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CALL TO ORDER

[Time: 00:00:]

Mayor Ortega: I call the February 6th, 2024, City Council Regular Meeting and Work Study Session to order. City Clerk Ben Lane, please conduct the roll call.

ROLL CALL

[Time: 00:00:09]

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

Mayor Ortega: Present.

City Clerk Ben Lane: Vice Mayor Solange Whitehead.

Vice Mayor Whitehead: Here.

City Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilwoman Caputi: Here.

City Clerk Ben Lane: Tom Durham.

Councilmember Durham: Here.

City Clerk Ben Lane: Barry Graham.

Councilmember Graham: Here.

City Clerk Ben Lane: Betty Janik.

Councilwoman Janik: Here.

City Clerk Ben Lane: And Kathy Littlefield.

Councilwoman Littlefield: Here.

City Clerk Ben Lane: City Manager Jim Thompson.

City Manager Thompson: Here.

Clerk Ben Lane: City Attorney Sherry Scott.

City Attorney Sherry Scott: Here.

City Clerk Ben Lane: City Treasurer Sonia Andrews.

City Treasurer Andrews: Here.

City Clerk Ben Lane: Acting City Auditor Lai Cluff.

Acting City Auditor Lai Cluff: Here.

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

Mayor Ortega: Excellent. We have Police Sergeant Sean Ryan, as well as Detective Dustin Patrick, and firefighter Brent Wheeler should anyone need assistance. I will point out the restrooms are to my left. No one is allowed beyond the barrier there, just past that entrance. At this point, I would ask Councilman Tom Durham to lead us in the pledge.

PLEDGE OF ALLEGIANCE

[Time: 00:01:10]

Councilmember Durham: 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.

MAYOR'S REPORT

[Time: 00:01:46]

Mayor Ortega: At this time, I do want to call our attention to the ongoing wars in countries as they are trying to protect their democracy and freedom, but also to stop in reflection because three Americans were killed in the line of duty and two others, American seamen were killed and missing trying to keep the peace in the Middle East. So let's stop and reflect on that. We had Arizona casualties as well. Our guardsmen are on duty, and several were injured in those missile explosions. And the city of Scottsdale employees are very engaged in the reserves as well. So, let's stop and reflect.

Mayor Ortega: Thank you. Well, we wrapped up Western Week and, of course, the TPC and rain is underway. I think weather is in the news for some reason. I'm not sure. But we, I did want to give a heads up, Spring Training is coming. It's around the corner. Tickets are on sale right now. The first game is, I believe, the 24th with the San Francisco Giants and the Cubs. So that's a great opening day to look forward to. Let me call on City Manager Jim Thompson to provide the City Manager's Report.

CITY MANAGER'S REPORT

[Time: 00:03:47]

City Manager Thompson: Thank you, Mayor. Members of Council, this evening we have a short video for you.

Audio from video: Hi, I'm Public Affairs Specialist, Stephanie Hirata with five fast things happening around the city that you need to know. Starting us off at number five, if you didn't make it to the Barrett-Jackson Auto Auction this January, you can check it out this fall. Barrett-Jackson announced the new 2024 Scottsdale fall auction October 10th through the 13th at WestWorld. The four-day event will feature new entertainment and lifestyle elements further elevating the guest experience and building additional enthusiasm in anticipation for the iconic nine-day Scottsdale auction held every January. Tickets and additional information will be announced at a later date.

Coming in at number four, we have a new Podsdale episode, Exploring Vitality, unveiling Scottsdale senior services. From recreation to social services and health and wellness programs, Scottsdale senior services provides a range of offerings designed to foster connection, engagement, and well-being. Learn more about Scottsdale's inclusive senior programming and efforts to ensure that every individual has

the opportunity to thrive in their golden years. To listen, search Podsdale on your favorite podcast app and don't forget to subscribe.

Next up at number three is phase one of the Indian Bend Wash lakes and irrigation improvements are underway between Murray Lane and McDowell Road. The Eldorado Park ballfield, playground, and amphitheater immediately east of the pool are closed through the end of April. The multiuse path on the east side of the park is open and provides a through connection along the wash. For project updates, visit Scottsdaleaz.gov and search Indian Bend Wash lakes and irrigation.

At number two, the 187th birthday of Scottsdale's founder Winfield Scott will be celebrated at 11 a.m. Monday, February 26th in front of the Little Red Schoolhouse. Join the Scottsdale Historical Society, the City of Scottsdale, and the Daughters of American Revolution Winfield Scott Chapter as they mark this event in the history of our community. We hope to see you there.

Wrapping things up at number one, it's time to shine the spotlight on those making our city a more sustainable place. The Sustainable Scottsdale Awards are back! Celebrating local champions who are leading the way in environmental stewardship. Do you know a business, individual or organization that deserves recognition? Now is the time to share their achievements. Submit a nomination at Scottsdaleaz.gov and search Sustainable Scottsdale Awards. And that's our Fast Five for February. Thanks for watching.

[Time: 00:06:55]

Mayor Ortega: Thank you. That was conclusion of the City Manager's Report. For the record, during tonight's meeting, the Council may make a motion to recess into Executive Session to obtain legal advice on any applicable item on the agenda. If authorized by the Council, the Executive Session will be held immediately and will not be open to the public. The public meeting would then resume following an Executive Session.

Also, per our City Council Rules of Procedure, citizens attending City Council meetings shall observe the same rules of order and decorum applicable to members of the Council and city staff. Unauthorized remarks or demonstrations from the audience such as applause, stamping of feet, whistles, boos, yells, and or other demonstrations shall not be permitted. Violation of these rules could result in the removal from the meeting by security staff.

And, again, for the record these are Council rules. They are house rules. They were adopted by the previous Council and certainly by our Council as well. It also helps the meeting run a lot faster. Sometimes in between a session, there might be a lot of people leaving and discussing, but we want to keep everything running smoothly. We now enter into public comment.

