5 million in transfers out. 29.6 million of this, remember, is the transfer to a special revenue fund for the Arizona cares funding. We moved this to a special revenue fund, because council dedicated the funding for a specific purpose, such as care for vulnerable citizens, utility assistance, et cetera.

The unfavorable variance includes the \$4.8 million transfer out to the CIP that I have been mentioning each month for the purchase of land from the Arizona State land department for the WestWorld main access.

And finally, it includes additional funding to the CIP because our sales tax has been higher than expected. We had to update the transfer out amount to comply with our financial policy that says 25% of construction sales tax is transferred to the CIP. Next slide, please.

So with those negotiated amounts at year end we anticipate a favorable change in fund balance of 11.3 million, and you will see this in a future presentation for the tentative budget this evening. As I mentioned we are conservative in our forecasting. So a greater change in fund balance could occur and

that concludes my financial update this evening and I'm happy to answer any questions.

Mayor Ortega: Thank you very much. I do not see any public comment or hands raised among the council. He is thank you very much for that report. And we will go on to item number 17.

ITEM 17 – PUBLIC HEARING AND ADOPTION OF FISCAL YEAR 2021/22 RATES AND FEES

[Time: 00:46:03]

Mayor Ortega: Number 17 is the public hearing and adoption of fiscal year 2021/22 rates and fees. Judy Doyle, acting city treasurer will make the presentation. And I will open the public hearing. Please proceed.

Judy Doyle: Thank you, mayor. Members of council, as the mayor stated this agenda item is the public hearing and the adoption of the fiscal year 2021/22 rates and fees. Next slide, please.

On March 2nd, directors presented in detail their proposed new and/or rate and fee changes. The proposed rates and fees were then posted to the city's website mid-March so the public would have an opportunity to review at least 60 days prior to this evening's meeting. I will note water and sewer rate fee and changes were published in the newspaper prior to tonight, again in an effort to inform the public of any changes. Tonight does serve as the final public hearing on those proposed rate and fee changes. Next slide, please.

So in lieu -- actually, if you could go to the next slide, please. There we go. So in lieu of each of the directors coming back up for a second time to walk you through the almost 50 slides of details of those proposed rate and fee changes I will give a brief recap.

I will note the details the proposed rates and fees are included in your council report and the original March 2nd report is part of tonight's packet. Additionally the directors are available this evening for any questions. This slide notes the forecasted revenue based on the rate and fee changes proposed. To recap, the March 2nd enterprise fund to address multiple cost factors over the five-year planning factor.

Brian Biesemeyer, the executive director presented the sewer effective July 1st, which will increase sewer revenues by approximately 2.4%. Also effective July 1st are increases to miscellaneous water service charges and then effective November 1st, the city is proposing an increase to the water rates, which will increase water revenues by approximately 2.7%.

And finally, Mr. Dan Worth presented the changes to the public works solid waste rates to address increases due to vehicle replacement costs, recycling costs, et cetera. And the non-enterprise, I will speak to the general fund planning and development services on the next slide, as there has been a change to this since the proposed rates and fees were shared with you in March.

Community services is proposing an entire complex fee to be utilized for events that book the entire bell road sports complex or the Scottsdale sports complex for a minimum of two days. Public safety fire

proposed increases to existing fees for public education classes. They are also proposing a fee related to a newly offered class on administrative -- or administering first aid and dealing with medical emergencies while outdoors or in the preserve.

Fire also proposed increases to after-hour fire inspections and then increases to permitting fees related to events involving the use of tents, vehicles, and/or fireworks or a need to rush permit. And then finally a stormwater fee increase of \$1 paid by utility customers that will be dedicated to capital city drainage and flood control projects. And if you could go to the previous slide. I mentioned there was a change to the general fund planning and development services base fees which 98% of these user fees are paid for by developers and 2% are paid for by owner builders.

In March Randy grant, our planning director presented a 7.2% increase to base user fees. Base user fees provide 100% cost recovery for the planning and the development department. Since March's presentation, the base fees increase was reduced from 7.2% to 5.1% to match the full cost recovery based on the '21/22 proposed budget.

That includes my brief presentation. If you want to go to, I guess two slides forward. Thank you. So with that, we are recommending adopting the associated ordinances. And each of the directors are available this evening for any questions.

[Time: 00:50:50]

Mayor Ortega: Thank you. So this is a public hearing. However, we have not received any requests for -- from the public. I do see a request by Councilwoman Whitehead to speak.

Councilmember Whitehead: Thank you, mayor. I would like to discuss and propose an amendment to the fees related to the fire department education courses. So I look at CPR baby-sitting and preserve outdoor first aid. So these services are life-saving services and if we want to at it in a financial perspective, it saves the city money if we are out there saving lives and not needing our fire department.

So I worry that these fee increases will limit who can participate -- who can take the classes, and I think it's in our interest to get everybody C.P.R. certified and certainly every babysitter in this class. Also, I worry, the preserve -- we do have quite a few rescues. I have quit counting how many rescues we have.

And so I think it's also in our interest to educate people on preserve outdoor first aid. I don't mind a fee associated with that, but I think that's a pretty big jump. When you go from zero to 100, you are pretty much eliminating certain people. There are people that that's too big of a fee.

So what I would like to recommend is that the fiscal year 2019-20 fees remain the same and I'm open for discussion, open to hear what my colleagues say on some sort of preserve outdoor fee but I'm not comfortable going up \$100. Thank you.

Mayor Ortega: Okay. I hear that as a requested amendment, perhaps it's too resolution 12139. Is that the area that has those fees under public safety fire that councilwoman Whitehead is referring

to?

Judy Doyle: Mayor and members of council, yes that is the ordinance we would be discussing.

Mayor Ortega: And I'm hearing that as an amendment. Is that because of the escalation or are you proposing an amendment for leaving the fee the same or what specifically would you be –

ITEM 17 – MOTION AND VOTE #1

[Time: 00:53:25]

Councilmember Whitehead: Okay. Let me make it more clear. I'm proposing that the fees remain the same. I will keep it simple as fiscal '19/20.

Mayor Ortega: I hear it as an amendment. Do I have a second?

Councilmember Littlefield: I will second that.

Mayor Ortega: I hear a second from Councilwoman Littlefield. We will vote on that separately. And I say that because we need an ordinance motion at some point and with the ordinance motion -- but let's vote on -- let's vote on the amendment to the way it's posted. So all in favor, indicate your vote.

Councilmember Milhaven: Yes.

Mayor Ortega: Thank you. That was unanimous. And I at this point will ask for particular read out of all the ordinances but let me call on city attorney for a minute.

Sherry Scott: Thank you, mayor. I'm sorry. I'm -- let me clarify that.

I believe the amendment that was just made is to resolution number 12139, and given that that's a resolution, rather than an ordinance, I think somebody misspoke on that. Then I think that as long as you are amending that resolution, you are fine. It doesn't have to be specifically read into the record.

Mayor Ortega: Excellent. And I do like that process to vote on the amendment, and then at this point are there any other questions regarding other resolutions as part of item 17?

ITEM 17 – MOTION AND VOTE #2

[Time: 00:55:29]

Mayor Ortega: And in particular, to keep with our statutory requirement, I would ask for a motion on the items listed and a full readout of each of them. There's six of them. Do I hear a motion? And a second?

Councilmember Whitehead: I will make a motion. Let's see if I can get 'em all. To accept -- so approve public hearing and adoption of fiscal year 2021/22 rates and fees, resolution number 12157, adopt ordinance number 4498, amending portions of Scottsdale revised code, Chapter 49, water, sewer, sewer disposal to adjust sewer rates and miscellaneous water charges effective July 1, 2021, and water rates effective November 1, 2021.

Adopt ordinance number 4499 amending Scottsdale revised code Chapter 16, licenses, taxation and miscellaneous business regulations and Chapter 24, solid waste management, effective July 1, 2021. Adopt resolution number 12112, and I believe I don't have to read that in its entirety. Adopt resolution number 12143. Adopt resolution number 12150, and we have already covered resolution 12139. So that's my motion.

Mayor Ortega: You would also adopt resolution 12139 as amended?

Councilmember Whitehead: As amended. Yes. Okay. Thank you.

Mayor Ortega: Thank you. I have a second from Vice Mayor Janik. Anyone wish to speak in any detail? All right. Seeing none, please record your vote.

Councilmember Milhaven: Yes.

Mayor Ortega: Thank you very much. We will now move on to item number 18, which is the public hearing and adoption of proposed fiscal year 2021/2022 budget tentative budget. And I will ask staff for presentation.

**ITEM 18 – PUBLIC HEARING ON AND ADOPTION OF PROPOSED FISCAL YEAR 2021/22 BUDGET
(TENTATIVE BUDGET)**

[Time: 00:58:00]

Judy Doyle: Thank you, mayor and members of council. Tonight is the adoption of the fiscal year 2021-22 city budget which sets the maximum expenditure limit. On June 8th, date slated for final budget amendment.

You may not increase the total amount of expenditures adopted tonight in the tentative budget. This evening, I will share with you all of the significant changes to the operating budget since the proposed budget was released, bill Murphy our assistant city manager will present information on affordable housing and homelessness programs and then Dave Lipinski our city engineer will share with you the handful of changes to the capital budget since the proposed budget was released. Next slide, please.

First, we made a change to the fleet management fund. We are having to carry forward 1.6 million of budget from fiscal year 2021 to fiscal year '21-22. While fleet was spared much impact during the pandemic surges, fleet is now feeling major impacts and are expected to at least for the next fiscal year.

Manufacturing is presently impacted by cutbacks and shortages across their operations. Additionally, you have likely heard about the microchip shortage which is also impacting our fleet management.

As a result, we have three fire trucks and police horse trailer that were due to be placed in service during the current 20-21 fiscal year but will be delayed to '21/22. This has a net zero impact to the fleet management fund. We are just moving what we had expected this fiscal year to the next. Next slide, please.

I mentioned during the proposed budget discussion that Scottsdale was slighted to receive 30 million of American rescue plan act funds spread over two fiscal years. And that nothing was assumed in the proposed budget, as we were waiting for guidance on how this funding could be spent. I also mentioned during that discussion that we were hoping to have guidance prior to the tentative budget, but that it was looking less and less likely and I will thought we were going to have to include a contingency in the tentative budget so that we would have adequate expenditure authority once the guidance was available. Well, that all proved to be true.

We did receive guidance on May 10th, which was too late for us to include any recommendations on use of this funding in the tentative budget. So we did include a contingency in the grant funds for 30 million spread over two fiscal years. So that we would have adequate expenditure authority. With all of that said, our total funding allocation ended up being 29.2 million, not the 30 million that we had assumed in the tentative budget.

We will reduce to the actual appropriation for the final budget adoption on June 8th. Staff is now reviewing the guidance which appears to continually be evolving with legal and the plan is to bring forward to council at a later date recommendations on use of this funding. Next slide, please.

Now I will briefly highlight the few changes to the general fund operating budget that have occurred since the proposed budget that I presented on April 20th. Next slide, please.

[Time: 01:01:19]

Judy Doyle: First beginning with the changes since the proposed budget to the current fiscal year '20-21. First column is what was proposed in the 20/21 forecast and the tentative budget and the final column is the change. Talking about the change for the current 20/21 fiscal year is important because it has an impact on the fund balance which then carries forward into '21/22. We had a favorable change in revenue. We increased the revenue from WestWorld. I have been sharing a favorable variance in WestWorld fees. We were reluctant to increase the fees. We are now feeling more comfortable and we pushed that forecast up slightly.

For expenditures we had a favorable change of 5.7 million as we decreased our expenditure forecast primarily related to the applicable personnel services expenses for time spent own COVID-related activities that will be shifted to the Scottsdale AZCares funding in the special revenue fund. Overall a \$5.8 million favorable change to the general fund, ending if fund balance in the current '20/21 fiscal year when compared to the proposed budget.

The forecasted ending fund balance in '20/21 carries forward to the '21/22, and you can see that here. There was no change in revenues. The legislature continues to have budget discussions on the flat income tax proposal, which could impact our state shared revenues by \$20 million annually when fully phased in in fiscal year '25/26.

The league of Arizona cities and towns has heard chatter that a budget could come as early as this week but there are still several members of house and senate who have conveyed either their opposition to the flat tax, or desire to hold local governments harmless in any agreement. Again, there is definitely something that we are keeping an eye on and we will keep you updated.

We had a favorable change in transfers in of \$200,000 to enterprise franchise fees. 5% of water and sewer charges are transferred into the general fund which is what we charge utility companies for use of our right-of-ways and medians.

We increased that transfers in forecast in the proposed budget, the '20/21 winter water deliveries were much higher than expected which then impacts the '21/22 revenue assumptions. The favorable change in expenditures was driven by primarily two things.

We reclassified a city prosecutor, class one position which to a safety and training ordained position funded by the risk management fund in the city attorney's office. And two, we were able to shift the administrative expenses of our community action program to Maricopa County's AZCares funds. Overall, a \$6.5 million change, when compared to the proposed budget.

And with that, I will pass it on to Bill Murphy who will present information on affordable housing and homelessness programs.

[Time: 01:04:48]

Assistant City Manager Bill Murphy: Good evening, Mayor Ortega and members of the council. The next slide. The community assistance office has 755 housing vouchers available to us to utilize. The city utilizes on average around 200 landlords into are involved in our housing choice voucher program.

I listed here also the city holds with the Scottsdale housing authority through our home program, some properties that are taken care of by other landlords and they have specific terms of expiration. These will go and expire in 2023 through 2027. And they are listed here on this particular slide. Next slide, please.

This graph depicts the 755. This is the decrease in the number of rentals that qualify for our fee that right now for roughly is about \$1,000 per month for a one-bedroom. We are doing some financial modeling right now, and we will bring that back to the council to be able to increase the amount of our voucher, for the coming year in 2021. So we will bring that back to you here in June. Next slide, please.

So in this slide, you can see that the rental rates have substantially gone up. And utilization has gone down. The utilization rate that continues to drop is because housing choice vouchers are not being able to be utilized. So we are down to around 80% right now within the city. Again, those rates that you can see have almost doubled from -- in the last five years. Next slide, please.

I mentioned the landlords. We have had roughly 200 landlords. As the market has gone a little excessive. The landlords with rent those areas out to other renters which boxes out those folks that we have in our program.

So what we are looking to do there also if you are the landlord, you don't have to then have to deal with us, with any of the paperwork or the inspections that our staff would be providing to make sure that those are in good shape, each of those areas where we are using the HVC rental agreement. Again, our goal right now as you can see on the graph, we have only been able to secure one landlord to our new list.

Another action is to do more marking with the landlords and that's one of the objectives for the coming year. We will have a position that will be grant funded where we can go out and incentive the landlords to assist us and that's the goal for this coming year. Next slide, please.

So this is kind of just a summary some of opportunities that we have. Of the 755 vouchers, we applied for a continuance grant from HUD and we were awarded that. And so with, that we have been able to award -- it's for foster children who are fostering out of the foster care and are looking for housing and we have been successful right now that we have two that are looking for apartments right now.

[Time: 01:08:42]

We have four refers and one leased up. And this is what Irma has brought to us. With err very excited to see that that's an opportunity for us. We also are working with HUD on the tenant-based rental assistance for our vulnerable, the seniors and veterans as well. Those can be paid for by some different funds, again through the home program, which we fund each year.

There's opportunities for us to utilize that. The landlord development project voucher is a voucher that stays with the project. So those are units that become part of the project. So as any development comes forward, that might be an option for us to look at in the future. The one program that has been successful.

We have building improvements annually that have equated to around \$60,000 a year. These are for energy efficient projects as HVAC, heating, plumbing, these are done mostly for seniors, and we have had 85 projects over the last fiscal year that totaled \$190,000 of improvements.

Our roof repair program has been primarily set for when we have had excessive monsoon seasons. We have, you know, things that have blown off and repair those roofs. We are also starting to see as some of the north of Indian bend. They are timed roofs or they are foamed. We have about 78 roof repairs annually and that's about \$80,000 worth of costs that we have had for contractors who worked on

them. If we can go to the last slide, please, Kelly.

We want to get for landlords to help us. This is a goal that we are going to work on. Greg and Irma have been working hard to format a plan for that this coming year. The housing rehabilitation fund, we are looking also again to continue to support that and make it available to our community, and the outreach which we need right now is really important for us to make sure that we do our best to find rental areas that we can utilize.

Again, as I mentioned we are going to look to increase the rental fees that we can in the coming year for both one bedrooms or studios, one-bedrooms and two-bedrooms as we move forward. So that's what I have on this. We can move on to the homeless, unless there's any questions you might have.