PUBLIC COMMENT

[Time: 00:08:17]

Public comment is reserved for Scottsdale citizens, Scottsdale business owners, and/or property owners to comment on non-agendized items that are within the Council's jurisdiction. Advocacy for or against a candidate or ballot measure during a Council meeting is not allowed pursuant to state law and is therefore not deemed to be within the City Council's jurisdiction. No official Council action can be taken on public comment items and speakers are limited to three minutes to address the Council.

If you wish to speak, of course you can check with the Clerk, and I'm told we have one request for a non-agendized public comment. An individual Jason Alexander. Come forward. State your place of residence and then three minutes, sir. Thank you.

[Time: 00:09:15]

Jason Alexander: Good afternoon. Jason Alexander. My address is on record. And to the city staff folks, I would like to use the overhead, please. So a couple of weeks ago, Dan Worth from our city's Public Works Department shared this spreadsheet. I'm sorry that unfortunately it's not showing the whole page here. But this spreadsheet went over in detail the data behind the, thank you, the data behind the city's decade's long effort to bulk up our road system, to add lanes to our roads. And we see that almost 75 lane miles are added to the roads currently in the recent past and in the very near future and there will be an additional 50 plus miles added as part of the Transportation Action Plan for a total of nearly 125 miles of extra lanes in our city's roadway system.

Now, this corresponds to these graphs that I know the Council has seen. I was up here presenting about them a couple of weeks ago. This just shows the existing plans in a graphical format, and you can see all the way up into the right the 75 odd miles of net lane increases. And this shows the Transportation Action Plan also, yielding what will be about 50 miles of bulking up of our roadways.

So given that the data shows just how much we're adding to the transportation system, I went on the city's website and searched for the term "road diet." And I actually found it in only one place. It was in the Transportation Department's FAQ page, and you can see it right here. It says, "What is the difference between road restriping and a road diet?" And it said road restriping coincides with pavement changes, adding or removing lanes through painting and through the actual paint of the roadway. There are no curb changes. The physical roadway does not change. And this FAQ section concludes by saying a road diet is not an approach or term used in the Scottsdale Transportation Action Plan.

So given that the city's policies and the data completely dispel the idea that Scottsdale is dealing with runaway road diets or endless road reductions, I would humbly ask everybody in our community, City Council, candidates running for City Council, and some of the other activists and commenters that engage in our civic dialogue to stop using this inaccurate term "road diets." Specifically, I would humbly ask Bob Littlefield to stop using the term in his Scottsdale Special page. I would humbly ask Susan Wood to stop using the term "road diet" in Protect Scottsdale. And I would humbly ask our friend Rob Pritchett to stop using "road diet" in his Scottsdale EDGE mailer and his Scottsdale Voter Twitter account. Our citizens deserve truth, accuracy, and collaboration. Thank you.

MINUTES

[Time: 00:12:31]

Mayor Ortega: Thank you. With that, I would close public comment. Next, we have consideration of our Council Minutes. I request a motion to approve the Special Meeting Minutes of January 9, 2024, the Executive Session Minutes of January 9, 2024, Regular Meeting Minutes of January 9, 2024.

Councilwoman Janik: So moved.

Vice Mayor Whitehead: So moved. Second.

Mayor Ortega: Thank you. We have a motion and a second. Please record your vote. We are unanimous. And we are moving on.

CONSENT AGENDA

[Time: 00:13:06]

At this point, we have Consent Agenda Items Number 1 through 16. Items are fully documented, on file, and are posted. At this point, we do have an opportunity for the public to comment on any of the agenda items. And I would call on Christian Stanft to come forward and wants to speak on Item Number 11. Welcome, sir.

[Time: 00:13:44]

Christian Stanft: Hello, Mr. Mayor, Madam Vice Mayor, members of the Council. My name is Christian Stanft, I'm a lifetime resident of Scottsdale and I work for the Boys and Girls Club of Greater Scottsdale and that's Item 11 on your packet there, just wanted to give some context to that. That item involves us putting a sign on the room there in the Eldorado Park Community Center which is where our Hartley and Ruth Barker Branch is located because the Panda Cares Foundation gave \$45,000 so that we could build a homework room where kids who go to school on the Coronado Learning Complex, and some who go to Arcadia and Saguaro as well, will have a room that's specifically dedicated to them with new furniture, fresh paint, a comfortable area, a technology package, and everything they would need to succeed in school.

So every day, about 200 kids attend the Hartley and Ruth Barker Branch and they do everything from learn how to use 3D printers to learn how to read in English because a large population of our kids at that branch are learning English as their second language. And so, what we've done, is create a space there where kids can tell that their community, their Boys and Girls Club, and their local Panda Express restaurants are all invested in helping them get up to grade level in terms of their reading and get homework help every day from club staff, volunteers, and in some case teenagers who attend the club. So, we're very excited about that space. We certainly invite you, if you want to be inspired at any point,

to come into the Barker Branch and take a look at that room and see all the kids to doing their homework and how excited they are to have a space with brand new furnishings, fresh carpet, new paint on the walls, and a beautiful space that communicates to them very clearly that their community cares about them and is very encouraged to or wants to encourage them to succeed academically, as well as in other ways.

So that's that item on your agenda and I know on your agenda there. I know it's a little passing thing about a sign, but it does represent homework help for around 200 of Scottsdale's learners here and gives us a chance to help the wonderful teachers who work in the city of Scottsdale and help to provide kids with an opportunity to grow and achieve their full potential and become contributing members of our society in our beautiful city. Thank you very much for your vote upcoming and we appreciate it and a standing invitation for any of you to come down and check out the Panda Cares Center of Hope at the Hartley and Ruth Barker Branch. Thank you.