Mayor Ortega: I see a question from councilwoman Whitehead.

Councilmember Whitehead: I would like to thank you and Irma and Greg for adding the foster child program. I want to understand, we need to bump up the amount that we the city can pay in order to make it desirable for landlords to bring in -- to rent to our -- to these people that qualify?

Bill Murphy: Correct. We have -- we have to do a financial plan of how we would do that, because obviously that would impact the vouchers that we have and we have some funds to help with that. Our goal is to really try to see if we can't match or incentivize some of those landlords with deposits towards those representers that are in those particular apartments or -- renters that are in those particular apartments.

So we really feel optimistic that if we can have somebody who is dedicated to nurturing that relationship, we should do much better.

Councilmember Whitehead: Okay. Well, I support that and I love the green energy retrofits that really helps these people. So thank you for that report.

[Time: 01:13:09]

Mayor Ortega: The other thing is the city-owned assets, it may have been an outlay, but there's also a return and a substantive improvement in addressing affordable housing. Will you continue the next part?

Bill Murphy: Kelly, next slide, please. So the homeless program, just to touch on that. So prior to the pandemic in March of 2020, we had some issues that had surfaced in the community about the homeless situation. And so our human services staff dedicated to doing just that, to resolve that issue. So they met with over 175 individuals through the course of the spring and the summer. We do a count. In 2017, we had 50.

So point in time, you do it at that particular day and see what you can find of those that are experiencing homelessness. In 2020, we had -- that number went to 102 individuals. And so that's just a snapshot of

that one particular day. What we did is provide hygiene kits and food and water. We were looking for services to direct those experiencing homelessness towards that.

When we got the cares fund and the council approved those for us, when we did in September was along with the community block grant dollars that we got, we began a contract with Phoenix rescue mission and community bridges. And they worked with us to start a couple of things. Phoenix rescue mission has interacted with 234 persons that have experienced homelessness within the city.

35 of those individuals, they have been able to direct to some shelter placement or replacement programs or permanent housing permanently for them. And so they -- again, these individuals condition be forced to go to a shelter, and so it's really the navigators as well as some of the staff and the human services is really building that trust with those individuals to realize that this is a -- an opportunity for them to take advantage of and I think most of them have.

[Time: 01:15:55]

We have had 80 individuals experience homelessness over the last six months that we have moved off the streets of Scottsdale and have some type of housing of some sort. So, again, if you remember, the original number I mentioned to you of 102 that we had in 2020, we are making an impact with just the simple things that we are doing out there right now.

A couple other highlights, community bridges worked with us on our temporary shelter that we had at the roadway inn and we served over 41 clients there over the that six-month period. 25 of those individuals found permanent housing. And this is a peer-supported group.

So these are people that have experienced homelessness, who are part of community bridges and so they have that real solid relationship with those individuals. The next slide. Or skip two.

The Elaine services has worked with Phoenix rescue services and bridges, they have been able to chauffeur some to the Department of Motor Vehicles or DES. They have taken them to appointments for job interviews and also looking for permanent housing. One the larger things that they contributed for us during this pandemic is the seniors that we had through the senior center, through Honor Health's assistance, we moved them to get their vaccinations out to the north pod that Honor Health had in north Phoenix.

And so they were our transport to get those individuals out there because most of them didn't drive or didn't feel secure enough out there. So Elaine has been a fabulous partner and worked with everything as I mentioned in the slide there, they provided over 170 rides to housing and various medical issues that these individuals have experienced. Last slide, please.

So the day relief program, this is one that Greg thought of on his own. That's to reach out to the faith communities. We are excited that Scottsdale pedestrian church and first southern Baptist church in Scottsdale have been just great partners with us. So Monday, Wednesday and Friday, this trailer is available for them to alternate between sites. We have had 30 individuals who have gone to have this

day relief. At the day relief, they are able to get respite, obviously. They get some spiritual reconciliation as well from those at the church but they are given the opportunity to take a shower and to wash their clothes and washer and dryer are on that trailer and we are able to make a real impact to them.

Again, those services, the wrap around services are available to them, the community bridges is the partner and again, we are working with those individuals to try to find them permanent housing. And so this has been a really solid -- and we're hoping that this grows a little bit more with some of the other communities, faith communities within the city.

So we're very proud of how this has worked and this is paid for through our community grant that we got as part of the cares funds. And that concludes what I have to report for you on both of those subjects.

[Time: 01:19:26]

Mayor Ortega: We have a request from Vice Mayor Janik.

Vice Mayor Janik: Just a quick question. Do you anticipate that this summer we will be able to provide temporary shelter for two or three months during our hottest months? Is that anything you are looking at?

Bill Murphy: We are still looking to work closely with those partners that we have. And being successful with what they have been able to provide for us. So as far as -- we don't anticipate doing something similar to what we did the last six months with any kind of hotel but we feel confident that between community bridges as well as Phoenix rescue mission that we have that availability that we can -- we can assist those individuals with some -- some housing of some sort and shelter.

Vice Mayor Janik: Thank you.

Mayor Ortega: Thank you. Do you have the next stage of this presentation?

Dave Lipinski: Good evening mayor, David Lipinski, the city engineer. I will run through six changes to the CIP. It does say general fund but the changes are over multiple funding sources. Next slide, please.

The first four changes were all to bond 2019 projects, project 7 had a reduction if funding. So the funding was reduced to the Rico funding source for that project. Both projects 33, for the Via Linda police station and the pinnacle park had some funding or most of the funding advanced in years.

So we were able to start out into those projects earlier and I believe they are both advanced to this current fiscal year and so the funding will be active July 1st. For project 53, the build multi use sports field, the general fund to cover some of the improvements that are nonbond eligible. Next slide, please.

The two other projects in which there were changes, the airport added a future grants and matching funds contingency. There's an increase to the contingency fund. They utilize this throughout the year if they are successful in obtaining grants to provide their local match to those grants.

So this is -- in case they are successful, they already have the authority within the CIP to utilize those. And the last increase, what was spoken about earlier, is the FY-21/22 IIP, an increase of \$11.6 million is a part of that program. And that represents the six changes in the CIP from the proposed budget to the tentative tonight. If there's any questions, we will take them.

Mayor Ortega: Well, at this point, I will open for public comment relative to the general budget and then the CIP information that we have received.

ITEM 18 – MOTION #1

[Time: 01:22:53]

My main comment is it does pertain to affordable housing. Affordable housing is always a component of our general plan, our community well-being and the housing.

I believe that aspirations really don't happen unless we make them actionable. And in this case, as we are dealing with the 2021-22 budget, I believe that we need to put in some funding for affordable housing.

It is also possible because of the federal rescue funds and we are getting some interpretation as far as whether or not we may be able to use some rescue funds for long-term solutions and that is somewhat unknown, but still we have plugged \$15 million a year with rescue funds which may be very restrictive. We're not quite sure yet.

Nevertheless, I believe that it is essential that we step toward by increasing the contingency amount for '21/22 to include money for affordable housing. Accordingly, I would move to increase the contingency by \$10 million. We'll see how it's exercised, if we have a suitable project in the coming year.

Councilmember Whitehead: I will second that motion.

Mayor Ortega: Thank you. We have a motion and a second. Is there any -- this would be a change to the budget. Is there any other discussion on -- on the topic?

Councilmember Milhaven: I have a question.

Mayor Ortega: Sure.

Councilmember Milhaven: Where is this money coming from?

Mayor Ortega: Councilwoman, this funding is going to be plugged in as a contingency cap and it would be placed in our budget as such. We believe we may get a reimbursement. We are not increasing taxes but we are allowing for a possible participation in affordable housing project within the next 12 to 24 months. Did you have a follow-up?

Councilmember Milhaven: Yes. But if we are creating a contingency for affordable housing, that means that money has to be coming from some other bucket what other bucket is that money coming from?

Mayor Ortega: Well, we believe that having that cap by itself could create a partnership or another method to secure funding and we would have to allocate that because of other COVID-related both federal monies and then acceptable of perhaps a positive balance.

Councilmember Milhaven: Are you increasing expenditures by \$10 million?

Mayor Ortega: You are increasing the cap for expenses. That's what the budget process is doing. And I believe we heard recently that there was a carry forward even in our budget for this past year.

Councilmember Milhaven: Then we are reallocating contingency from a general contingency to a specific contingency.

Mayor Ortega: I'm moving specific to affordable housing. It's not just a vague assumption. It's that we can make a commitment in that way. And not knowing specifically where that project would be, we will be able to uncover project or projects and it may be \$2 million in the end or \$5 million but it's something that the city should commit to any opinion.

Councilmember Milhaven: Thank you for clarifying but I'm still confused. It's not clear where the money is coming from. So I can't support that at this time.

[Time: 01:27:55]

Mayor Ortega: Thank you. Councilwoman Whitehead and Councilmember Durham.

Councilmember Whitehead: I was hoping to have a discussion on this. I think that the mayor is correct that if we don't allocate the money, then it won't be dedicated to that purpose. I wonder if Ms. Doyle with speak to that. I'm not sure if it's city attorney -- if Sherry wants to speak to affordable housing, what are -- are the restraints there? And does it also include homeless -- homeless solutions? Thank you.

Judy Doyle: Mayor and members of council, we can do the contingency, actually a couple of different ways. One, we could put a designation in our general fund for affordable housing for \$10 million. We would essentially be reducing one of the other designations by \$10 million.

It doesn't mean the general fund will pay for it if we have funding from another source. Or we could add a \$10 million contingency in our special revenue fund and we could note that it is an unfunded contingency and that it is just budget authority and then once we know where that funding is coming from, apply that funding source to the appropriation.

Mayor Ortega: Thank you. Councilmember Durham and then Councilwoman Caputi and Littlefield.

Councilmember Durham: If I understood the earlier discussion about the budget, what we're voting on tonight is simply the maximum number that we are allowed to spend. So if I understand the mayor, I think what the mayor is saying, he just wants to increase that number by a potential \$10 million.

We are not saying tonight where that comes from, where that's going to come from, but we're -- I think we're saying that if we can find an additional \$10 million, we want to raise that total expense millage limit so that we would be legally able to spend that \$10 million. So --

Judy Doyle: Mayor and members of council, that is correct. We are just putting the maximum expenditure limitation in the tentative budget. And I will also note that by putting this in a contingency, a contingency use requires council approval. So we would absolutely have to come back with suggested use, suggested funding source, et cetera.

Councilmember Durham: Thank you.

Mayor Ortega: Councilwoman Caputi and then Councilwoman Littlefield.

[Time: 01:30:52]

Councilmember Caputi: Two questions, maybe for staff. There was some conversation about rescue funds. Can someone just -- I wasn't following that conversation. What does that mean?

Judy Doyle: Mayor and members of council, yes so the city was allocated \$29.2 million of American rescue funding. So some additional federal funds for the pandemic and the impacts of the pandemic. We did receive guidance from the treasury on May 10th on use of that funding.

We, as staff, are looking at that guidance with legal because it is rather restrictive. It does have to be spent by December of 2024. We are receiving the funding over two fiscal years. So the plan is we have added a contingency in the fund so we have the funding for the first year and bring back to council a plan and use of that funding once we go through that guidance.

Councilmember Caputi: And that can be used for this use?

Judy Doyle: Mayor, and council, it's 155 pages worth of guidance. So we have a team throughout the organization that is looking into that.

Councilmember Caputi: Okay. And then my other question is, could -- if we do create this contingency, are we saying that we are going to pay for affordable housing or are we also including homelessness issues?

Judy Doyle: Mayor and members of council, that would be to the council's discretion. It would come back to you for potential use of the funding. And a potential funding source. And that could be based on your direction.

Councilmember Caputi: Thank you.

Mayor Ortega: Councilwoman Littlefield.

Councilmember Littlefield: I'm usually pretty financially conservative, but I think I agree with the mayor on this. It looks to me we might have the available funds if we want to increase the budget allotment to include them in this.

And this is just such a strange year and it's had some very weird things going on.

In -- it hasn't stopped yet. So I don't think that we as a council right now can foresee what the needs are going to be over the coming year. There may be something that we don't even know about yet.

So I kind of like having a contingency fund. I feel more comfortable after listening to you and what you have just said.

I like your idea of creating a potential, but it's not committed. So if we don't get any of this funding, if we can't afford it, we don't have to spend it because we don't have it, but it's there if we -- if we need it.

And I -- and I think this year, particularly that might be a very good thing to do. Because we just don't know where -- what's going to happen tomorrow, much less next January. So I think I would go with this. Thank you.

Mayor Ortega: Thank you, I will ask for some city manager and city attorney advice, and then go to Councilmember Durham.

[Time: 01:34:37]

Sherry Scott: Thank you, mayor. Sherry Scott. The city attorney. I -- I do want to chime in and let you know that I believe there will be mechanisms under the federal guidance for the city to use these funds to address homelessness for to assist with affordable housing.

What the restrictions are, we need to look at that closer. But there's a section in the guidance that talks about these topics. In response to Councilwoman Whitehead's question about what the other restrictions might be on funding affordable housing or assistance to the homeless, we do have the gift clause that we have to keep in mind. And we do have the antisubsidy amendment in the city's charter that we have to keep in mind.

Both of those two areas of law, very similar areas of law, the state constitution gift clause and the city's antisubsidy amendment provide and allow for the city to provide direct assistance to the needy. So you may have heard us in past conversations, the legal department offering concerns when the assistance might be going to an intermediary, which is not direct assistance to the needy, but city has the ability to provide direct assistance to the needy when a government purpose is served.

So I do think that there are opportunities to address these needs, and as Judy explained, that council can always make those precise decisions at a later time.

Mayor Ortega: Thank you. Councilmember Durham and then Whitehead.

Councilmember Durham: As I understand it, we can't spend money until it's in the budget authority. And what we are doing tonight is establishing the maximum. I have two questions. First, how are we accounting for this possible \$30 million, \$29 million? I think as I understood it, we were splitting it into two years, \$15 million for the next year, and \$15 million for the following year.

And second, if we do that, and use some of that money, for the mayor's idea on affordable housing, are we double counting.

Mayor Ortega: I will ask the city manager to help us with this.

City Manager Jim Thompson: Thank you, Mr. Mayor, members of council. Councilmember Durham, I'm going to go back and address one other issue when I'm done addressing the two specifically you asked. The funds can be -- it's not double accounting.

So if you set up an additional contingency, we already have the funds so noted which were originally noted just over \$30 million and now we know it's 29.2 but it won't be received at once. It will be received in two payouts over two years.

[Time: 01:38:07]

So basically in this case we have 14.6 -- yeah, 14.6 and 14.6 received in each year. That will go into the fund. So originally next year, '21-22 budget will see 14.6 in the special revenue fund designated for expenses as we determine what we will be able to utilize them for. At this point in time, we don't have guidance on that.

We have a very large document we are trying to sort through with interpretation associated with it. This one, this contingency and that goes back to what I was going to bring up more generally, what my recommendation would be is to put it into a special revenue fund. This contingency, rather than take it out of the general fund.

If you so noted in the general fund, I will have to reduce a designation in another area and so the fund balance still accounts. So I would have to reduce one of the designations. And not to get into the depths of designations or bring those up. If we set it up in a special revenue fund it gives us the spending ability but there won't be any funds until we decide how to move them. So when we get to the 14.6, you could say take the \$10 million to the 14.6 out of that special revenue fund, transferred into the special revenue fund so designated for housing, and utilize it in that fashion.

If, in fact, we are allowed to do it under the federal guidance and everything like that. Or Oregon funds coming available that we have tapped into as well. May it be HUD funds or CDBG funds or others associated that may come in that we could then allocate from the areas that we received those in and move them into here, therefore reducing that fund but increasing this, but giving us this spending authority.

And another thing about the special fund is that it is specifically designated to what we designate that special revenue fund. So if we create a new special revenue fund designated to housing we can't spend it on anything other than housing and it has to come back to council for approval before you make those expenditure.

You have to have a public process and so it's clearly limited it to this. Now where we bring those funds from will be part of that discussion and what impacts those have to the other areas, but it gives us spending authority in this case. So it's -- it's not a -- a duplication. You will create additional spending authority, but most likely, you will reduce the spending authority in one fund, when with you move funds over no this fund, therefore, at the end of the day, not spending more taxpayer dollars but instead reallocating those taxpayer dollars it.

Just gives us the authority to spend it in a specific area, designated for specific purpose with not -- without allowing us greater flexibility with it and I think that's a good thing based on this discussion this evening. If we -- if we do it so in the special revenue fund rather than the general fund and taking away from designations and the complexities we had run into there. Thank you.

Mayor Ortega: Councilwoman Whitehead.