Mayor Ortega: Fantastic, thank you so much. Also were there any other speakers from the public? At this point, I would call on Councilmembers, if they have any comments or need more information on any of the Consent Agenda Items. I see Councilmember Graham and then Councilwoman Janik.

[Time: 00:16:19]

Councilmember Graham: Thank you, Mayor. I don't want to pull these items, but can we hear just a little bit about Items Number 8, Number 9, and Number 12? Number 8 relates to the Doubletree Ranch Bridge, near Via Linda. Number 9 is the \$1 million, to go back to Number 8, that would probably be Dan Worth or Mark Melnychenko or Alison Tymkiw, okay, she's coming down. And then Number 9 is \$1 million related to the Roundhouse Project. Judy Doyle probably would be the one or she would assign a designee. And then if Karen Churchard is here to talk about the, I just wanted to hear a brief amount about the incorporation of the Museum of the West Museum integrated with the Persian New Year if she's available to talk but I'm not pulling them from Consent, Mayor.

Mayor Ortega: No problem. And, again, just for added clarification, we have Chief Engineer Ms. Tymkiw to talk about Item Number 8.

Councilmember Graham: And really, I could just ask my questions and then.

Mayor Ortega: Just an overview.

Councilmember Graham: Okay. You want her to provide an overview?

Mayor Ortega: Well, okay, if you have a particular question then perhaps that's more efficient.

Councilmember Graham: So I guess I was just going to ask, so were there any inaccuracies from the third-party independent inspection report from point engineers about the disrepair or the depreciation of the bridge, the Doubletree Road bridge? Because there's a substructure that I think the wood that

was the concern?

[Time: 00:18:07]

Alison Tymkiw: Yes, Mayor, Councilmember Graham. No, there were no deficiencies that we found in that report. The project was originally funded for design in the upcoming fiscal year and construction in the following fiscal year. We're simply moving the funding to the current fiscal year so we can start design and the reason for that is the wood substructure of the bridge is causing some slight movement. It's not causing any danger. It's not impending replacement, but what it's doing is causing maintenance issues to the pavement above it. The pavement is cracking and spalling, and we are constantly having to correct the asphalt and it's not cost effective to continue doing that.

Councilmember Graham: So if we are moving that up, we are not moving anything back, or we're not swapping anything out from the CIP and the Y projects and what's moving above or below the line?

Alison Tymkiw: No, that's correct. We're simply just moving funding forward.

Councilmember Graham: Okay. And then my last question on that, was the project price tag increased about 20% from 4.8 to 5.8?

Alison Tymkiw: That's correct. Councilmember, Graham, we did, we revisited the cost estimate for that project, and we determined that it's in the \$5 million range but that is prior to doing any design so once we actually do the design of the project, we will have a really solid estimate.

Councilmember Graham: Okay. Thank you.

Alison Tymkiw: Sure.

Councilmember Graham: Thank you, Mayor. That's all I had for Number 8.

Mayor Ortega: Okay, well, you have the floor so did you want to, excuse me, let me turn to Councilwoman Janik and then Vice Mayor Whitehead.

[Time: 00:19:56]

Councilwoman Janik: Thank you, Mayor. I just wanted to thank the speaker. Thank you, for Number 11, for caring about our students, for caring about our kids, and for making a huge difference in our great appreciation for everything you bring and everything they are capable of doing. So, thank you.

Mayor Ortega: Thank you. Vice Mayor Whitehead.

[Time: 00:20:17]

Vice Mayor Whitehead: Yeah, I just wanted to speak to the Preserve item that's on our Consent Agenda. There's so much that this government does, that the public doesn't even know, but setting aside land is only one small part of preserving it. So this work that we do to ensure that invasive plants don't take over our Preserve and don't create a fire risk, and we saw a fire last year, is so important. So thank you, staff, and I'm glad we're getting that funded and continuing to work to protect our Preserve.

Mayor Ortega: Thank you. And I have just positive comment about Item Number 9, the Scottsdale Railroad and Mechanical Society, donated \$1 million to improve as part of the Roundhouse Project. Very kid-friendly and it's a single item, so it's better that we not have to add it to our overview and add mark up on top of that to, so it's a net savings to the City and it's a greater benefit for the community. So that's what that transaction is about. I don't see any further hands up.

Councilmember Graham: Mayor. Sorry, I wanted to just talk about Number 9 real quick.

Mayor Ortega: Okay.

Councilmember Graham: And then number 12 before we vote on the Consent.

Mayor Ortega: Thank you. Press that request to speak again. I also, I wasn't sure if 9, so I commented on Number 9. And go ahead.

Councilmember Graham: Just for the staff designee if they are available to speak on that. I just wanted to get a little more information about we're returning that and then we're, just to kind of clarify it for the record.

[Time: 00:22:08]

Stephanie Tippett: Good evening, Mayor Ortega, members of City Council, my name is Stephanie Tippett, I'm a Parks and Recreation Manager for the City of Scottsdale and I oversee the McCormick-Stillman Railroad Park Operations and Maintenance. To give you a little context to the \$1 million that will be going back to the Mechanical Society, that is for them to fully purchase and manage the contract with Creative Machines who will be building the interactive play structure that will be inside the Roundhouse Project. So they will be managing that contract and purchasing that piece of equipment. Right now, that structure is still in design, final design, however, right now it's estimated to be about \$1.6 million, and the Society will fully fund the purchase of that structure.

Councilmember Graham: Stephanie did you happen to get an email from a resident? His name was Mr. Kyle Davis about some design features? I didn't know what you thought about those and those images he sent, they seemed pretty cool.

Stephanie Tippett: Absolutely. So the public comment from Kyle Davis, the citizen here in Scottsdale, talked most specifically about some splash pad elements that he was hoping to see in design. Our current design on the splash pad piece of the Roundhouse Project does have a couple items that will be

plumbed for future development, should there be additional budget that we can identify whether that be within the parks budget or within the project budget to add additional elements.