[Time: 01:41:20]

Councilmember Whitehead: I'm glad that I'm speaking after the city manager. He answered most of my questions. We want our budget to be one that cares about our neighbors and -- but doing -- by serving these people, it's also a very smart financial decision. There's just no end to the amount of data that shows it saves municipalities to prevent homelessness to keep people in their homes. And so we're making a -- a fiscally wide decision in addition to one that I consider humanitarian. So I'm very enthusiastic about this discussion. Thank you.

Mayor Ortega: So with the clarification on my motion, is it -- am a correct that I move to increase the general fund contingency or should I modify that as a special contingency to be most useful and I would ask for a second on that?

Jim Thompson: Mr. Mayor, it would be advisable that we can create the special revenue fund specifically for this purpose would be the best way to address it.

Mayor Ortega: Thank you. I have amended my motion.

Councilmember Whitehead: I will second it.

Councilmember Milhaven: I have a follow-up question if I may. To.

Mayor Ortega: Councilwoman Milhaven.

Councilmember Milhaven: To the city manager. It's my understanding that with the rescue funds there's already contingency in the budget which would allow us to spend those funds and that by this motion, what we're doing is narrowing the purpose we can use those funds for. So it's not increasing our ability to spend the money, it's just narrowing the purpose; is that correct?

Jim Thompson: Mr. Mayor, members of council, Councilmember Milhaven, that is correct.

Councilmember Milhaven: Thank you.

Mayor Ortega: Thank you. I will call the question. Please register your vote.

ITEM 18 – VOTE #1

[Time: 01:43:22]

Councilmember Milhaven: No.

Mayor Ortega: Okay. The motion passed 6-1. I have a secondary motion which would be -- well, at this point, I have to close public comment. And so this hearing to the public is concluded.

ITEM 18 – MOTION AND VOTE #2

[Time: 01:43:48]

Mayor Ortega: I will need a motion for the main motion, adoption of the ordinance 4501 establishing the fy2021-22 tentative budget as modified by the previous motion.

Councilmember Littlefield: So move. Thank you.

Vice Mayor Janik: Second.

Mayor Ortega: Seconded. Any further discussion? Councilman Whitehead?

Councilmember Whitehead: Yes, I want to thank staff and, of course, Judy Doyle, and city manager Jim Thompson. This is a budget that serves our community and really is a caring budget and as so, I think an employee-friendly budget. So thank you for putting together such a -- a budget with good priorities. Thank you.

Mayor Ortega: Councilwoman Caputi.

Councilmember Caputi: I want to echo that. Budgets reflect values and I'm pretty proud of this one.

Mayor Ortega: Thank you. Please register your vote.

Councilmember Milhaven: Yes.

ITEM 19 – COUNCIL SUBCOMMITTEE ON EDUCATION

[Time: 01:45:23]

Mayor Ortega: Thank you, moving on to item 19, and then we will take a ten-minute recess. Let's do item number 19, and the subject is a resolution 12135, a providing the creation of council subcommittee on education. Additionally, I have requested this and also requested the nomination of three council people, myself, Councilwoman Caputi and councilwoman Solange Whitehead as the subcommittee. I will ask Ms. Smetana to make the presentation.

Rachel Smetana: Mayor, vice mayor, I'm happy to introduce resolution 12135 authorizing the new council subcommittee on education. Mayor Ortega would like to build a stronger connection from city hall to the education commission, that will include the Scottsdale unified school district. This will provide an additional form to deliberate on matters of mutual interest and community benefit.

With tonight's action, Mayor Ortega is seeking council's concurrence in appointing himself, Councilwoman Caputi and Councilwoman Whitehead to that committee's composition. Now I'm pleased to turn it over to Mr. Ortega to speak further on his vision but remain available for any administrative questions.

Mayor Ortega: Thank you very much. You know, when I first took office, this was one of the first discussion and assignment I had with the chief of staff, Ms. Smetana.

Scottsdale has relationships with the school districts and the IGAs were prepared by staff and administrators and always brought to the -- to the correct body for action. So city council always ultimately takes the action when there is an IGA.

At this point, I believe it's useful to open the lines of communication, maybe only three times a year but have face-to-face, open meeting, properly posted discussions so that we could actually go beyond just the staff work that's there. That's why I brought this forward.

At this point, I have one request for public comment. So I would ask staff to bring them on.

Shane Stone: Thank you, Mayor Ortega, that request for public comment was withdrawn. At this time, we have no public comment. Thank you.

Mayor Ortega: So there was a possibility, but that person with drew. Are there any questions from the council before I request a motion? I like one-page resolutions. I really do appreciate the economy and the style there. Therefore, I would entertain a motion from Vice Mayor Janik.

ITEM 19 – MOTION AND VOTE

[Time: 01:49:18]

Vice Mayor Janik: I would like to make a motion to adopt resolution number 12135 to authorize one the creation of a three-member council subcommittee on education to identify and analyze opportunities for closer cooperation with geographically contiguous education providers and to provide information, analysis and recommendations to the council regarding the same.

Number two, appoint mayor David D. Ortega and councilmembers Tammy Caputi and Solange Whitehead to the subcommittee.

Councilmember Whitehead: I will second it.

Mayor Ortega: We have a motion and a second. Any discussion? None seen. Please register your vote.

Councilmember Milhaven: Yeah.

Mayor Ortega: Thank you. That's unanimous. Well, I believe we have item number 20, and then we have commission appointments and board appointments. So I'm going to suggest we take a 7 minute break and just recess for seven minutes and return top of the hour at 7:00.

[Break]

ITEM 20 – COUNCIL SUBCOMMITTEE ON EDUCATION

[Time: 01:51:09]

Mayor Ortega: Well, hello again. We are book in session, May 18th. And we are coming to item number 20 which is the parking text amendment. That's number 5-TA-2020. I will ask the principal planner, Bryan Cluff to please make the presentation.

Bryan Cluff: Good evening and thank you Mayor Ortega and councilmembers. This is Bryan Cluff, with the planning department and I will present case 5-TA-2020. So to start off, staff has presented an overview proposed to the parking requirements as part of this text amendment.

The city council reviewed and had a lot of discussion about the changes, and ended up continuing the case to tonight's meeting with a vote of 4-3. Many items were discussed. This slide here outlines some of the key points.

So first, many of the councilmembers agreed that enforcement of the existing code regarding free parking, specifically for hotels, office and multifamily residential, should be considered a priority. Additional enforcement measures here could improve the parking situation in old town without changing any parking requirements potentially.

Next, many councilmembers suggested it may be more appropriate to move forward with the ordinance changes more incrementally, possibly focusing on multifamily residential by itself or maybe multifamily residential at this time, and others could happen later.

Guest parking for multifamily residential is an immediate need now that should be addressed now. An -- be addressed and maybe that's one per five units or 5.6 units. There was a lot of discussion for employee parking for hotels.

It was clear employee parking needs to be accounted for and employee parking needs to be on site. And there's questions about administrative parking reductions. Many felt the 20% reduction may not be appropriate and the administrative reduction should be reduced or possibly removed.

There was some discussion regarding the definition of mixed use in the code. It was acknowledged that the code does not specifically define mixed use in a way that requires certain commercial to residential floor area ratios. It was suggested that this be addressed as part of the code changes.

The proposed requirements for hotels include an exception for the first 5,000 square feet of commercial and/or conference spaces in meeting facilities. Some councilmembers expressed concern that this may be too much floor area to exempt, the suggestions of 2,000 square feet and 1500 square feet were provided as possible alternatives.

Lastly this was discussion regarding the data behind the recommendations and some council members asked for staff to provide additional information with regard to the data that staff has available and used to arrive at the recommendations proposed in the text amendment. Next slide, please.

[Time: 01:54:36]

So after -- based on the discussion, as well as follow-up that staff conducted over the last couple of weeks, there are some proposed changes to the code from what the council saw last time. So this is a quick summary of those specific changes that were made after the May 4th city council review. So the first change is related to the mixed use developments parking ratio. So staff made some updates to the previous draft to provide a qualifier that applies to the use of a mixed use development parking ratio.

So the revised draft now requires at least 20% of the floor area be nonresidential in order to utilize the mixed use development parking ratio, and that would be that ratio that's listed in tables 9.103a and b, of the proposed draft.

Next is related to clarification of the limitations that are associated with the mixed use shared parking models and parking master plans. This is not intended to change the way these programs are administered, but simply clarify some of the language that was unclear in the text.

Next is a change to the -- a change to the administrative parking changes. So this proposed to reduce the administrative reductions to 20% down to 10%. The next point here, 4500 governance. This provides

language in the code that is the applicability of the changes in the text amendment this provides a cutoff points for projects in the process or already received approvals, essentially grandfathering those projects that have already received city council approval of a zoning application that already includes parking calculations, or if they received a development review board approval that includes parking ratios with that approval.

Additionally, this afternoon, staff sent out some further updates to this section of the code that provides additional clarification of applicability so we would ask that if the council takes action tonight, that the amended language in this section is included in the motion, and that language should have been provided to you tonight.

Lastly, the last bullet here is in reference to some downtown overlay waiver, based on council feedback. The current code allows a waiver of up to 2,000 square feet of commercial floor area. The previous staff proposal reduced that to 500 square feet.

So this new draft proposes a waiver of 1,000 square feet for commercial with some additional qualifiers related to existing on-site parking. So those being -- in order to use the downtown overlay waiver for commercial overlay there must be one spot existing on site and then to use the residential waiver, which is for one dwelling unit, the site must have at least two parking spaces existing on site. Next slide, please.

[Time: 01:57:49]

As I mentioned a couple of slides back, there's been a lot of feedback and discussion on enforcement, although this is not necessarily related to the text amendment, a wanted touch on this really quick. To let the council know, staff is moving forward with increased enforcement of the code provisions for free parking, specifically for hotel, office and multifamily residential.

On the screen, there is the -- this is the existing code provision for free parking in the downtown area. That does require that the required parking for developments be provided at no cost to the patrons, employees, residents and their guests of the development.

So this week staff is sending notice to owners and managers of hotels, multifamily and office developments in the old town regarding these requirements for free parking. As we work through this, we expect this may be improvement in the parking areas -- or the parking situation in certain areas of the old town area. Next slide, please.

So some councilmembers had asked for more data from staff. Mainly more details about the data that we already have and data that staff used to arrive at the recommendations that are included in the current proposal. So the next 11 to 12 slides are going to be a quick summary of the background data that we have been using. So please bear with me.

We should be able to move through them relatively quickly. So this current slide is providing some general points of comparison with the other valley cities which we have referenced a few times through

the process.

First is that all but one of the valley cities that we looked at had a different, most of the time lower parking requirement in their downtown area, as opposed to the rest of their city. Next, all valley cities do allow for parking reductions and most of which are allowed administratively and then third on the -- the third bullet here, threat out of the ten valley cities we looked at do not require parking in the downtown area. Next slide, please.

This graphic shows vehicle ownership rates per unit. And provides some quick references to some different parts of the old town, southern Scottsdale, Paradise Valley and north Scottsdale. As this information is reviewed, one can notice differences between more urban areas of old up to and other suburban rural areas of the city and the valley.

You can see on the left is a sample of an old town area that includes several multifamily residential developments, along with single family and townhome units. This is an average vehicle ownership of 1.28 cars per unit which is typically much less than what you see in the other more suburban areas of old town.

[Time: 02:00:49]

So kind of as you month of across the chart to the right, it gets into more suburban areas of town and you can see how the parking ratio -- or not the parking ratio, but the vehicle ownership ratio changes as you move to the right. Next slide, please.

So this slide is similar to the previous slide and includes data from the entire sold town area and is -- old town area and is specific to vehicle ownership per unit and owner occupied units. So you can see here on average, almost 50% of the units only report having one vehicle. Based on the average number of vehicles for owner occupied units in old town, it averages out to about 1.6 vehicles per unit. Next slide, please.

So similarly, this is comparable data but it is specific to renter occupied units and you can see the difference here. The one vehicle ownership goes up to almost 58% here having only one vehicle. And then even more interesting 10% of renters in old town don't have a vehicle at all.

Based on this data, the average number of vehicles per renter occupied units is only about 1.25 per unit. And all of this data on this slide on the previous two, the source for the data is the United States census. Next slide, please.

So as we move along with these slides, the next few are hotel specific information. This slide is simply noting some comparisons to the other valley cities that we have been looking at as a reference point. Nine out of ten valley cities have a lower requirement for hotels than Scottsdale. Three valley cities don't require any parking for hotels in the downtown area. The average parking requirement per room of all the cities we looked at is 1.1 space per room. The highest being 1.3 spaces per room. That was Avondale. And then the lowest being .3 spaces per room and then further a come from no parking in

their downtown area. No parking requirement. And then it's noted all of these ratios here do include employee parking. Next slide, please.

So this slide highlights the increase in popularity of ride share services like Uber and Lyft. These services have continued to grow year over year with ten times as many trips in 2019 as there were in 2016. And as has been previously stated these services have substantial impacts on parking needs for hotels. This goes through 2019.

The numbers we have for the early months of 2020 show these services continuing to grow. And then there's a steep dropoff in April of 2020, due to COVID. The more recent numbers that we see for the fourth quarter of 2020 and the first quarter of 2021 are showing that these services are reaching back to pre-pandemic levels. The next slide, please.

[Time: 02:04:22]

So this slide shows some parking demand estimates for hotels, nationwide data and industry estimates. All three of these numbers are per room and include employee parking within that demand. The Scottsdale-specific data on the left is based on data collection from three old town Scottsdale hotels that was collected during peak season. So the numbers are per room ratios based on data collection and estimated. Next slide, please.

And here's more specific data for those three hotels in old town. And the peak demand ratio associated with those hotels. So the data for hotels a and b was selected in March of 2018. And then hotel c was collected in February of 2020. For reference, most of the recent old town hotels that have been approved by the city council over the last two to three years have been approved near a ratio of .8 spaces per unit.

So the ratio proposed in the current draft of one space per room is relatively conservative and considers a complexity -- considers the complexity of hotel parking demand. It's important to note there's several parking variables for hotels and the more services a hotel provides, the more complex it can get.

In some cases the demand for different uses peaks at different times of the day and it's not as simple as adding up the peak parking demands for employees and each use that may be added to the site. Off peak demands typically, the peak demand for rooms is during the overnight hours, maybe from 10 p.m. to 6 a.m. And then oh, posed to maybe some restaurant and lounge space for 7 p.m. to 10 p.m. And then the highest amount for hotel is during the daytime, when they are -- when they are doing change-outs and cleaning of rooms and things like that.

So it's kind of an example of how the -- how those ratios can work together and parking can be shared on the site which is why you send to see some of these lower ratios that seem' bit lower than what you might expect.

So moving into the multifamily residential. These are the parking rates of the multifamily residential of the 11 valley cities we looked into. As I mentioned if one the earlier slides most of the cities have

separate requirements for the downtown areas and non-downtown areas. First bullet shows the average of the requirements for non-downtown areas. And the second bullet shows downtown requirements.

Three the valley cities do not have any parking requirements in their downtown core. So these averages reflect those that do not have the required parking. Then the third bullet is the average guest parking ratio. We benchmarked against the other cities four out of the ten do not have a separate guest parking requirement. Four out of the seven do have a guest parking have a rate of 1 per 10 units.

There's three who have higher requirement for guest parking and the average requirement is right at the 1.63 ratio shown on the screen there and that excludes those that don't have a requirement at all next slide, please.

[Time: 02:08:26]

So this slide shows national demand the estimates based on the I.T.E. parking manual. This is collected nationally at existing developments and intended to capture peak parking demands. It breaks out multifamily residential into different groups based on the different setting in downtown corridors, mixed use, urban settings.

These are averaged out to a per unit ratio and this is national data, not Scottsdale specific but it gives a general average point and illustrates the differences that you may see between urban and suburban setting. The staff recommended ratio for multifamily in the text amendment averages out to 1.65 spaces per unit. Which is slightly higher than the suburban demand estimate that's shown here. Next slide, please.

So when evaluating the proposed changes to multifamily residential. We looked at three recently built projects and three recently proposed projects and the impact it would have on the number of spaces that need to be constructed as a result of each ratio. And also recognizing that more spaces will translate into increased construction costs that are typically passed on to the end user.

So this -- looking at these six projects was able to give us a real world Scottsdale of bedroom counts and vehicle counts for application of the standards. On the screen here shows four example ratios with the associated impacts on the required number of spaces compared to the existing requirements in old town.

So on the top left, outlined with the green box is the ratio currently proposed in the draft, which matches existing requirement outside of old town and adds a guest parking requirement for one space for each eight units. This ratio would result in an average 16% increase in the number of spaces required.

Then if you move over to the top right is the same ratio per bed as on the top left. But with a guest parking requirement of 1 per 5 units instead of 1 per 8. So you can see with that adjustment, results in an increase of approximately 20%.

And the bottom left is very close to the existing ratio that currently applies in the old town area. But increases the one bedroom units from one space to 1.5 spaces per unit. And adds a guest parking requirement of one space per eight units. This results in an average increase of 28%. Then lastly on the bottom right, is same ratio as the bottom left but changing the guest parking requirement of 1 per eight units to 1 per 4 units.

This is closest to the ratio that was called for in the citizen petition that was submitted and would result in the average increase in the required parking of about 38%. Next slide, please.

So this slide looks more specifically at one of the developments that was included in the average calculations on the previous slide, which is the Kimsey. The Kimsey is refresh in everyone's mind since it was reviewed and approved by the council recently, and the Kimsey includes 190 dwelling units, and 314 parking spaces are provided for those residential units. That included 41 spaces that will be available for guest parking.

[Time: 02:12:23]

So the below summary shows how those ratios on the previous slides would impact the requiring requirements for the Kimsey. Starting with what the current code requires is 247 spaces and so the Kimsey exceeded that by 40 spaces. Then if you moved to option a, it would have required 297, and Kimsey exceeded that by 17. And then option b, 311 spaces would have been required and that's closest to what the Kimsey actually provided exceeding that by three spaced and then when you get into options c and d, and then Kimsey is deficient with 17 spaces and deficient by 34 for the ratio in option b. They slide, please.

Similar to last time, adoption of ordinance 4500 approving the text amendment to amend the parking requirements and we have the same six topics that we looks at last time for travel accommodations multifamily residential and the in lieu parking and special parking requirements. So as we move through the rest of the presentation, the different sections have been broken up to allow for discussion on each one separately. And depending on where the council would like to go with it, possibly taking action on some portions and not taking actions on others so I will briefly go through and summarize the changes associated with each of the sections and kind of keying in on changes that were made from the last time and hitting some key points on it and then we can -- if the council has questions or would like to discuss any particular section further we can circle back to each one of those sections as needed. Next slide.

So the first one being travel accommodations. So same as before. The proposal is to reduce the per room requirement from 1.25 to 1 per room. Also adding a performance requirement on parking master plans to address employee parking. So understanding the 1.0 per room does account for employee parking and then there's additional requirements associated with ancillary uses such as restaurants, conference spaces and meeting facilities the -- the performance requirement for parking master plans would be -- a large part is to specifically address employee parking that would be included as part of those if they are trying to go lower than one space per room.

So the order anywhere requires that the parking master plan includes provisions for the employee parking and all that required parking be provided on site for employees. And the parking master plan is a great tool for staff to be able to use in evaluation of the specific demand for each hotel, acknowledging that the requirements for these hotels can get pretty complex and when they are adding in accessory uses in addition to the rooms having a -- having a parking model specific for each type of 40 he tell setup can be very valuable.

And then based on the previous changes mentioned, the administrative reduction for parking would go down from 20% to 10%, based on the current draft. So anything beyond a 10% reduction would be subject to city council review and approval. So the last bullet there, as previously proposed clarification of the requirements associated with those and ancillary spaces and including the exception for the first 5,000 square feet. If we go to the next slide.

With regard to the exemption, based on the previous discussion, some councilmembers expressed 5,000 square feet might be too much for that exception. So there's a few other options here, 2500, 1500 or some other amount as we kind of work through this. Next slide.

[Time: 02:17:11]

So number two, the multifamily residential. So as proposed the only change to requirements outside of downtown would be to add that guest parking ratio which currently proposed at one space per eight units and then in the old town area, matching the requirements outside of the old town area, as well as adding the guest parking of one spot per eight units. And then for potential later discussion, option a, c and d here, which are the same ratios that we previously looked at on the earlier slides.

Next, increasing one space per 300, as required today to one space per 200 square feet. Next slide and the downtown overlay, which currently allowed the commercial, and that's supposed to be reduced for the 1,000 square feet for commercial waiver and one dwelling unit for the residential waiver.

As previously mentioned, the requirement for on site spaces is new to this draft requiring at least one space existing on site. In order utilize the nonresidential waiver and then two spaces existing on site if you are going to use the residential waiver. Next slide.

Number five in lieu parking. This would allow leasing as an option, and apply the maximum property size requirement of 20,000 square feet. Not allowing anyone with a property over 20,000 square feet to utilize the in lieu parking program. Next slide.

So lastly, the special improvement requirements. So this would be applicable to developments and part of a private development and it's only associated with disbursement of any bonus funds that may be associated with the zoning approval.

And this change would be providing more credit, being 100% for the cost of above ground structures that have enhanced design that would be integrating the structure with the building as oppose posed to

currently it only allows 25% of the costs to be credited for that construction. Next slide.

So that concludes the staff's overview. As I mentioned we're happy to go back to any of the previous sections to -- to have additional discussion as needed. Thank you very much.

Mayor Ortega: Excellent, Mr. Cluff. I appreciate the overview and the detail. At this point, we will move to public comment. Each speaker be cued up by staff. You do have three minutes. You will hear two bells. If you could keep your comments closer to two, that would be appreciated. But I will turn it over to staff before we go open to our council questions. So let's go to public comment.

Shane Stone: Thank you, Mayor Ortega. This is Shane Stone. Sonnie Kirtley, you should be able to press star six and begin your public comment. And Dr. Kirtley, it looks I can you are still muted.

[Time: 02:21:43]

Sonnie Kirtley: Thank you. Good evening, honorable mayor and councilmembers. My name is Sonnie Kirtley, and I'm speaking as a member of the C.O.G.S., coalition of greater Scottsdale board of directors. Our address is on file. You know, it's a well-known fact that our downtown area is a major revenue generator and it's an embarrassment. Each of the men and women that have invested not only hard-earned dollars but thousands of hours to make this downtown a tourist attraction. For many years, they have shouted in a single voice of the serial cannibalization of customer and street parking.

The negative impact of no customer parking is the result of former city councils approving hotels, apartments and condos that did not provide enough parking spaces on their property for their tenants, employees or defendants. 16 months ago, they asked for city council action. Not until pushed, two months ago, was this addressed by the new 2021 city council.

Tonight this council will suggest doing absolutely nothing so update the current parking code in the downtown area for six months. Does this mean they will put a six-month moratorium on any new downtown projects until the new downtown parking requirements are determined? What will be the game plan?

During the six months, they will focus on managing current parking rather than denying underparked new development. One way we will use taxpayer money for a ten-minute interval trolley from vacant and private lots to their businesses. This was tried before and it was very unsuccessful, the Galleria used shuttling, parking employees at city center library lot and the Loma Linda. But others parked in customer spaces. They are talking about the request for downtown hotels.

However, the planning department says that this is not legal to enforce on private property. So here we are after years of the same parking issues, they have to wait another six months for what? Now to end on a good council decision, at least some out-of-town consultant is not getting paid several hundred thousand dollars to tell the city what the business owners have been telling you for years. Thank you.

Shane Stone: And our next public comment will be coming from Ms. Atkinson to be followed by

Mr. Thompson. Ms. Atkinson, you should now be able to press star six on your device and begin your public comment.

Marilyn Atkinson: Hello?

Shane Stone: Yes, we can hear you, Ms. Atkinson.

Marilyn Atkinson: Hello, mayor and council. First point I want to make is we -- I oversaw the circulation and the collection of signatures from downtown businesses we allowed one signature per business. So we are talking about 133 businesses. If you want to count in at least one employee for each one of these, then we would be up to 26600. I agree with Sonnie.

I also agree that the parking code should have at least 1.3 spaces for one bedroom and studio. Two for two bedroom and guest parking one space per five units. And the hotels they should have one key for each room as the parking requirements. The 5,000 square foot waiver should be reduced to 1500. The one thing I noticed when everybody was talking and that is they kept saying free parking for workers.

[Time: 02:26:13]

They said parking for workers but not free parking for workers and that has to be put in there. I think it's very important at this juncture that the city either hold off approving any more developments before -- if they are going to put this on a six-month journey. We have tried the shuttle in the past and it didn't work. A lot of these women, especially in the restaurants, are late at night. It is dangerous.

They do not want to be standing this waiting for somebody -- through a vacant lot. It's my hope that this council will not leave us out. If it's good enough for the rest of the city, it's good enough for us. We hope that you will find it in your wisdom to go ahead and to approve this. Any good, quality, well-financed development will want this type of parking that the Kimsey came forward with. They came forward because they knew it was a necessity for their guests. So a first-class, quality development will also know it's good for their business. And it's good for the merchants.

The merchants have been drug through so much over the years and looked down on that it's time to stand up and say, yes, we support small businesses. Thank you.

Shane Stone: And our next public comment will be coming from Mr. Thompson, to be followed by Ms. Coe. Mr. Thompson, please press star six on your device and begin your public comment.

French Thompson: Mr. Mayor and city councilmembers, first off, I would like to request that you open your meetings to the public as soon as possible. My name is French Thompson and my address is on record. In February of 2020, 130 people signed a petition asking the city council to increase the parking requirements for new developments. Just a reminder this is now 15 months later. This is already a defective parking code.

So the petition never asked anybody to fix the existing parking issues. It did not ask to have the Galleria's parking garage open up for free parking for the building employees. It doesn't ask that recently built developments stop charging for parking that according to ordinance is free. It never asked for an increase of public parking structures. It only asked for one thing, an increase of the parking code to have the new developments be self-parked. I'm going to repeat that.

It only asked to have these developments several parked. It never said anything about employees open the businesses parking on the streets. It didn't make any comments about empty or full parking garages, public parking garages. It doesn't speak of any other existing parking issues. It was signed by people who experienced these parking problems each and every day. It was not signed by developers.

It was not signed by real estate salespeople, and it was not signed by anybody who would be profiting from these developments. These are all your small business people who are the heart of the business community in the Scottsdale arts district in old town. They are all putting their faith in the city council to do the right thing and require new development to be self-parked. These numbers are not made up and they won't cause any development to be overparked regardless of what the people who plan on profiting from the developments take.

[Time: 02:30:23]

These people that signed this petition are not anti-development. In fact, they are pro quality development. Quality development is attractive of people who might want to live there. They do not require residents and their guests to park on the street or in public parking structures. I know there are many on the city council who want to change the narrative and that there's now apparently a list of names of developers and real estate agents and stuff that was submitted by hopefully -- hopefully submitted for public view by pro development people who do not because these developments to be self-parked.

Please consider who these people are and what is their relationship to profiting on these developments. I can only say please change the parking requirements to those numbers in the petition and do not cause more overflow parking in old town.

I also want to ask you if you want this to be the legacy of your time in office, to slowly bit by bit, cause more overflow parking and strangle the existing small businesses. In Tempe, they have a no car development called cul-de-sac Tempe, and they are putting in a no car development, 150 guest parking places which is a ratio of 1 to 5. This development is right next to light rail. They are still putting in 1 to 5 ratio for guests. I ask you to consider when you are doing tonight because the people and the citizens are watching. Thank you.

Shane Stone: And our next public comment is coming from Ms. Coe, followed by Mr. Pejman. Ms. Coe, you should be able to press star six and begin your public comment. Ms. Coe, you look like you are still muted.

Lori Coe: I just got unmuted. My name is Lori Coe, I live at 9214 east wood drive Scottsdale. Tonight's

presentation by the city staff was pretty wonky for me. I don't know a lot about these details but I can say I feel a certain degree of the anger and frustration if I were to describe how I feel about the things that we talk about growth and parking in Scottsdale. We aren't Avondale, and we are not any other city in the class. We are a world-class resort town.

And some of this idea that we should compare ourselves to these regular suburban cities, it's just -- it's frightening! I have been led to believe that there would be those on the council that would support the increase for guests all over town exception town. I know Scottsdale is divided between north and south. Old town should be included in the guest parking and as a matter of fact that old town should have what it needs for parking, whatever that might be all of my life I believe that representative government was by and for the people.

The citizens of Scottsdale clearly voted to stop high rise buildings and density in old town. We shouldn't have to choose to do our shopping, dining, and overall enjoyment away from old town because it doesn't have enough parking.

To be honest, it sure feels like a targeted strategy to undermine the beautiful old town district. Bob Pejman has done extensive research on this parking issue. It's difficult for me to understand why his work is so disrespected. We need more parking in old town. Scottsdale is a small city with a small town feeling.

[Time: 02:34:52]

Why on earth would we choose to increase parking everywhere else, but in our historic arts district? Tonight, I am asking you to include old town in this change to citywide parking codes. Data is great, but reality is better. Thank you.

Shane Stone: Our next public comment is Mr. Pejman followed by Ms. Wilson. Mr. Pejman, you should be able to hit star six on your device and begin your public comment.

Bob Pejman: Thank you, Mayor Ortega. My name is Bob Pejman, the citizen parking petition that the citizen stakeholders filed 16 months ago. It primarily requested that new developments be self-parked. I repeat that, new developments be self-parked. Meaning that they won't overflow to street and public garages. Now, the people who are against this proactive and reasonable initiative they like to muddy the water and change the conversation from self-parking new developments to managing public parking. For example, how to encourage higher use of public garages as et cetera.

And that's a valid effort by -- and by all means it should be pursued, but whether a store employee, for example, parks in a public garage is a completely different issue is completely different issues of how many parking spaces should be applied for apartments. It's a whole different topic.

So about a month ago, staff had ten comparable cities. And Scottsdale is one of the very few that doesn't have any guest parking requirements while most of them do. It's one of the view that requires one space for one bedroom. In the ten valley cities.

Once you eliminate the transit oriented areas and that's one possess Bryan Cluff requires downtowns that don't require this or that, but you have to eliminate parts of Mesa and Tempe and Phoenix that are next toll light rail.

Once you do that, the ranches are for the ten valley cities 1.4 spaces for one bedroom, and 1.9 space for two bedroom, and one guest space for four and a half units. I hope that we can get close and above the valley averages because we are better than an average city.

And it's imperative that planning commission recommendations are provided outside of indicates and easily accessed, otherwise they will sit empty while the guests park on the street. The Kimsey can be a great case study it. Proactively provided 26 spaces over our code with the guest parking ratio of 1 for 1.46 spaces. Why would our code require anything less than the Kimsey did?

But if we don't codify this, not all will go over the code. On the hotel front, there's a 5,000 square foot exception. Most downtown hotels only have about 5,000 square foot. So are we exempting most of it. A more reasonable exception is 1500 square feet. But none of this matters in they can't get beyond the gates to park.

Think about the conference attended by 50 Realtors who drive in and park all day. For this reason alone, dining should be there. They will park on the space while the spaces sit empty behind the gates. These are my comments. Thank you.

Shane Stone: Our next public comment is coming from Ms. Wilson to be followed by Ms. Austin. Ms. Wilson please press star six on your device and begin your public comment.

[Time: 02:39:13]

Janet Wilson: Hi, my name is Janet Wilson and my address is on record. I have been a property owner nor many years in downtown Scottsdale and I continually hear about parking problems from my tenants. I was astonished to hear that there is not a parking problem in downtown Scottsdale. Tell that to my tenants. I have lost tenants because of the parking problem.

On the Kimsey's you listened to the petitioner signers and it's time you have done the same for the merchants and landlords who are there every day and know there's a huge problem with public parking in downtown. I would ask that the 5,000 square foot waiver for commercial use to be changed to 1500 square feet.

We have -- think of all the parking that the restaurant should need. Why should the hotel get a waiver and you have parking to coat. A hotel can put in six or seven retail shops. Is it fair to the other retailers on the block to have parking -- have parking for those shops?

And then there's the problem of conventions and meetings, et cetera. The parking should be available outside the parking gate and easily acceptable to non-hotel guests without keys at a recent council

meeting it was stated there were so many vacancies in downtown Scottsdale. We need to make it easier for the developers to build their huge projects, again implying that we shouldn't overburden the development. I have never gone without a vacancy. If there is a vacancy, it might be that landlord's fault.

In closing we are not against the developers but it's just common sense if we have a parking problem that we need to have an even greater parking need in the future when apartments and hotels, et cetera, are developed. We don't require enough parking for the project. And I added this paragraph when I was listening Mr. Cluff.

I don't understand how the staff uses data from other valley cities to justify our parking needs. We have events like Barrett-Jackson, et cetera and a huge influx of tourists in the winter months. No other valley city compares. We are unique. Thank you.

Shane Stone: Our next public comment will be coming from Ms. Austin. Ms. Austin, please press star six on your device and begin your public comment.

[Time: 02:42:07]

Emily Austin: Can you hear me?

Shane Stone: Yes.