Councilmember Graham: Yeah, see the Council, we want more features but the same price, don't we?

Stephanie Tippet: Correct.

Councilmember Graham: What is the budget on this? Are we still on budget, ahead of schedule, like always?

Stephanie Tippet: Yes, we are still on budget and that's part of your Consent Agenda Item.

Councilmember Graham: Okay, thank you Stephanie for coming up and explaining that and I was curious if you got that feedback from that resident, so I appreciate it, thank you.

Stephanie Tippet: We did, thank you.

Councilmember Graham: And then my last question, Mayor, and then I'll probably be quiet. If Karen is here, I just wanted to hear a little about the Persian New Year's Festival and how we're incorporating the Museum of the West, the City's asset.

[Time: 00:24:11]

Karen Churchard: Thank you Mayor, Councilmembers, Councilmember Graham. The Persian New Year's Festival is an event that has been in Scottsdale since 2018 and this year they are actually expanding it from a one-day event to a four-day event and they are incorporating two of our facilities, both the Museum of the West and the Grease Paint Theater. On Wednesday evening, they're going to have a fashion show inside the Museum of the West and then on Thursday evening, they are doing a musical performance at the Stagebrush. So, we are very happy that they are expanding the event and that they are also utilizing some of our city venues.

Councilmember Graham: Do you plan to use the Museum of the West facilities to incorporate some of these for more of these types of events?

Karen Churchard: Absolutely, in fact I just met yesterday with Todd Bankofier, the president and C.E.O. of the museum and we talked a lot about they've really have been focusing on having private events and other, open to the public events in their facilities and that's really gone a long way for them to really showcase the museum. He mentioned specifically that a lot of people come to those private events and say, they didn't know about the museum, and they can't wait to come back with their families.

Councilmember Graham: Very good. Well, thank you, Karen, for indulging the questions and appreciate the information.

Karen Churchard: My pleasure.

Councilmember Graham: Mayor, no further questions. I'm not pulling anything off the Consent. I threatened to but I didn't.

Mayor Ortega: Thank you very much. And I will add the Persian Festival added a float to the Parada and that added a lot of color in action. Let me call on Vice Mayor Whitehead, please.

[Time: 00:25:48]

Vice Mayor Whitehead: Thank you, Mayor. I will motion to approve Consent Agenda Items 1 through 16.

Councilwoman Littlefield: Second.

Mayor Ortega: Thank you. We have a motion and a second. Any further discussion? Seeing none, please record your vote. Great. We are unanimous.

REGULAR AGENDA

[Time: 00:26:09]

ITEMS 17 AND 18 – AXON MINOR GENERAL PLAN AMENDMENT AND AXON REZONING

Next, we will move on to the Regular Agenda and in particular, we have Items 17 through 19, however, as we will take Items number 17 and 18 as one motion. These items will be considered by the Planning Commission at a future meeting. They pertain to Axon Minor General Plan Amendment 3-GP-2023, and Item 18, Axon Rezoning, Case Number 13-ZN-2020 Number 2. And these items have not received recommendations from the Planning Commission. City staff is requesting these items be continued to a future City Council meeting. May I have a motion that Items 17 and 18 be moved to a future City Council meeting?

Councilmember Durham: So moved.

Councilwoman Janik: So moved.

Mayor Ortega: Thank you, we have a motion.

Vice Mayor Whitehead: Second.

Councilwoman Littlefield: Second.

Mayor Ortega: Second. Any discussion? Please record your vote. Thank you. We are unanimous.

ITEM 19 – HEADWATERS RESIDENTIAL HEALTHCARE FACILITY REZONING

[Time: 00:27:33]

Next, we have Item Number 19, known as Headwaters Residential Healthcare Facility Rezoning, Case Number 16-ZN-2022, the presenter is Greg Bloemberg, Principal Planner, and then we will have a staff presentation and then the applicant. And then also move to public comment. Please proceed, Greg.

Greg Bloemberg: Thank you, Mayor Ortega and Councilmembers, Greg Bloemberg here to give you an introductory presentation on Case 16-ZN-2022, the Headwaters Residential Healthcare Facility. The site is located at the southeast corner of 100th Street and Frank Lloyd Wright. I want to draw your attention to the west side of 100th Street. There's a park on the west side of 100th Street and there's also a school on the west side of 100th Street, as well as some local serving commercial at the southwest corner of 100th and Frank Lloyd Wright. A closer look at the site. The existing building on the property is called the Belmont Residential Healthcare Facility which is a specialized residential healthcare facility. It's been in operation for some time. This application is for the remainder of the site and to the south and to the east is single family residential. Currently, the zoning on the property is Planned Neighborhood Center, Planned Community District, PNC-PCD. If this application is approved, the zoning will change to Planned Community District Commercial Office, P-C C-O.

So, a little summary and background for you, the request is for a new minimal residential healthcare facility consisting of 269 units. The rezone is needed due to site area restrictions for residential health care facilities in the PNC zoning. The current zoning only allows 40% of the overall development plan area to be occupied by residential healthcare facility, obviously if we are going to add another one, that needs to change, so the request is to get this to go to C-O so that doesn't apply. The request also includes a reduction of the landscape buffer along the south property line from 98 to 40 feet that was originally required from the original zoning case, and I will get into that in just a second. The proposal replaces a plan that originally called for mixed-use commercial on this site. And public comment has been received and is in your report.

So, this is the site plan that was approved with Case 61-ZN-1982-3. It's a little blurry but it's the best I could do with an older case. So, this is the Belmont site. Oops. Here, and all of these buildings here are commercial buildings. It was going to be a mixed-use commercial center and a bank. I think the main reason for that 98-foot landscape buffer at the time was to protect the single family to the south from the intensity of that commercial use. It may not be quite as significant now that we are doing something a little less intensive in terms of commercial versus residential healthcare facility that's what I'm thinking anyway.

This is the site plan. The higher building, the tallest building is in the center of the site surrounded by surface parking. There's two points of access, one off of Frank Lloyd Wright and one off 100th Street. One the things I wanted to point out about the 100th Street entry is the applicant has agreed, and stipulated to provide an enhanced pedestrian crossing at that location, at the recommendation of Transportation, and the main reason being is that folks that live in this particular community might want to take

advantage of that park across the street or the commercial at the corner and rather than making them work all the way out to the intersection, they can use an enhanced crossing that would include, if I can remember correctly, a rapid, rectangular something, something. Like flashing lights like we have over here at Miller and Osborn.

[Time: 00:32:13]

And then the buildings along the south property line are limited to single story. They are cottages. So there's no major height along that south property line. I'm sure that was intentional. The applicant can get into that a little more. And there is a lot of trees along that south property line as well that would provide some good buffering and protection for the single family. Landscaping-wise, one the things we had to consider while reviewing this was the Frank Lloyd Wright design guidelines and I know design is not really what you are typically focusing on, but I wanted to point out that the landscaping does respond to those guidelines. Saguaro cacti are provided at a rate of one per 100 linear feet of street frontage as recommended by the guidelines and trees along Frank Lloyd Wright Boulevard shall consist of at least 50% Palo Verde, Palo Brea, and Mesquite species. This layout does comply with these guidelines and it's a pretty solid street frontage in terms of streetscape. A lot of landscaping proposed.

And now I just want to show you again what the south property line looks like next to the single family residential. There's quite a few trees proposed. There's also a stipulation in the report that the applicant has agreed to, to preserve as many of the mature trees on the site as possible or let them remain in place. We stipulated that any tree that is 3 inches in caliber or greater, that is in the frontage open space, or along the south property line or in an area that's not affected by construction, remain in place so we can preserve some of that mature tree setting for the buildings.

And then this is just a transition plan that shows you the relationship of the proposed cottages to the residential to the south. There's a 40-foot setback along the south property line that will be landscaped as I just showed you. So, there shouldn't be a lot of visibility concerns between either property. The 40-foot landscape setback is actually greater than what is required by the C.O. district. The C.O. district only requires, I believe, 25 or 30 feet adjacent to multifamily zoning. The single family to the south is zoned R.4. So that's multi-family zone.

So, I just wanted to give you a look at that to see what the transition is. Yes, the project size is a little bit higher, but they are single story units in comparison to the two-story to the south. And I guess what I should have mentioned and failed to do so in my presentation, was the Planning Commission did hear this case and recommended approval with a unanimous vote of 6-0. And that concludes my presentation. Happy to answer any questions you might have, or I will turn it over to the applicant.

Mayor Ortega: Thank you. We'll hear from the applicant and then public comment.

[Time: 00:35:37]

John Berry: Mayor, members of the Council for your record, John Berry, 6750 East Camelback Road in

Scottsdale. This property has been a vacant dirt eye sore for the community and for this neighborhood for almost 50 years. In fact, it's 49 years this year. This as staff identified is the approved commercial site plan on this property that's 42 years old at this point. This is the existing Belmont Village which is in place and built today.

One the things I want to highlight about the existing Belmont Village facility is that it only provides memory care and assisted living. It does not have independent living. This residential healthcare facility that you are considering this evening will provide independent living which becomes a natural feeder for the services at the existing Belmont Village. And one of the questions we often hear, is there a demand for the land use that you are considering? Well, in Scottsdale, this is a headline of an article, quotes an article from the Scottsdale Independent from November, "A substantial portion of Scottsdale's residents are preparing to retire according to a new report from financial services website Smart Asset." There are many in the community that wish I would retire, but unfortunately, that's not in the cards. "Approximately 15.5% of Scottsdale's population is between the ages of 55 and 64." That's a high enough percentage to put Scottsdale in fifth place in a list of 344 cities across the country. That's across the country. What about here in the valley?

This is a list of valley cities and looking at their percentage of population over 55. Scottsdale, I guess this surprised me, but it shouldn't have, Scottsdale leads the list at 40% of our population over 55. And you can see how that compares with other communities in the valley. Not only are our existing residents looking to retire, but Scottsdale continues to be a place that people want to move to, to retire. And Scottsdale is ranked among the top ten places to retire in the U.S. No surprise there. Now, all of this interest and demand for seniors in Scottsdale was embodied in our General Plan effort in the community. And there are multiple, a plethora of references in our adopted General Plan that talk about the importance of seniors in our community, of housing for our community and in your Fast Five this evening, there was a discussion about senior services in our community and the importance of that.

There are multiple references to it in the General Plan. I just pulled one from the General Plan which talks about addressing the increased needs of Scottsdale senior citizen population by promoting, that's a strong word, a guide from the voters to all of us, promoting a variety of choices in residential living options. Now, in your Council Action Report, I took a couple of quotes out of there. I think it says it very well about the opportunity to take the existing Belmont facility, with assisted living and memory care and combine it on the same lot, on the same property, close proximity of this independent living.

[Time: 00:39:01]

So, the Staff Report says the addition of the minimal residential facility, the Headwaters Facility, to a site that is already occupied by specialized residential healthcare facility, Belmont, provides a unique opportunity. The two facilities create a synergistic living environment for people with diverse needs and the site is located within walking distance of community-serving retail restaurants and services as well as a city park. And I want to thank Councilwoman Littlefield for highlighting the fact that this does provide the opportunity for a couple that may be in the independent living situation, if one of those two need to move into the assisted living or memory care, they are literally a few feet away from each other and the

convenience to family and the other member of that couple is priceless.