Emily Austin: Great. Good evening Mayor Ortega and city council and staff. My name is Emily Austin. I live in Scottsdale and my address is on file. First off, I want to say that I agree with all of the people that have been making comments. I have been speaking to them often and they are very passionate and we should look into them.

So after all the outreach and countless people chiming in about issues with parking and the need for more parking in Downtown we're aggrade our voices are -- we are afraid our voices are being ignored again.

The Kimsey project was just passed and a few city councilmembers partially based their decision on the support from those who signed the online petition in favor of the Kimsey and also that petition was a little bit of a joke. There was one woman and she just signed her name three times. That was it. I mean! The way they are sticklers with petitions, please! So I'm sorry, I lost my train of thought here.

So why is that not the case with 130 shop gallery and property owners in old town? So signed the petition for more parking. Why are they being ignored. And speaking of petitions. I took a look they petitions. Many of signers were Realtors, builders, investors, loan agents, architects, a lot of shop owners and many of them from Karl Hunger. I think he even some on Stetson.

Would you feel awkward if your landlord asked you to sign a petition? I know someone who is constant fear of losing her lease. Do you think she will say, no, I won't sign. I don't think so. So commercial Larry curb says that Mr. Unger has 75 and I'm sick and tired of the development community, the shivs and

those who profit from it calling those of us who do not want to see overly tall and against projects as antigrowth.

That's just not true. I liked the Kimsey. I just thought it was too tall. Still do. So I wonder in the people who signed the petition that, you know, saying that they I want if they want to sign a petition saying they want more business but they don't want more parking. No more parking in old town. It will be interesting to see.

So this bothers me how you -- you know, how accurate these signatures really were. And I wonder how can saving make recommendations when they don't even know how many people live in an apartment building with cars. And with the off the of housing in old town, people will have more roommates and can make the rent and there will be more demand for parking. I'm almost done.

A moratorium on approving more projects must be put in place until the parking issue is resolved, otherwise, it's too late. It's better to have too much parking than too little. And to conclude, I would just like to quote the owners of the marshal gallery and they wrote, certainly the comfort of downtown residents and an accommodating business environment for visitors deserve intelligent consideration and foresight on the part of our citizens.

Thank you and please open the Kiva. We have been sitting here for hours waiting to talk. Thank you.

Shane Stone: Mayor Ortega and members of the city council, that concludes public comment on this item. Thank you.

[Time: 02:46:32]

Mayor Ortega: Thank you very much. And I will close public comment. At this point, I just want to point out that the May 4th meeting was very useful. It brought out many specifics from councilmembers and subsequent, 10, 14 days, these comments, many of which were made publicly on May 4th amongst us, are highlighted and shown in the posted agenda item.

So this is a very useful way of exhibiting what -- as many thoughts and possible amendments were -- came forth. I would ask to hold back on any motion at this point, just -- we will get this done tonight. But I'm just asking if you have any questions or need a clarification of staff, and I see Councilmember Durham may have a -- do you have a question rather than a motion so we can get through any questions first?

Councilmember Durham: Thank you, mayor. No, it's not a question. It's in the form of a motion.

Mayor Ortega: Thank you. Vice Mayor Janik, again if you have any question, in particular, I appreciate it.

Vice Mayor Janik: I do have a -- I have a particular question. When you grabbed all of this data, did you eliminate any of the multifamily units or hotels that charge for parking? Or you didn't even check that parameter.

Randy Grant: We did not exclude them because we were not aware of which ones are charging for parking. We know that some are, and we're in the process of enforcing that. But we don't have a list of which ones are -- are actively charging. Thank you.

Vice Mayor Janik: Hasn't that's true with your multifamily residences or are we assuming when you did your comparisons with different towns, did you eliminate anybody that was charging for parking on multifamily residences?

Randy Grant: Vice Mayor Janik, most of the other communities that are comparable are actively charging for parking in their downtown areas. So whether it's metered parking or parking garages. No, we did not exclude them, I'm sorry.

Vice Mayor Janik: And obviously that will skew data. One the biggest things, one of the biggest items that stopped people from parking in a particular place is when they have to pay. So if it were free, one would assume that the numbers might be reflective of higher use of the parking rather than lower use. Thank you.

Mayor Ortega: Councilwoman Whitehead and then Councilmember Durham.

[Time: 02:49:37]

Councilmember Whitehead: Could staff put the average -- maybe it was two graphs, but it had showed the rate at which our residents are car owners, both rental and owners I think.

Bryan Cluff: This is Brian. I think it would be slide eight. Slide seven and eight, probably. Thank you.

Councilmember Whitehead: Yeah, that's true. There was one --

Bryan Cluff: Was there another one.

Councilmember Whitehead: There was one that had an actual number. Had an actual -- because it was downtown core and we show for a rental, we show that our average residents have 1.1 car -- oh, that's actually -- okay. So that's a good one. That's vehicle ownership per unit includes rentals and owners; is that correct?

Bryan Cluff: That's correct.

Councilmember Whitehead: Okay. That's a great graphic. That's Scottsdale data and show that's what I was basing a lot on. Thank you so much.

Mayor Ortega: Councilmember Durham.

Councilmember Durham: In reference to Vice Mayor Janik's question, at least on the hotel parking

issue, my understanding is that data that was presented came partly from the W, which is currently charging for parking and I would imagine has charged for parking in the past. So there is possibly a problem with that data on the hotel parking.

That problem doesn't concern me terribly because I think on the hotels we will use a master plan system, which will be flexible in order to take in the average parking ratios and we will have sufficient flexible that they have currently -- or have been charging.

I hope they are going to stop with the enforcement letters went out. But I think we have added sufficient flexibility to the hotel to take care of that issue.

Mayor Ortega: Councilwoman Caputi, question?

Councilmember Caputi: I have a couple of questions for legal, if that's okay. I keep hearing these comments from residents like we had a couple just now on the people who called in about -- that we should stop all future development until we get a handle on our parking. I'm under the impression that the Supreme Court ruled that a moratorium on private development by a city is illegal; is that right?

City Attorney Sherry Scott: Mayor and Councilwoman Caputi, that's right. There would be a lot of legal impediments to simply declaring a moratorium on approving any future development.

Councilmember Caputi: Thank you. I want to have that clear on the record that that's not really an option. And then my other question for legal is I was reading that the governor -- Governor Ducey just signed 1409 into law last Tuesday and it sounds like it will require cities and towns to consider costs when adopting a zoning ordinance or text amendment that impacts the cost of housing for sale or rent. I just wondered if that will have any impact on what we are about to do tonight.

[Time: 02:53:25]

City Attorney Sherry Scott: Thank you, mayor and Councilwoman Caputi. That law is not enacted, but it has been signed. It will go in effect 90 days after the legislative session comes to a close. So when that law does go into effect, it will be something that will likely change the way your council reports will look. And we will be addressing that with the planning staff.

I think we started addressing that with the planning staff already. I would like to think that the city council and the city staff already considered the ultimate cost of any regulation that we impose. So I don't think it will require a wild change by our city council, but it will be something that you will probably see noted on your council reports, some of the items that this new law will want us to take a look at.

Councilmember Caputi: Because requiring extra parking will obviously be a cost on -- on future investment, right?

City Attorney Sherry Scott: Absolutely. More parking spaces means more costs and it's something that this council should consider.

Councilmember Caputi: Thank you.

Mayor Ortega: At this point, also to mention the separation between enforcement issues and certainly compliance issues and time of day and that aspect is a separate administrative area where we're looking at essentially new build and when a property changes use substantially. What I would like to do if council will bear with me, I don't see any other questions or requests for clarification. I would like to suggest that -- and we will get this done tonight.

That we work from a motion to approve the ordinance with a second and then just page by page, page one through 20 and act on any amendment of any issue. So by doing so I know we're coming from six or seven different directions, but I'm just trying to keep score and keep everything pretty much on tap. For instance, I would suggest, you know, if we were to start with this purpose, you know, on page 1, it explains where the highlights were, and where they -- the new comments originate from.

By doing so, then we won't be so scattered and women be able to check off our particular interests. Remember that what was posted is what came from councilmembers through May 4th and meetings with staff when they tried to clarify those particular issues whether it's a certain count per bedroom or guest parking.

It's just a suggestion so I can keep tabs of everything in a methodical way and if something is accepted, it would not need to be an amendment, but we could vote on it as accepted as any of these terms that have -- they are basically some push points in the entire action that we're doing. So do you have a response to that Councilmember Durham as a method to get through this in a expeditious way so we are always looking at the same article is what I want to say?

[Time: 02:57:30]

Councilmember Durham: I would have an alternative suggestion. On pages 5 and 6, of the staff report, there is what I think is a pretty succinct statement of the various items which I think hits the main points or at least the points where we would be likely to disagree and so rather than going through the entire ordinance, I think it might be easier to go through pages 5 and 6.

Mayor Ortega: I think we could hold those but if we see where they are actually placed, then we know exactly how the staff can respond to those specific items. That's why I'm suggesting that we do it this way, rather than cross reference the narrative. If we can just specifically look to that particular one.

For instance, their index, the one pertaining to the galleria on parking one per 200. It's a specific page. We could look at, it agree to it or not, and be very much together. If you would like to attempt it the other way, that's true, there may be some gaps in trying to relate to where we are going.

Councilmember Durham: Well, I think all the suggestions I would make can -- we can identify them on page 5 or 6. And do it that way.

Mayor Ortega: Okay. That's fine. I will reference, however, within the log here.

Councilmember Durham: Yes.

Mayor Ortega: On how that is, because what's happening is I have also referenced the pages and it's highlighted in our -- the ordinance itself and we can give staff good direction on each of those or -- or not or, and then we can also vote as a group on each specific one as we go. And it will be reflected in the ordinance itself.

Councilmember Durham: Okay.

Mayor Ortega: I think we have the same goal, just to try to stay on the same page and I would -- I would join with you, looking at page 5 and 6, as the base if that's useful. Does that make sense? Councilwoman Whitehead?

Councilmember Whitehead: Yes, that's what I was going to suggest. I think if we look at each category, staff is very adept at getting to the spot in the ordinance that we are referring to. Think we need to look at the travel accommodations and have a consensus, there multifamily residential, outside of old town. So one, two, three, four, five, six, seven, and do it that way. That would make it, I think a far better conversation.

[Time: 03:00:34]

Mayor Ortega: I like that suggestion. And then I will check them off to see that we are covered and that where the amendment is needed or excuse me where consensus is needed -- will take it as a motion or an amendment to what's written already in the -- in the highlighted.

Then we can vote on each of them as we go and get through it. So at this point, if you wish to lead off with that, at -- as a discussion point, I will look at page 5 on travel accommodations and hotels and begin that discussion of the -- and I will make a defense to it, as we come through the sheet itself. So we can check box it, that it's covered or how it's covered.

Councilmember Durham: Before we started working through this, would it be appropriate to make a few comments in response to the people who called in and in addition to the reference of the people who we heard from.

Mayor Ortega: At this point, we have no motion on the table. If you would like to respond or discuss that, that's fine.

Councilmember Durham: Yes, I would like to make a few comment -- to make a few comments about what we heard in last two weeks and how I think we should be approaching this. We have heard from, many, many people over the last two weeks. There are strong feelings on both sides. We have received a petition from a large number of people. Supporting the code as it is today. In fact, I think that petition was bigger than the petition of the people who want to increase the parking.

So if we are going to fight this out by petitions, the people supporting the current code have a bigger petition. But, of course, I don't think that's the way we should approach this. We fully understand the cost of parking. Nobody should have any doubts about that. We understand the cost of parking and someone suggested that we should overpark.

And we definitely don't want to overpark because that is money which can go towards beautifying the project, improving the project, making the project better. So we don't want that money to go over parking, but we also want to require the project is adequately parked. And that's a very fine line one which is impossible to attain.

Over the last two weeks, I have not really discovered because I was already aware of this. I think that there are structure issues. Such as the poor utilization of garages and the failure to provide free parking as required by the code. We have underutilized garages. We have underutilized private garages which are going unused and if we can figure out a way to do public/private partnership with that, we could solve part of our problem. Signage is another area that needs to be improved.

As Vice Mayor Janik has catted, our tourist maps often don't indicate the location of parking garages on our maps. So if you are some poor tourist trying to find a parking garage, God help you if you have a map and you are trying to find a place to park because the map is not going to help you. Now we have talked to the staff, extensively over the past couple of weeks. We made these suggestions to improve our situation, and maybe some of them will work, maybe some of 'em them but we think we should try to take some actions on some of these things that we suggested to staff and we should come back in six months, revisit that have made it on those issues and then look at this issue again. Because it's really important that we get it right.

[Time: 03:05:11]

One the things that I came across is the walker 215 -- 2015 parking report stated that there were three essential elements to parking. One of them is an expense for parking. One of them is convenient parking and one of them is sufficient parking. And the report says you can have two of those three. You can't have all three.

And we have chosen to have inexpensive parking which basically means free parking. And so that means necessarily our parking is going to either be insufficient or inconvenient. And I think we have tacitly chosen to make it sufficient, but inconvenient since much of it is located in garages that people don't want to use, or possibly too far away or is just hard to get to.

So you will never get all three. People who want sufficient parking, convenient parking try to tell you, you are not going to get it. You are not going to get all three. So that's policy choice for us here. And for the people of the city.

So although I'm asking some of the commentators mentioned we are asking for a six-month study while we make some improvements and look farther down the road for whatever improvements we can

make, but that does not mean that we are kicking the can down the road. We will expect action from the staff on the things we discussed with them and we will take steps -- I hope we will take steps to improve the situation. In the meantime, we are not going to pass any projects which are underparked.

Many people -- many people have pointed not Kimsey and said look at the Kimsey it has very sufficient parking. And there are others who have sufficient parking and frankly, I think that's the way many projects will go. So the possibility that some project will come forward which is based strictly on the code, I really don't think that's going to happen and if it does happen, it will probably not get through the council.

So our idea is to make certain changes as we go along. But that's our take of that or at least that of me in Councilmember Whitehead and I think Councilmember Janik. We want to try to make some improvements because some people have suggested that underutilized garages are somehow separate from multifamily housing and none of these problems are separate from each other. If we somewhere underutilized garages we have other assets on the street.

They are putting more cars on the street, that's a problem. And the multifamily housing as people have suggested tonight, if they are not adequately parked, they will put cars on the street. So it all comes out to the same place which is more cars on street and if we can attack some of these problems, and fix some of them, we have less cars on the street and less to worry about. Thank you, Mayor.

Mayor Ortega: I will make an attempt to follow the outline which is page 5, travel accommodations hotels and the reference is page 13. So page 13 has -- is covering the items that are shown as travel accommodation hotels. The bullet points are lower the base room requirement from 1.25 to 1.1, that's shown under travel accommodations on page 13. The next one has to do with whether to clarify the requirement for restaurant and other associated commercial spaces that's covered by putting in some square footage or car requirements to the bar lounge and it's covered to commercial uses as well. So that's also shown on page 13.

[Time: 03:09:51]

There is a question about the -- the exception which it says that the exemption is for 5,000 square feet, first 5,000 square feet for commercial uses. I happen to disagree with that one. We have heard different numbers, but in my opinion, and I would -- I would propose to put a -- an amendment to that, what is written here.

That probably the only exception is for 1,000 square feet inside and 1,000 square feet outside space. So that would be an amendment to what is already shown on the -- that corresponds with the item one on page 5, and page 13. I think 5,000 square foot exception is just way too much. If they chose to use 5,000 -- excuse me, 1,000 square feet of outside space, and 1,000 -- for commercial purposes, like a patio or whatever, and 1,000 inside -- now if they chose to put in 4,000 square foot banquet rooms, they might have to provide more parking.

So I would propose that as an amendment just so that we could keep -- so we can start to address these

areas. And I would ask for a second for that. We can discuss that. Councilwoman Whitehead.

Councilmember Whitehead: Yes, I want to ask staff, because hotels are tricky and I agree. I agree -- so there's some uses such as if you had a small signer that's just residency of a gym, you have one of those little offices for -- you know, there's certain common amenities in these hotels that don't service the public. What would be -- how many square feet do you think that -- that would -- you know, occupy?

Randy Grant: Mayor Ortega, it's difficult to say, because scale of the hotels is not had the same. Its not unusual for a hotel to have a cafe that is 1,000 square feet, 800 to 1,000 square feet. It's not unusual for them to have two meeting rooms of 200 square feet each, that is no the a conference space. It's simply meeting rooms that you can reserve.

It's also not unusual to have a fitness room, you know, sometimes a salon, sometimes a small boutique retail store so collectively, those are probably, you know, 3,000 square feet or more. And in some of the newer hotels it is more, because they are depending more on larger restaurants and larger conference spaces.