Now this quote from staff talked about the amenities in close proximity. What are we referring to? Here's our site, the vacant one going on 49 years and the existing Belmont Village. Across the street, Aztec Park, Cheyenne School to the south, and existing commercial on the other two corners including a Circle K and gas station on the other corner. What are some of those community services that our city provides that are in close proximity for our seniors as we talk about? One is there is a transit stop right on site. It doesn't get any more convenient for that if you want to use transit. Aztec Park across the street. The McDowell Mountain Aquatic Center is less than a mile away. The Arabian Library, Doug, was that yours? The Arabian Library? No, that wasn't yours, I'm sorry. There's another great library you designed for the city. It was a LEED project. The Arabian Library is a mile away. Horizon Park and canal path access 1.2 miles and a hospital a little over two miles.

[Time: 00:40:45]

Now, what's literally across the street in terms of services? These aren't all of them, these are just some of them. An animal hospital that provides great service to pets, restaurants, a variety of restaurants, barber shop, fitness, dental, a nail salon, alterations, State Farm Insurance and convenience goods and gas. Let's talk a little bit about the site plan. Here is the existing Belmont Village and you can see the proximity with very strong pedestrian connections to these two facilities. Staff mentioned a little bit about the sensitive buffer to the south. What we chose to do was put in place one-story cottages as the neighbor which shields and buffers visually and from other impacts of the three-story building at the center.

Now I jokingly say because we would never do this today given the emphasis on water conservation, but we've agreed and volunteered to build or to plant 54-inch box trees on day one. We jokingly say it's kind of the instant rain forest of Borneo across the wall there. We will be adding a wall in the backyard and three rows of hedges in addition to those 54-inch box trees. It will be a very generous and successful buffer. Additionally, along 100th Street is an existing bike lane, and we will be providing a public bike station at this location. Now we know what the public bike stations are, they provide a place for those that use their bikes to repair their bikes as needed for free. There will be a shade. There will be seating. You will have water as well at this public bike station.

Now, staff mentioned that we are changing the zoning from commercial to office. This ensures that there will never be apartments on this site. We could have used a residential category, but by rezoning to C.O. or office, there could never be apartments on this site because apartments are not allowed in commercial office zoning. But when you look at the commercial office development standards, we are developing to a lower height, a lower FAR with the amount of square footage in the buildings, and the amount of residential density on this property for this type of facility, substantially less than the C.O. would otherwise permit.

[Time: 00:43:02]

Now, Headwaters, who has successfully built these projects around the country, particularly in the west, they've determined that their average resident is 72 years young. They are approximately 65% women in their facilities and approximately 70% of all residents are one-person households. Why do I raise that? Because it means traffic is kind of a nonissue, particularly compared to retail and commercial that's approved on the site. What happens to traffic compared to the existing commercial zoning on the site? It goes down 84% in terms of traffic impacts in the area. I think we innately know that senior living generates a lot less traffic than almost anything else.

In summary, Mayor, members of the Council, this project implements our voter-approved General Plan goals and policies. It does allow as the General Plan anticipates for the boomer generation to age in place. There's certainly a demand for these types of services and these services are across the street from this site. It's a great site with a park and services across the street. We can finally eliminate a 49-year vacant lot as an eye sore. We are hoping it doesn't get to 50 years as a vacant dirt lot. That's not an anniversary we want to celebrate. We will be creating, as staff identified, these complimentary facilities with Belmont Village next door that provides assisted care and memory care for the independent living residents in our building.

We celebrate the Frank Lloyd Wright design influence. Now staff alluded to that, this is on the corner of Frank Lloyd Wright and 100th Street and it's very important that we embrace and celebrate that. I'm not talking about necessarily, don't leave it to a lawyer to understand that, we hired Doug Sydnor who is a local architect been around for a long time and certainly knows Scottsdale well and knows Frank Lloyd Wright and knows Sonoran architecture very well. So, Doug is part of our team. This is an investment of approximately \$69 million dollars. Now you don't see this much anymore but I want to point this out. This is a LEED silver building that we are going to pursue on this site. That means in terms of sustainability and water conservation, it really sets a bar. And I have got literally pages of the specific measures we've got if any of you want to take the time. In terms of traffic, much less traffic. 56% increase in open space on this site with this proposal, publicly accessible bike station, strong connectivity, 54-inch box tree buffer to the south, to those existing residents.

A smattering of some of the things we will be doing from the sustainability and water perspective. The heating and air conditioning condensation will be routed to landscape areas. We know most of our water consumption is outdoor landscaping consumption and we will be addressing that. There will be no live turf. The sidewalks are shaded with 75% tree canopy coverage. We will be using permeable paving. We will incorporate cool pavement. We will also incorporate cool roofs to minimize heat gain. This is kind of cool, we're going to have an on-site community garden for our residents. We are very excited about that.

We are reducing heights and density and building square footage compared to what could go here under the CO zoning as staff indicated. We have unanimous Planning Commission recommendation for approval, and I think the Clerk received this evening 47 letters in support from area neighbors for this project. Mayor, members of the Council, I see I'm out of time. I was very close, though. Happy to answer any questions or as we traditionally do, wait until after public comment. I'm here to answer questions.

PUBLIC COMMENT

Mayor Ortega: Thank you, we'll go on to public comment and thank you. So, we have Lee Cooley and Rose Petrinovic, and Peter Petrinovic. Please come forward, Lee Cooley, three minutes sir, Rose Petrinovic and Peter Petrinovic, hello.

[Time: 00:47:12]

Lee Cooley: Mr. Mayor, honorable members of Council, thank you. I'm Lee Cooley, I live in the Stone Brook subdivision, directly across the street from Frank Lloyd Wright from this proposed development and I wholeheartedly support it for no less than three reasons, but I will confine it to those three. When we had friends that have lived in Belmont Village and there's no real overflow so when their family wants to try to be closed to loved ones if they don't live nearby, they're going to have to find a hotel and the closest one is five miles away. So we think this is a great idea to keep families closer together.

Now, in doing so, that leads me to the second point or the second win, which I think is it could actually create more single-family opportunities for other homeowners when folks move closer to this facility. And the third win, and Mr. Berry touched on it, is the commercial area. We do to the west of us have three restaurants and a sports bar, barbershop, Pilates studio, all of these sort of things right there within walking distance and I know the commercial folks would be very happy to have extra foot traffic. So, if I could just encourage you all to at least consider this and perhaps pass it, that would be wonderful. Thank you very much.

Mayor Ortega: Thank you. We have Rose and Peter Petrinovic, and then we have Henry Schubel.

[Time: 00:48:39]

Rose Petrinovic: My name is Rose Petrinovic and I live at 13493 North 101st Way. And I am vehemently opposed to this for a number of reasons. First of all, this is called a three-story residential healthcare facility. I am an attorney with an MBA. I do not understand how this can be called a healthcare facility. It can be called a healthcare facility, if this is called a healthcare facility, then my home is a healthcare facility, because they're talking about independent living. I'm an independent liver, and it's a misnomer. And as an attorney, I know attorneys can use all sorts of other words to describe something, and I was a litigation attorney, by the way, so I really know this. I feel this is very misrepresentative, a misrepresentation.

Additionally, this decreases our house values. Traffic will be unbearable. Cheyenne School is right there and there are little children and a lot of traffic there, with people dropping off and picking up their children there. They call this a healthcare facility. It's not a healthcare facility. It's actually apartments. These are really apartments. Now, it's 55 and older. Now, if it was 80 and older, it wouldn't be so bad, but it's not. It's 55 and older. And right down the street from there, there's Atria. There are all sorts of facilities that have independent living, that have assisted living, and memory care. We don't need another one.

Additionally, there's these apartments here, the Council is talking about other apartments on Shea. I feel like an Oreo cookie sandwich because I'm being squeezed because apartments here, apartments here. Where am I going to live? And what about, what my house value is worth? And what about those little children and their parents who are going to be there and possibly one of these people will run over one of the kids and kill them. The air quality will be diminished. The crime rates will go up, as apartment complexes, crime rates do go up. I've seen this. Additionally, I have been a victim of crime. I was beaten up and robbed at gunpoint twice at apartment complexes. And one of them had a, was gated with a live guard there.

This additionally creates heat islands and the gentleman, the applicant, had talked about drought. We have drought. This whole idea is a big mistake. The only people who will benefit will be lining their pockets with money from it. They don't really give a hoot about the residents here. And I ask that this Council does pay attention. For example, Mr. Durham, you said you care about what the residents think. I hope you really will care. I hope you really will do what you said when you were being elected. So please, Council, I ask that you listen to us and deny the zoning for these apartments misnamed a healthcare facility, because as I said, if that's true, I live in a healthcare facility, and you live in a healthcare facility because you are independent livers.

Mayor Ortega: Thank you.

Rose Petrinovic: Thank you.

Mayor Ortega: Thank you very much. You used 30 seconds of Peter's time. Peter did you need to come up?

Rose Petrinovic: Oh, sorry.

[Time: 00:52:39]

Peter Petrinovic: Hello, members of Council, my name is Peter Petrinovic. I live about roughly 500 steps away from the proposed site with Rose actually and originally when we got the postcard that says this is happening, didn't pay much attention residential healthcare facility. It sounds innocuous, healthcare facility. As I reviewed the entire document, said application and so on, I realized that it's just a disguised apartment complex for about 172 different apartments and about the worst place you can put an apartment and three-story ones at that. Most of the local residents in Mountainview Ranch where we live aren't interested in this. They think it's a bad idea. The facility was originally zoned commercial, and, in fact, way back when, when I bought my house, my property, I was looking forward to that. Banks, doctor's office, things of that sort. It would be nice if they actually developed it the way it was expected and planned. So having apartments there is going to devalue my property.

In fact, my property was already devalued when Belmont was built. Not my opinion, that was what the county assessor said when my property assessment went down during the construction phase of that. I suspect the same thing will happen during the construction phase of whatever happens at this particular

place now. Plus, the project is kind of ugly looking in my opinion as I look at the elevations and the application. It reminds me of stuff I have seen in Tempe and places like that. Great for young folks, students and so forth. It doesn't seem like it meets Scottsdale standards in my opinion.

So basically, this proposal, I'm not sure how much I trust the applicant saying healthcare facility, well they're really saying, let's build some extra apartments over here, about 172 of them. It's going to cause a lot more traffic issues. If you drive by that area, right directly in front of it, during the school hours there, it's a mess now. Imagine how much worse it is when you have 172 more apartments driving by there. And I'm concerned about the kids there. Someone will get run over at some point.

So essentially, I think it's a really bad idea and urge Council to vote against it and encourage the applicant to develop it the way it was originally planned for mixed use commercial. Finally, if you do happen to have approval for it at some point, I would ask you to at least require the applicant for construction to mitigate the scorpion problem that's going to occur that happen when the built Belmont and all the scorpions when they are living at the empty lot, when they're disturbed from construction they are going to migrate right down to my house. At the very least, make sure you get rid of them before construction. Thank you very much for your time.

Mayor Ortega: Thank you, sir. Henry Schuble. Please state your place of residence, sir, and thank you for being here.

[Time: 00:55:47]

Henry Schuble: Good afternoon, for everyone who's here, thank you for being here tonight. Henry Schuble, 13444 N. 100th Place, I live exactly opposite of Cheyenne Middle School. I'm adamantly opposed to this plan here. Number one reason is it's labeled as a healthcare facility, when you are providing independent living. That's an apartment complex, that's not a healthcare facility. But more to my dislike here, is Cheyenne School is already providing traffic that is a nightmare, hundreds, I don't know, every morning, parents come and deposit their kids for school and late in the afternoon they come to retrieve them and that general area there is a traffic nightmare. Putting another 200 some odd units on 100th and Frank Lloyd Wright is just adding to an already congested area and it's going to worsen the existing traffic situation, but that's really where all I stand. Thank you very much.