[Time: 03:13:18]

Councilmember Whitehead: Thank you. I wonder if -- so part of what I like about this item is that it requires a parking master plan. So I wonder rather than -- the number I kept hearing was 1500 -- well, in 2000. And I would like to see a slightly larger number because this parking master plan is required and then that's fewer times that we have an applicant perhaps asking for exceptions. It gives more flexibility. -- but if that 1500 in the parking master plan suggests to staff and then ultimately the count sill that these are families that will have a lot of local traffic for instance, then we could adjust, would that make sense?

Mayor Ortega: And again, we are trying to kick this off to get some methodology, according to page 13, other commercial uses, one parking space for every 400. So it is shown on that and it's described. So -- and then the exception seems to be for 5,000 square feet which I believe Councilwoman Littlefield said 1500 feet. Saying the first 1500 feet is okay off the books and then if they choose 2,000 more square feet, they would be allocated one car per 400 square feet and they would have to have five cars for anything over 1500 feet.

I'm trying to get to a point here where -- where it makes sense to come to a -- a number. The other thing that's happening is that the parking plan will address employee parking. So that's important and that's important that it's in the ordinance so that the staff can work that out and we don't have to work it out with the city attorney on a development agreement. Might? So this actually equates it or puts it into the planning staff's arena. And so, you know, again we are trying to be specific here.

If we are somewhat okay with reducing the travel accommodations to one parking space for every one guest room, that's the way it's written here. If we are okay with the other listings and maybe reducing it to 1500 feet, the first 1500 feet are almost like standard procedure. Then perhaps we could vote on page 13 which is in the ordinance, which covers everything under hotel accommodations with 1500 feet

of commercial space.

Councilmember Milhaven: I have a question, if I may.

Mayor Ortega: Yes.

Councilmember Milhaven: Thank you. I wonder if staff could answer -- I -- I agree with Councilwoman Whitehead about master plans because I think that really gets to the heart of what the key differences are, which it's urban or suburban location, whether it's full service or limited service, whether there's restaurant or all of these things that make the properties unique. But we're also -- so I think the parking master plan is a great way to approach this.

But we're also putting very specific parameters on there, which is a little bit confusing to me. So perhaps staff could explain what is the relationship or the interplay between the parking matter plan and the specifics that we are putting in this section?

[Time: 03:17:12]

Randy Grant: Mayor Ortega, Councilwoman Milhaven, they actually both come into play. The basis is one parking space per key and then these ancillary facilities are added in but it does give the council the ability to lower the amount, the 1.0, commensurate with how you feel the ancillary space is going to be apportioned and used.

So it would still require the consideration of how much additional ancillary space is being proposed but it does give council a good deal of flexibility in identifying whether a reduction is justified.

Councilwoman Milhaven: But it seems to me it would give investors high level of uncertainty if we need to -- if there's no -- what am I trying to say? Investors prefer to have a level of certainty before they invest in developing a project. And it feels like it may be a disincentive for investment. So I don't know if that's a question or just a comment. But it seems to me that there would be more uncertainty, Mr. grant. Could you comment, perhaps?

Randy Grant: I guess uncertainty and flexibility are kind of different ways of looking at the same thing. I do believe that they are building in a level flexibility is going to make it difficult for people to do a proforma that predicts a specific outcome. So I -- I do agree with that, and I think most people going in on a zoning table like this would prefer to see a specific number and be able to plan for that. Thank you.

Councilmember Milhaven: And then the 10 and 20% come into play where right if all -- if the parking master plan came in at 19%, less than what all of these things add up to be, today that's in staff's pursue; is that right?

Randy Grant: Yes, currently it's 20%. It doesn't require that -- that staff approve up to 20%. It does allow it. The proposal would be up to 10% and anything over 10% would come to council automatically.

Councilmember Milhaven: All right. Thank you very much.

Mayor Ortega: Councilwoman Caputi.

Councilmember Caputi: So I'm okay with lowering the base requirement one key per room. I think we have all seen the data and people are, of course driving less when they go to hotels. It seems totally appropriate to me. This conversation we are having about excepting for commercial uses it feels very random. We are saying 5,000 feels too much. What should be a better number?

Again, I'm very uncomfortable with how we're making these decisions that will involve millions -- tens of millions of dollars, hundreds of millions of dollars. We are just saying it feels like it should be 1500. I mean, Mr. Grant just explained a hotel might have commercial uses for -- that's a great point. If you are in a hotel, there's going to be a restaurant, a fitness center, sometimes salon shopping. That's easily 5,000 square feet. I don't think that's unrealistic. So I would just feel better if we had some more -- it just feels like we are sitting up here going what should the number be? 5,000 feels too much. 1500 feels better.

I don't know. I wish there was a little bit more direction for what would be appropriate. I don't feel that it's that inappropriate to include a 5,000 square foot exception. I think most people that are using hotel amenities are staying in the hotel. So that makes sense to me to exempt for that.

[Time: 03:21:18]

You very rarely are going to get people coming in and using a hotel, a hair salon and not staying in the hotel. I wanted to make one comment that I didn't get a chance to when councilman Durham was speaking super quick. I agree strongly, councilman, with what you said these are not separate issues. A lot of people who called in were saying that, you know, they are experiencing problems with parking, but they don't want to look at any solutions we might come up with here tonight. That seems crazy to me.

We are trying to solve the problems that the residents and businesses are bringing to us. We are listening to all the people, trying to come up with solutions for actual problems and things like usage and, you know, where people park, looking at the different parks of our city and having different solutions for different areas, you can't separate. You can't say, well, we're going to make a rule for future businesses, right? You are saying, we're private businesses.

We don't have a requirement on our parking but we will ask the Scottsdale government to make a rule for future businesses. Just feels very strange. We are trying to come up with solutions here -- we are trying to come up with solutions tonight, and balanced solutions. Of course, we will look at every possible way in which to solve problem. That will be a win and I agree, we will do it tonight.

So in closing, I'm totally fine with this, the way staff has it suggested to us, especially with as has been pointed out the fact that we have master plan in here. I'm okay with accepting as it is. Thank you.

Mayor Ortega: Councilmember Durham and then Whitehead, please.

Councilmember Durham: Thank you, mayor. I think the 5,000 square feet is probably too high, but I'm not terribly concerned about that because I think our one room per parking space is probably too high and it's probably going to be lowered in discussions and in the parking master plan and I think the parking master plan is the key to this.

Because some hotels are going to have restaurants. Some are not. The Hampton inn will have a guest room. And some will have bigger workout rooms and some will have hair salons and barbershops and et cetera, et cetera. It has to be flexibility. I don't think it's a disincentive.

They know that they will have to provide parking for those types of uses. Or -- I think our staff is completely capable of handling that in a pretty expeditious way and I don't really worry about this creating any disincentive. We have probably more so than any place in the United States, we have a huge variety all the way from Hampton inns up to the Princess and the Phoenician.

[Time: 03:24:27]

We have such an incredible variety of hotel accommodations that I think that this is a very good way of dealing with the wide variety of accommodations that we have.

Mayor Ortega: Thank you. And I will add to that, that I believe again we have been references the Kimsey. Kimsey, if I recall, had 4,000 square feet of commercial restaurant and they owned up to it and showed 11 parking spaces. So, I mean, it's undeniable that there's no real free by in this thing, because you are going to need employees and you will need staff to run your place.

Actually the 5,000 is very generous, when, in fact, like the Kimsey, they said they would have a 5,000 square foot restaurant and they would park it. Councilwoman Whitehead and Councilwoman Littlefield and then Vice Mayor Janik.

Councilmember Whitehead: I will keep it quick. I wanted to point out a lot of them have continuous educations for various professions. They do bring in -- each hotel is quite different. There are different categories. So I think what we are saying is that we will provide some square footage there, but every -- every applicant can come in with a master plan. So we're adding this flexibility.

We're just not giving away this rather large number right off the bat. Also, I'm really pleased with reducing the spaces per room, based on data. We just have to work on data. I'm all about flexibility for the hotels since many hotels have different setups and attract local people and some only their guests. So thanks.

Mayor Ortega: Councilwoman Littlefield and then Vice Mayor Janik.

Councilmember Littlefield: Well, I haven't said anything yet so I think I will weigh in here for a minute. I would like to point out the whole point of all of this is to make these things self-parking so that people

don't have no go out on the streets and cannibalize other business' parking in order to find a spot for their car.

I also had a separate suggestion which I would like to make and that is -- if we are concerned that this might be something that's expensive to the -- for the businesses and I was thinking primarily of multi housing and hotels also, I see in the near future that we're going to have a much bigger need for fueling stations for electric cars.

So perhaps one of the things we should put into this ordinance is the allowance for hotels and multihousing and all of these places to put in fueling stations in their parking garages and then that could be a fee that they could charge as used by their -- their guests. That was something I was thinking of as we read through stuff. For the hotels, I think one parking space per key is good.

If you have two keys then you are going in different directions and you have two cars. You would like to reduce the exception to dining and conference space. I think that is kind of one size fits all, and I don't think that's appropriate many of our hotels are going to have different sizes, different needs, different kinds of conferences.

I have some that are jam packed one next to each other on a card table and row after row, all of those people need cars and they bring their stuff in in vans and they will pack 'em up and take them out again. I think one size fits all is not too good. I do think just a blanket 5,000 square foot should be removed.

You can give a small allotment for, like, say 1500 for option c which staff recommended. And go from there. Again, any parking spaces for employees and additional employees that they may need if they have conferences and have additional need for people to serve the conference and all of that.

[Time: 03:29:04]

Then that should be -- that should be outside of the gated, locked area for cars because parking spaces should be accessible out of any guest area. And that's the only way they get use of parking if it's in a gated area, then they can't get to it. So guest parking that needs to be open. Hotels and anything else, employee parking, it should be tagged.

They could have areas that are set aside for employee parking within the gated area so that their cars are safe and -- basically, you like the room requirements but the problem I have is to allow a 5,000-foot exception. I don't think that's appropriate. That's what I have on hotels.

Mayor Ortega: Perhaps we will have a motion on page 13 and this item. I give it to Vice Mayor Janik.

Vice Mayor Janik: Thank you. I have a question for staff. Our attorney most likely. So item one, lower the base per room requirement from 1.25 to 1 per room. Do I need to make a motion on that? Be seconded and vote on it? I mean is that the procedural way to accomplish that?

Sherry Scott: Mayor and Vice Mayor Janik, the change that you are referencing, the 1.25, changing and

being amended to one, is already a change represented in the proposed amendment. So for changes that are already in the staff proposed amendment, the council will simply adopt the ordinance when you are ready to do so. You don't have to amend it again.

For changes that are not already in what the ordinances that the staff has proposed, this needs to make amendments to the proposed ordinance 4500 and I think it's part of the resolution prior voting finally at the end of all of your amendments on adopting the ordinance.

So let me just say, let's say that council wants to amend the exception 5,000 square feet to 1500, and let's say they want to do that for both indoor and an additional 1500 for outdoor commercial use and meeting facilities. As the mayor is suggesting, that motion to amend proposed –

Mayor Ortega: What is posted already. Would be an amendment that we could bring up as an amendment, and then we could vote on that and be done with it. Essentially if you are in agreement with the other items that are highlighted, except for that, that's the only part that would be amended. And conclude.

Sherry Scott: I'm sorry, mayor. I was looking for my paper here. It's actually an amendment to resolution number 12 -- the proposed resolution number 12141. And you can do that as the mayor is suggesting systemically throughout and then at the end, we can look at what the text amendment is. Bryan will try to keep up with your changes.

We can look at that at and see if the council wants to vote for that holistic now proposed parking text amendment. Or the council can simply do it more informally. And council will try to keep up with your changes if we know there's a consensus on the council.

ITEM 20 – MOTION AND VOTE #1

[Time: 03:33:22]

Vice Mayor Janik: Okay. I will give it a shot. I would like to make an amendment to the proposed resolution, 12141 under Article 9, item 1, travel accommodation hotels, to reflect included a 2,000 square foot exception for commercial uses that are within the same building as the hotel.

Mayor Ortega: Second. We have a motion and we have a second. Is there any other discussion? Okay. Mark your votes, please.

Councilmember Milhaven: No.

Mayor Ortega: Thank you we have a vote of 5-2. And we will go to the reference dwellings multifamily residential it happens on page 15 and it repeats guest parking requirement. So that -- just to focus on that, at the present time, the multifamily ordinance says 1 per eight units.

ITEM 20 – MOTION #2

[Time: 03:35:01]

Do I have any motion or discussion on that topic? Councilwoman Whitehead?

Councilmember Whitehead: I would like to make a motion on resolution 12141 on multifamily residential, I would like to accept the changes other -- well, change it from 1 to 8, to 1 to 6, but other than that, keep it the same.

Councilmember Durham: Second.

Mayor Ortega: We have a motion and a second pertaining to an amendment to ordinance 12141, as stated do we have any discussion on the motion? Councilwoman Caputi?

Councilmember Caputi: I think that it's okay to reduce to six, but would that not impact the rest of the numbers? I don't remember whether this question is for Mr. Grant or our city -- am I on the wrong thing? Maybe I'm on the wrong item, councilwoman.

Mayor Ortega: This is just the guest parking. So instead of 1 to 8 –

Councilmember Caputi: Okay. But now I will maintain my question then, because if we change the guest parking, does that not impact the rest of this? Are we going to choose that separately? We are next going to go to -- because this looks like it's the same thing.

[Off microphone comments]

Councilmember Caputi: This is part of it?

Councilmember Whitehead: No, no, no, just this.

Councilmember Caputi: Got. It okay.

Mayor Ortega: Vice Mayor Janik.

Vice Mayor Janik: I have a question, could you refresh my memory on what the base requirement is for multifamily residential guest base requirement? What are the base requirements? Are we just talking about base requirements for parking?

I think it goes back to what Councilwoman Caputi asked or does it say we are accepting the base requirements for studio one bedroom, three bedroom and we will make one change which is one to six for guest parking?

[Time: 03:37:19]

Randy Grant: Vice Mayor Janik, I believe this is just guest parking right now.

Vice Mayor Janik: Thank you.

Mayor Ortega: And again, I'm referring to page 7 of the actual exhibit, which -- which corresponds with that. So instead of having 1 per 8 units it would be 1 per 6. So we have a motion. Call for a vote. Please vote on the amendment.

Councilmember Milhaven: No.

Mayor Ortega: I hear 5-2. Next we go to multifamily residential old town area. And this is modifying the base requirements to match outside old town and downtown. I believe it corresponds closer to item b or example b. And we saw the three illustrations. Councilwoman Whitehead.

Councilmember Whitehead: I was going to ask staff, can you put up the chart that showed the Kimsey and then it showed the additional parking. And I -- while we are putting that slide up, I want to thank all the callers who brought up the Kimsey. That doesn't happen by accident.

That happened by a council who is committed to make sure that developers self-park their projects. I was a little saddened to hear that those business owners that are legitimate, that have different opinions are somehow considered not real.

I have met many of the business owners and architects are actually legitimate business owners and they own a project, and we have to be very open minded and accepting that people offer perspective and each section of downtown has very real parking problems, but the different quadrants have different underlying issues.

So that brings me up to a question to staff, when we talk about main street, which I have to tell you, the bookstore and some of these businesses -- I mean I hear from dentists and hairdressers that cannot get -- their customers have a hard time finding a parking space and that is something I'm committed to solving.

But if you take main street where there's a parking problem, I'm told, are there any residential units in -- are there any residential complexes that are impacting parking on main street?

[Time: 03:40:08]

Randy Grant: Councilwoman Whitehead, currently there are not any projects. Museum square has been approved but not constructed. Other than that, there's no large multifamily projects affecting it.

Councilmember Whitehead: So I want to say we are again, committed to having these projects self-parked but having an ordinance no matter how many parking spots we allow -- we are require, of a multifamily complex, it's not -- it is not going to solve the problems on main street.

So we are committed to solving the problems on main street, in addition to making sure that apartments self-park or other multifamily. So thank you.

Mayor Ortega: So our previous amendment had to do with multifamily residential south side of the old town. We're -- outside of the old town and now we have multifamily residential in old town and downtown and I would be open to an amendment or -- and it also lists guest parking requirement currently as one space per eight units. So Councilwoman Whitehead.

Councilmember Whitehead: I guess it's me again. I have a proposed amendment I would like to make. One thing -- again, and I think some of the callers mentioned this, is -- and I hear it from people often, they don't want the high-rises. They don't want the big apartment complexes. They want the unique Scottsdale look.

We enable the small landowners to invest in their small properties, bringing unique businesses, bringing a few residents on top, so we have to enable the small guy to invest and stay in order to avoid the inevitable, the high rises because if this council doesn't approve it, yes, there will be a future council that.

ITEM 20 – MOTION #3

[Time: 03:42:13]

I do have some recommended amendments on this. I would like to create two different parking categories in the downtown area. I would like to have category one represents 20 units or less. And for those 20 units or less, I would like to have the one-to-one parking ratio that exists today. And I just want to point out that I would like to remove the waiver. I would like to start with the downtown overlay waiver which is very complicated right now. What page is that? Can somebody help me out?

Mayor Ortega: Could we get to that one later?

Councilmember Whitehead: Okay. Just know that I am changing the waiver down the road. So category one is 20 units or less and it will be as today, one to one, so one bedroom, one parking spot, two bedrooms and two parking spots.

And it will not have a guest parking requirement as long as it's in the downtown area and we know that there's -- I can't remember the name -- the 8,000 public parking spots downtown. And then for category two, I would like to have the parking as staff recommended which is, I think category b if you pulled up that, basically the Kimsey arrangement. So you have 1.25, 1.3, 1.7, 1.9, and 1 to 6 guest parking. That's my --

Mayor Ortega: So what I would suggest here is that you have got an opportunity to affirm everything on page 15. That's the large category that's a large category that's on page 15. Now, the other category we will come to with the downtown overlay. I don't think it would be useful to have a split category when

you can approach to send the downtown category in another spot.

Councilmember Whitehead: I guess I would like to ask legal on that, because I want to have -- I think dwellings, multifamily should be -- should -- that is the location that we should specify that these 20 and under -- I don't know if it's a legal question or a -- I think that the waiver -- I mean, I'm fine as long as I accomplish what I'm trying to accomplish. Is there any comment from legal on --

Mayor Ortega: May I suggest if we get to the downtown overlay and you say this applies up to 20 units, they are covering in that category that specificity, rather than saying in the dwelling multifamily, saying you have a separate category there. Just in the area of downtown overlay, saying this applies up to 20 units.

So you are able to describe that characteristic up to 20 minutes if you want to add that. Rather than trying to split the category in dwellings and multifamily.

Councilmember Whitehead: I appreciate that. Thank you, mayor. I really do appreciate it. I wonder if the dwellings multifamily should state in the downtown that it's greater than 20, that if we should state it twice. I would take some guidance. I understand what you are saying, mayor and I know you are getting me to the same place. I want to double check.

Mayor Ortega: It seems to me that you are agreeing with everything on page 15, except that you want six units for guest parking, in that box -- in that month. Of multi -- we are dealing with downtown and we are dealing with multifamily dwellings but the only change that you are making because you repeated those same numbers at the larger -- was that 1 per 6 guest parking.

Councilmember Whitehead: Except I made -- I guess I will turn to Randy. I'm trying to figure out how this is going to be used in the practical sense. It's just my lack of understanding. I want to make sure that I'm not voting on something that is different from what I'm trying to accomplish. So if we're doing -- I don't even want it to be an exception. I'm looking for a separate code for smaller 20 and understand complexes.

[Time: 03:47:17]

Mayor Ortega, Councilwoman Whitehead, what essentially it sounds like you are saying is we take a portion of the box that was stricken through. We take the strike through off and above that put a heading of -- for projects of 20 units or less and then a and b there would apply. Above what's highlighted, we would put for projects 20 units or more, then that -- those ratios would apply. I think that's what you are --

Councilmember Whitehead: That seems cleaner and I was reading the strike through. Yes. That seems cleaner rather than having an exception.

Mayor Ortega: You know, and I agree with you, with that answer from staff, but your only other exception is one space per six units. So you would clarify that we would remove the strike out on the

top, and then substitute six guest units -- one space per six guest units, is that I heard or did you say 1 per 5.

Councilmember Whitehead: So it sounds -- Randy it sounds like there's two boxes suddenly. AM. I hearing two boxes. One that has -- we undo the strike through, and we add a caveat that it's 20 and under, and then we have -- and then I -- a separate box that has everything in the highlighted -- and it refers to above 20 and it is 1 to 6 is the only change?

Mayor Ortega: I will look for guidance from our legal here and then we will get it right. Let's go.

[Time: 03:49:01]

Sherry Scott: Thank you. Mayor, to try to help the council understand the changes that are being recommended, and to make sure that staff is getting those accurately, Bryan Cluff has pulled it up and has tried to capture what Councilwoman Whitehead is trying to describe.

And mayor, I think your larger point is we'll get to the waiver when we get to that portion of the next amendment. But right now, please let us know, councilwoman if we have captured the amendments correctly that you are trying to describe.

Councilmember Whitehead: I can't see.

Sherry Scott: Bryan, you are going to have to blow that up.

Mayor Ortega: And probably to clarify that as well. For a and b, it should also say that there will be one space for every six units as guest parking.

Councilmember Whitehead: No. I'm saying for the smaller communities, for these small narrow lots that is not -- I don't think that's -- it's not feasible. So if you have 120 units, you can do that. But what we're trying to do is incentivize that not every city U.S.A. projects.

And so I am -- I am respectfully asking -- and this is based on conversations with people who do want to invest and keep their projects lowrise. So I'm exempting -- thank you for understanding.

Mayor Ortega: Good. Councilwoman Caputi.

Councilmember Caputi: Could we get that slide back on that showed increase of 16% and increase of 30 something percent and increase of when we make these changes? We have that slide that showed what it translates to in increased sparking? Saving thought 1 in 8 was a good idea on a, b, c, d and that translated into 16% in the parking -- rights. So councilwoman Whitehead, you are suggesting that we go with a, the staff proposal for anything greater than 20.

Councilmember Whitehead: No. No. It's not there. It's the one we don't have.

Mayor Ortega: I think actually she' more specific about two units, two spaces for two bedroom. So without -- without needing guest parking.

Councilmember Whitehead: Yes. Basically what exists today for the entire downtown, I'm asking to limit to just 20 and under.

Mayor Ortega: Thank you. Vice Mayor Janik and then I will ask for the motion.

Vice Mayor Janik: Can we go back to the expanded slide where you had two parts to dwellings multifamily? The expanded verbiage, for units with one bedroom or less. That's not it. The text, I'm sorry. Yeah. There was -- I will mention it. This was a problem, I think that what Councilwoman Whitehead was saying was for buildings with 20 equal to or less than 20, it's the one parking space per dwelling unit and then it was for greater than 20 we go with pretty much what's there except it would be parking of 1 to 6.

Randy Grant: That's the legislative draft rather than the slide. So if we can go back to the legislative draft.

Vice Mayor Janik: Thank you for the clarification.

Mayor Ortega: And so I would entertain an amendment as shown per Councilwoman Whitehead, and requiring one space per every six units when it's greater than 20 units. Otherwise, it would be providing one per -- one bedroom and two for any more than two bedrooms.

ITEM 20 – VOTE ON MOTION #3

[Time: 03:53:52]

Mayor Ortega: And I will second that. Any other discussion? Okay. Mark your votes, please.

Councilmember Milhaven: No.

Mayor Ortega: It carries 5-2. Now we get an easy one. Let's look at page 5, the offices. Question for call centers and as it's posted, it is shown as the new requirement of one space per 200 feet of gross floor area, Councilwoman Littlefield.

Councilmember Littlefield: I don't recommend a change for the general office, one space per 300. It seems adequate for office parking. And then the adjusted call center space of one -- and, of course include free parking for our employees under current code.

Mayor Ortega: So we won't need an amendment to that because it's posted as such. Thank you. Let's look at the downtown overlay waiver. I find it remarkable that probably this was handled by another item, but it -- it deals with the potential of adding some commercial space to a landlocked or a small lot, and that recommendation was published at originally 500 square feet and it's coming back at 1,000

square feet, instead of 500 feet.

And the other purpose was to basically -- by the time they added a garage, at the ground level, they are carving out 500 square feet. So you may as well allow a thousand feet if you are willing to add more upstairs in a commercial way. At the present time, let me check whether that's written that way and we will discuss it. Mr. Grant, does that show as 1,000 square feet? I believe. On page --

Randy Grant: It's on page 27.

Mayor Ortega: Thank you. As it's shown and posted, I want to add on something kind of as an architect, but I believe that for downtown, again, small, narrow lots, they may be only 30 feet wide. I would like to add the possibility of what is called tandem parking.

It would allow one car to be parked in back of another, so it could be a deeper garage and that makes sense if they have a two bedroom or they are building two bedrooms. So that will help everyone concerned.

So, again, if there's no amendment to that -- the only amendment is that we add the possibility of tandem parking. Councilwoman Whitehead.

[Time: 03:57:35]

Councilmember Whitehead: I think we can delete page 28d.

Mayor Ortega: Oh, yes. What is happening is that all of the other acrobatics that were involved we tried to work out the old town -- sorry, the downtown overlay, are crossed out and they are deleted in that -- oh, you said d. Okay.

Councilmember Whitehead: If it's okay, I would like to explain it to any constituent that's watching. As it currently stands a landowner can build four residential units and not have any residential parking. And I'm -- and that was put in the code two, again to incentivize smaller landowners to invest, but what we're doing is we're requiring any residential unit that is built will have parking.

So I just want to make that really clear that we're moving an exception that allowed four units to have no parks and we are replacing it with very reasonable parking accommodations for the smaller landowners and that was -- that's what we passed. Thank you.

Mayor Ortega: Thank you. And Councilmember Durham.

Councilmember Durham: I have a question on page 27, under the Arabic numeral that's highlighted that says this waiver is only available if there's at least one parking spot prior to the expansion. Is that supposed to read prior to the expansion or after the expansion?

Mayor Ortega: I believe it should be after the expansion. The reason I say that is because if there's any expansion involved, it will be a scraper in order to build or third floors and in many cases properties are built to property line already.

Councilmember Durham: Yeah.

Mayor Ortega: So thank you that correction.

Councilmember Durham: The same issue comes up at page 28. It says this waiver is only available if there's at least two parking spaces on site prior to the expansion. I think it's the same issue and maybe Mr. Grant can tell us if something else is intended. I'm not 100% sure what the intention is there.

Randy Grant: Mayor Ortega, Councilmember Durham, the intent was to make sure that there was parking on the lot somewhere. So that we didn't get a lot that had no parking. Somebody came in and got a waiver to add additional square feet and there's still no parking on the lot. If you have parking there prior to the paver, then at least we know there's some parking on the lot after the waiver. Thank you.

ITEM 20 – MOTION #4 AND VOTE

[Time: 04:00:53]

Mayor Ortega: Well, I would ask for tandem parking on this. And I would ask for a second.

Councilmember Whitehead: Mayor?

Mayor Ortega: Thank you. It's been moved and seconded. Councilwoman Whitehead.

Councilmember Whitehead: Yes. Yes. I want to amend your motion to include the removal of item d and I -- and on page 28, there's no more exceptions or exceptions for residential parking in the downtown and I will second that if the mayor accepts my friendly amendment.

Mayor Ortega: In understanding this, we are allowing a -- we're making sure that there's only one dwelling and two parking spaces and why would we want to change that? It seems like it's a useful thing. We are eliminating the four dwelling units with no parking and so I think it's duplicating.

Councilwoman Whitehead: We have parking is required for 1,000 square feet, but this states that there is an exception, a waiver for one dwelling unit added to the development that has -- to me, it doesn't make sense. We've got that one unit already covered in the motion we already passed. If one unit is added, if it has one bedroom, there's one parking space. If it has two bedrooms, there will be two parking spaces, but I think --

Mayor Ortega: I think actually she's probably right on that. Is it covered already on page 27? And then, you know it seems as calling it a waiver is not necessary. And so I would -- I would definitely agree with

striking that d from that -- from the discussion. It also cleans up the prior space question that councilman Durham brought up. So we have that in the second. Are you ready to vote? Any discussion?

Randy Grant: So I understand, on page 27, are we striking one that is highlighted and I on page 28?

Mayor Ortega: That's correct. It's not a waiver. We are requiring that. That's a good clarification. Thank you very much. Thank you, Councilwoman Whitehead. Please mark your vote. Thank you. We will now go on to the I think I'm ready for a full motion. Let me see -- councilwoman -- attorney Scott. Please clarify.

[Time: 04:04:32]

Sherry Scott: I'm sorry, mayor. Staff is trying to figure out exactly where you wanted the tandem parking and if this was consensus on that item. So you -- you raised that item when we were talking about the --

Mayor Ortega: I think on page 33 or 34, for instance, where it says a typical parking space. And there could be an addition or illustration of that. And that is the place to do it. And otherwise you have angle parking and parallel parking. I think having tandem parking could be illustrated there and a figure drawing on page -- after page 33.

Sherry Scott: Randy jump in, because you are better. My understanding with tandem parking, being from Missouri and not having a lot of experience with that is both cars have to move in order for the car to come out. So were you wanting that to be an option across the board or were you wanting that to be an option on just these smaller projects? That have limited parking?

Mayor Ortega: Good question. I would say they would have to be under the same ownership so in other words a two bedroom would have tandem parking because they are required to have two spaces in the downtown small lot situation.

To whether it's appropriate to illustrate it as -- you know with the graphics that you have and your illustration but we could say graphic to follow, but it would actually be possible to add it as another item right under downtown parking for small lot.

Sherry Scott: And again so we know how no write this up, you are thinking it's just for residential units when we're parking one residential quelling that can telephone number parking spots light be allowed hoar are you also thinking there's times when tandem parking spots may be allowed for commercial uses?

Mayor Ortega: Only for residential uses. I think that makes the most sense. Well, at this point, thank you for asking clarification.

Mayor Ortega: Randy?

Randy Grant: I wanted to clarify under the multifamily parking could we repeat what we're making the changed? I know it's one space per six units for guest parking which of the -- which of the ratios were we applying? I heard both of them.

Councilmember Whitehead: Staff recommended ratios for over 20.

Randy Grant: So we have the two categories under multifamily, less than 20 and more than 20 or up to 20 and then have one space per one unit and two spaces per two units for the smaller projected and then the standard ratio for the larger projected?

Councilmember Whitehead: Correct with the 1 to 6. Thank you.

Mayor Ortega: Okay. We have a motion and a second. As amended.

City Clerk Ben Lane: Mayor, I apologize. On the tandem parking item, we did not get a vote from Councilwoman Milhaven.

Councilmember Milhaven: I voted no. Thank you.

Clerk Lane: Okay. Thank you.

Mayor Ortega: And are we ready for the amended motion? Ms. Scott?

[Time: 04:08:52]

Sherry Scott: My apologies again to the council. So that staff is clear, and we haven't missed anything and where to insert tandem parking. We are still working on that right now. Might I suggest, mayor that we take a short resource -- recess on this item, before you do your final vote on the amended parking text amendment move on to boards and commissions and let staff confer to make absolutely sure we have captured you have asked us to and we can review the changes and the finalized documents to make sure that we understood you, that the public understands and the council can vote at that time. Would that be acceptable?

ITEM 21 – BOARDS AND COMMISSIONS APPOINTMENTS

[Time: 04:09:58]

Mayor Ortega: We will move on to item 21 and we will return with the full text. So at this point, I will turn the floor to Vice Mayor Janik to handle our boards and commissions and then we will return to item 20.

Vice Mayor Janik: Thank you, Mayor Ortega. Thank you, mayor. The Scottsdale City Council is responsible for establishing City policies and enacting laws in support of those policies. The Council relies on volunteer, citizen-based boards and commissions to research issues and make

recommendations in support of the Council's mission and goals.

The information and recommendations provided by Council-appointed advisory boards is a valuable tool in helping Councilmembers in their deliberations. This evening, the City Council will be appointing Scottsdale residents interested in serving on citizen advisory boards and commissions. Each nominee was asked to submit written responses for Council review and consideration and was asked to note the following: Their name, address and how long they have lived in Scottsdale. Their education, employment, or volunteer experience and how it relates to the board or commission for which they have been nominated.

And what they view as the top issue facing the board or commission for which they have been nominated. Additionally, nominees had the option in submitting a brief supplemental video highlighting their background and experience. Submitted materials were included as part of tonight's Council meeting agenda packet and were provided to the Council for review and consideration prior to this meeting.

I will review each board and commission and note the nominees for consideration. Following the review, I will entertain a vote for appointment.

ITEM 21 – BOARD OF ADJUSTMENT

[Time: 04:12:02]

Board of adjustment, two openings. There are two vacancies and four nominees. The nominees are: Julian Anderson, Thomas Barrett, Michael Gonzalez. Ryan Wagner.

I will start with Councilwoman Caputi.

Councilmember Caputi: Michael Gonzalez and Ryan Wagner.

Councilmember Whitehead: Michael Gonzalez and Ryan Wagner.

Vice Mayor Janik: Council person Milhaven.

Councilmember Milhaven: Michael Gonzalez and Julian Anderson.

Vice Mayor Janik: Mayor Ortega.

Mayor Ortega: Michael Gonzalez and Ryan Wagner.

Councilmember Littlefield: Michael Gonzalez and Julian Anderson.

Vice Mayor Janik: Myself will be Michael Gonzalez and Ryan Wagner. And Councilmember Durham.

Councilmember Durham: Michael Gonzalez and Thomas Barrett.

Vice Mayor Janik: Thank you. Just a second. Michael Gonzalez and Ryan Wagner have been appointed.

ITEM 21 – ENVIRONMENTAL ADVISORY COMMISSION

[Time: 04:13:36]

Vice Mayor Janik: Environmental advisory commission, one open. There is one vacancy and one nominee. The nominee is: Natalie Chrisman Lazarr. I will entertain a vote for the environmental advisory commission. Okay. So I will start with Councilwoman Whitehead.

Councilmember Whitehead: Natalie Chrisman Lazarr.

Councilmember Milhaven: Natalie Chrisman Lazarr.

Mayor Ortega: Natalie Chrisman Lazarr.

Councilmember Littlefield: Natalie Chrisman Lazarr.

Vice Mayor Janik: Natalie Chrisman Lazarr.

Councilmember Durham: Natalie Chrisman Lazarr.

Councilmember Caputi: Natalie Chrisman Lazarr.

Vice Mayor Janik: I'm so sorry, Tammy. Thank you.

ITEM 21 – HISTORIC PRESERVATION COMMISSION

[Time: 04:14:28]

Vice Mayor Janik: Historic preservation commission, one opening There is one vacancy and one nominee. The nominee is: Linda Davis. I will now entertain a vote for the Historic Preservation Commission. I will start with Councilwoman Milhaven.

Councilmember Milhaven: Linda Davis.

Mayor Ortega: Linda Davis.

Councilmember Littlefield: Linda Davis.

Vice Mayor Janik: Linda Davis.

Councilmember Durham: Linda Davis.

Councilmember Caputi: Linda Davis.

Councilmember Whitehead: Linda Davis.

Vice Mayor Janik: Linda Davis has been appointed. Thank you.

ITEM 21 – HUMAN SERVICES COMMISSION

[Time: 04:15:07]

Vice Mayor Janik: Human services commission, two openings. There are two vacancies and five nominees. The nominees are: Diane Lester, Roger Lurie, Tricia Serlin, Paula Sturgeon, Raoul Zubia.

I will now entertain a vote for the human services commission. Each councilmember can vote for two nominees. I will start with Mayor Ortega.

Mayor Ortega: Raoul Zubia and Roger Lurie.

Councilmember Littlefield: Diann Lester and Tricia Serlin.

Vice Mayor Janik: Roger Lurie and Raoul Zubia.

Councilmember Durham: Tricia Serlin and Roger Lurie.

Councilmember Caputi: Paula sturgeon Raoul Zubia.

Councilmember Whitehead: Raoul Zubia and Roger Lurie.

Councilmember Milhaven: Paula Sturgeon and Raoul Zubia.

Vice Mayor Janik: Okay. Roger Lurie and Raoul Zubia have been appointed.

ITEM 21 – LIBRARY BOARD

[Time: 04:16:29]

Vice Mayor Janik: Library board. One opening. The Library Board advises the City Council on general policy relating to the programs, services and future development of the libraries. There's one vacancy and one nominee. The nominee is: Janet Smigielski. Sorry.

I will now entertain a vote for the library board. I will start with Councilwoman Littlefield.

Councilmember Littlefield: Janet.

Vice Mayor Janik: Myself Janet.

Councilmember Durham: Janet Smigielski.

Councilmember Caputi: Janet Smigielski.

Councilmember Whitehead: Janet Smigielski.

Councilmember Milhaven: Janet Smigielski.

Mayor Ortega: Janet Smigielski.

ITEM 21 – LOSS TRUST FUND BOARD

[Time: 04:17:20]

Vice Mayor Janik: Loss trust fund board, there's one opening. There is one vacancy and one nominee. The nominee is: Linda Wannie. I will start with myself. Linda Wannie.

Councilmember Durham: Linda Wannie.

Councilmember Caputi: Linda Wannie.

Councilmember Whitehead: Linda Wannie.

Councilmember Milhaven: Linda Wannie.

Mayor Ortega: Linda Wannie.

Councilmember Littlefield: Linda Wannie.

Vice Mayor Janik: Linda Wannie has been appointed.

ITEM 21 – MCDOWELL SONORAN PRESERVE COMMISSION

[Time: 04:18:00]

Vice Mayor Janik: McDowell Sonoran Preserve commission, there are two openings. There are two vacancies and five nominees. The nominees are: Robert Borsch, Todd Shaffer, Robert Fishman, Jeffrey Smith, Kerry Olsson.

I will now entertain a vote for the McDowell Sonoran Preserve commission. Each councilmember can

vote for two nominees. I will start with council member Durham.

Councilmember Durham: Jeff Smith and Kerry Olsson.

Councilmember Caputi: Robert fishman, Kerry Olsson.

Councilmember Whitehead: Kerry Olsson, Jeffrey Smith.

Councilmember Milhaven: Robert Borsch and Jeffrey Smith.

Mayor Ortega: Kerry Olsson and Jeffrey Smith.

Councilmember Littlefield: Kerry Olsson and Jeffrey Smith.

Vice Mayor Janik: Myself, Kerry Olsson and Jeffrey Smith. And Kerry Olsson and Jeffrey Smith have been appointed.

ITEM 21 – NEIGHBORHOOD ADVISORY COMMISSION

[Time: 04:19:15]

Vice Mayor Janik: Neighborhood advisory commission, one opening. There is one vacancy and three nominees. The nominees are: Dawn Abel, Ragan Grossman, Bridget Schwartz-Manock. I will now entertain a vote for the neighborhood advisory commission.

Each councilmember can vote for one nominee. I will start with Councilwoman Caputi.

Councilmember Caputi: Bridget Schwartz-Manock.

Councilmember Whitehead: Bridget Schwartz-Manock.

Councilmember Milhaven: Bridget Schwartz-Manock.

Mayor Ortega: Bridget Schwartz-Manock.

Councilmember Littlefield: Dawn Abel.

Vice Mayor Janik: Bridget Schwartz-Manock.

Councilmember Durham: Dawn Abel.

Vice Mayor Janik: Bridget Schwartz-Manock has been appointed.

ITEM 21 – PARKS AND RECREATION COMMISSION

[Time: 04:20:22]

Vice Mayor Janik: Parks and recreation commission, one opening. There is one vacancy and two nominees. The nominees are: Steve Masear, Teresa Kim Quale.

I will now entertain a vote for the Parks and Recreation Commission. Each Councilmember can vote for one nominee. I will start with Councilwoman Whitehead.

Councilmember Whitehead: Teresa Kim Quale.

Councilmember Milhaven: Teresa Quale.

Mayor Ortega: Teresa Kim Quale.

Councilmember Littlefield: Teresa Kim Quale.

Vice Mayor Janik: Teresa Kim Quale.

Councilmember Durham: Teresa Kim Quale.

Vice Mayor Janik: Teresa Kim Quale --

City Clerk Ben Lane: Ms. Vice Mayor.

Councilmember Caputi: She's doing it on purpose now. Teresa Kim Quale.

Vice Mayor Janik: Thank you. So Teresa Kim Quale has been appointed.

ITEM 21 – PLANNING COMMISSION

[Time: 04:21:28]

Vice Mayor Janik: Now on the planning commission. There are two vacancies and eight nominees. David Brotman has withdrawn his application from consideration. The nominees are: Mark Edelman, Barney Gonzales, Anthony Leavy, Daniel Lupien, Kevin Maxwell, Patricia O'Neil, Joshua Rush, Christian Serena.

I will now entertain a vote for the planning commission. Each councilwoman can vote for two members.

Councilmember Caputi: Mark Edelman, Kevin Maxwell.

Councilmember Whitehead: Barney Gonzales, Christian Serena.

Councilmember Milhaven: Mark Edelman and Daniel Lupien.

Mayor Ortega: Barney Gonzales and Christian Serena.

Councilmember Littlefield: Christian Serena Anthony Leavy.

Vice Mayor Janik: Christian Serena and Barney Gonzales.

Councilmember Durham: Christian Serena and Barney Gonzales.

Vice Mayor Janik: Barney Gonzales and Christian Serena have been appointed. Okay.

ITEM 21 – PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM BOARD

[Time: 04:22:53]

Now the public safety personnel requirement system boards. One opening. Pursuant to A.R.S. 38-847, the Public Safety Personnel Retirement System Boards, Police local and Fire local, are responsible for deciding all questions of eligibility and service credits, and determines the amount, manner, and time of payment of any benefits under the Public Safety Personnel Retirement System proposed appointment of Ken Strobeck to serve on the Public Safety Personnel Retirement Boards for a four-year term.

Mr. Strobeck has been a resident of Scottsdale for 10 years and formerly served as the Executive Director of the League of Arizona Cities and Towns.

ITEM 21 – PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM BOARD MOTION AND VOTE

[Time: 04:23:47]

Vice Mayor Janik: The Mayor's appointment of Ken Strobeck requires City Council affirmation; therefore, I move to approve Mayor Ortega's appointment of Ken Strobeck to the Public Safety Personnel Retirement System Boards. Do I have a second?

Councilmember Whitehead: I will second that.

Vice Mayor Janik: Thank you. Any further discussion? Seeing no discussion, Council, please place your vote.

Councilmember Milhaven: Yes.

Vice Mayor Janik: Congratulations to Mr. Strobeck for being appointed to the Public Safety Personnel Retirement System Boards. That was a mouthful! This concludes our appointment process for today. I would like to thank all our nominees for their interest in serving on a city board or commission. We are fortunate to continue to receive qualified applicants for the positions on our Boards and

Commissions.

Even if you were not appointed today, your application will remain on file for consideration at a future date if there are additional vacancies. City staff will contact the individuals appointed this evening and provide them information regarding their appointment. The City of Scottsdale is very fortunate to have such dedicated and talented individuals who are willing and ready to serve for our city. I now turn meeting back to the mayor. Thank you.

ITEM 20 – PARKING TEXT AMENDMENT (5-TA-2020)

[Time: 04:25:17]

Mayor Ortega: Excellent. Thank you, very, very much. At this point, are waiting on the final text which is the follow-up which staff is doing on our discussion of the parking text amendment. It's item 20. It's number 5-TA-2020. And we will share a moment of silence, unless there's more. This is where we want to cue the music.

Once again, I have nothing but praise for our acting at the treasurer. Thank you very much for your dedication. Could you please tell us a little bit about your interaction with the newly appointed treasurer and when she will take office. Thank you.

Acting City Treasurer Judy Doyle: Yes, Sonia Andrews will be joining us June 1st. She comes to us from the city of Peoria. I have been having a bit of email communication with her I think the last communication she indicated she is busy packing. She's on her way to making the move and we are excited to have her. We plan to have a little welcome get together, meet and greet for her when she arrives. So looking forward to it. And I just wanted to say it was my pleasure serving. So thank you very much for the recognition.

Mayor Ortega: Councilwoman Littlefield.

Councilmember Littlefield: I would like to thank you also for a very well done job. Thank you.

Mayor Ortega: So at this point, if staff is ready, we would just like a read back on the actions that we took regarding the amended ordinance pertaining to the parking, and that was resolution -- is resolution 12141. Mr. Grant, would you like to -- are you with your support group or would you like to --

Randy Grant: Thank you, mayor. There's the legislative draft. I think we are looking at accepting the changes in the legislative draft, except nor guest parking on page 7, it becomes one space per 6 units instead of eight.

There's no changes until the hoe Pell ravel accommodations on page 13 and the exception is in the exception parked exception. It goes from 5,000 square feet to 2,000 square feet. On dwellings on page 15. That section is broken out into two sections.

The yellow highlight on the screen is what was added this evening and it says for developments of 20 units or less, the parking ratio is one space per one bedroom, two spaces per two bedroom, and there is no requirement for guest parking. For projects of more than 20 units, the requirement is as staff recommended. And there is a guest parking requirement of 1 per 6. There are then no changes until page 27 of 43. In the downtown overlay.

Under iii1, that sentence is stricken, that waiver is available only if there's one parking space prior to. On page 28, di subparagraph, that sentence is removed. This waiver is only available if there's at least two parking spaces. We are adding a sentence on 38 of 43 and it becomes c, and then all of the following will be renumbered accordingly.

Zoning administrator may administratively approved tandem parking spaces for residential units under the same ownership. And I believe that is -- that's the extent of the changes that I had.

Sherry Scott: Mayor, can I ask one question because I didn't have an opportunity to review this on final before we came back out. I thought that that was going to be limited to the downtown.

Randy Grant: That's correct. It is.

Sherry Scott: I don't see that language limiting it. Is it somewhere? Is it somewhere else that I'm missing in the or Nance or does that -- ordinance or does that need to be written? Oh, I see it now. Sorry.

Mayor Ortega: Page 38. It's there. And Councilwoman Whitehead.

Councilmember Whitehead: Yes, page 28, so there is no longer a residential additional parking waiver. It's d and 1, I guess i that needs to be stricken on page 28.

Randy Grant: Yes, that's correct.

[Time: 04:31:38]

Mayor Ortega: Well, we are all responsible for this. Councilwoman Caputi, do you have a comment?

Councilmember Caputi: I want to make one more comment. I think this is good. You know, the world is changing. We have to stay flexible. I think these are fairly reasonable, incremental changes that we have made that are based on facts. I do want to just ask a quick question. Councilwoman Whitehead and councilman Durham had prepared some interesting solutions for other problems that we have if parking that I don't think we got a chance to address tonight and while I think these are reasonable, there are actually some spot specific issues in our city that we could still continue to have dialogue on, and will we have an opportunity to do that at some point?

Mayor Ortega: Sure. At this point we will just stick to -- I'm sure we will definitely follow up on that.

Councilmember Caputi: Okay.

Mayor Ortega: We shared the information. We're improving enforcement in the other areas.

Councilmember Caputi: Again, everything is interrelated and we still have issues that need to be tended to, I think, but this is a reasonable first start. Thank you.

Mayor Ortega: Thank you.

Bryan Cluff: Mayor Ortega and council, I apologize, this is Bryan Cluff, just to clarify, Councilmember Whitehead's last statement regarding the residential waiver in the downtown overlay. Was I clear that this completes section d that's up on the screen now is to be stricken?

Councilmember Whitehead: Yes, because there no longer is any waiver for residential parking. We have assigned it a quantity. So yes.

[Time: 04:33:25]

Bryan Cluff: Okay. I have that. Thank you for the clarification.

Councilmember Whitehead: And mayor can I speak? I really appreciate Councilwoman Caputi's response. It's almost 10:00. So I had forgotten and she -- yeah, we spoke to a lot of stakeholders. Can I just say that we're going to hand the ideas that each of you received from staff, that councilman Durham and I compiled can I just say that we are going to be handing these to staff and staff will come forward with a plan in six months. Is that sufficient?

Because everybody on council has received these. And absolutely, we want -- the ultimate goal is to make it so that parking is not a problem downtown and it needs to be solved in a number of different ways. Thank you, Councilwoman Caputi for bringing it up. Thank you, mayor.

ITEM 20 – MOTION AND VOTE

[Time: 04:34:16]

Mayor Ortega: Thank you. I will entertain a motion to pass regarding the -- Vice Mayor Janik.

Vice Mayor Janik: I so move.

Sherry Scott: So can I just clarify?

Mayor Ortega: Yeah.

Sherry Scott: And I'm really going to try hard to make in the last time tonight that I interrupt the council on this important item. But just to clarify the motion would be to adopt ordinance number 4500 and adopt resolution 12141 declaring a parking text amendment legislative draft as a public record as

amended during the council meeting tonight?

Mayor Ortega: And I will second from Councilwoman Littlefield. Any further discussion?
Please mark your vote.

Councilmember Milhaven: No.

Mayor Ortega: Carried 6-1. At this point, I do want to acknowledge that I would consider your request as a mayor and council item. So that would be in order and I acknowledge that. At this point, is there any other mayor or council item?

ADJOURNMENT

[Time: 04:35:33]

Mayor Ortega: Accordingly, I will entertain a motion to adjourn.

Councilmember Whitehead: So moved.

Councilmember Caputi: Second.

Mayor Ortega: Thank you, please indicate your vote.