Mayor Ortega: Thank you, sir. I will ask the applicant to come back and respond.

[Time: 00:56:54]

John Berry: Mayor and members of the Council. First off, thank you for all three of the individuals, four individuals, who came down this evening. I know weather's not good and I know each of these individuals feel very strongly about their neighborhood, the quality of life in Scottsdale and what they expect, particularly for most of us, for our single largest investment so I certainly respect their concerns. Let me see if I can assuage them a little bit and let me just deal with them in no particular order. But as to the potential for vermin to migrate to the site during construction, that was a concern when Belmont

was originally constructed. And that same, those stipulations are also found in the stipulations for this case, so it does require that we will have to mitigate. Let me see if I can find this here. Give me a moment. So, stipulation number seven, which if this case is approved will be applied to this development. It says with the Development Review Board submittal, the developer shall provide a plan to help control insects and animals from migrating on to the adjacent residential lots.

So sir, I would also note that my client, Mr. Hoffman is here. I will introduce you to him and I will make an offer on behalf of my client that in spite of the mitigation plan that we put in place, as required by the city and as part of the process, if you have problems that are unusual during construction, I will give you my phone number, as well, you can get Mr. Hoffman's after the meeting, and he will provide at their expense additional pest control for you and any neighbors that have the same problem. So, we want to be a good neighbor. We're hoping that as we age out some of you will actually want to be in this community. As to traffic, again, the traffic will be significantly less than retail or commercial, that could go there. So, the impact on the neighborhood will be substantially less with this type of use.

As to the apartment issue, I'm not a litigator. I admire you for doing that, but in terms the zoning process and the zoning code and the zoning ordinances, there are very specific definitions to require certain types of services be provided on site that you would never find in an apartment complex. So, the definitions in the zoning code are very specific, how you qualify to be something other than an apartment. So, if this I will tell you that there has been lots of interest over the decades on this property for apartments. I had no desire to bring forward a case that was apartments at this location, but this is minimal residential healthcare facility. So, you are required to provide transportation. You are required to provide a kitchen and meal service. You are required to provide medical supervision. You are required to provide, there's other indicia of what qualified as a minimal residential healthcare facility.

So, I don't think this is a place where most folks who would typically look at an apartment are going to want to live. It really is designed for exactly what we're representing, and it's designed to be a complement to the existing use of the property with Belmont Village. Mayor, members of the Council, I will be happy to answer any additional questions you may have. Thank you very much for your time and, again, thank you to all four of you for taking the time this evening.

[Time: 01:01:36]

Mayor Ortega: Okay, I see, well, I have one comment and then we will go to Councilmember Durham and Littlefield. Just as I see this, one of the most important factors for interfacing with residential is buffering. And that also has to do with the heights of the building, as well as the landscape buffering. So, I find that quite adequate, both where there's a one-story next to the residences that may with be two stories. So that I think is very important. There's not a block overlooking the residential. One suggestion I have, and I definitely feel you should listen to this one, is you show mesquite trees around parking. That's a big mistake. mesquite trees are very sappy. They ruin the clearcoat of cars and they ruin the paint jobs and that's why employees, you know, end up with damage to their car. So, I really think in your landscape plan you should just omit those. People appreciate it and it is a big problem, and they get speckled with sap. That's a minor thing but I think it's very important. Please, you know.

John Berry: Mayor, if I could, members of the Council, Vice Mayor, Doug Sydnor did the help with the architecture and not the landscape plan. So that's a great insight and great comment and we will ensure that we do so on the landscape plan that we proceed to the DRB with, thank you.

Mayor Ortega: Okay so thank just opens some comments, Councilmember Durham, Councilwoman Littlefield, and Vice Mayor. Councilmember Durham.

[Time: 01:02:18]

Councilmember Durham: Thank you, Mayor. Regarding the construction mitigation program, you mentioned something about barriers for insects and animals, but I think construction mitigation usually requires more such as plans for parking, staging of construction of equipment, and other measures to prevent dust and so forth from interfering into nearby neighborhoods. So are there any other provisions in addition to what you have mentioned.

John Berry: Mayor Ortega, Councilmember Durham, stipulation number eight, limits construction hours to Monday through Friday after 7:00 in the morning. And Saturdays and Sundays after 8:00 in the morning. There's not a traditional, I shouldn't say traditional because it was our office that pioneered the advent of these construction mitigation plans, and there is not one for this property. But we are happy to be stipulated to that, that with the Development Review Board submittal, we will prepare a construction mitigation plan of the nature you have identified. I think it's a fair comment and I think it's a good comment, and it's bad on us that we didn't anticipate that and bring it forward on our own volition. So, let's right that wrong and if you would like to include that, if there is a motion to approve, as a stipulation we would embrace that.

Councilmember Durham: Thank you. When you say medical supervision, what do you mean exactly by there are will be medical supervision at this project?

John Berry: Mayor, Councilmember Durham, if I could get a graphic out here. This is very hard to read, but this is about as far away from the floor plan of an apartment as you could get. So, this is the, this would be front office and vestibule. You have reception. You have, they have a unique name for, it but it's basically a game room where people can play board games or other games. So, they provide an opportunity for that social interaction.

They've got next door it, a creativity studio which is basically an art studio to allow people to work with those types of motor skills and cognitive facilities. You will see over, let's see here. Physical therapy and physical fitness room, rehabilitation services, and movement. Let's see here. We have a kitchen. We have patio dining. We have outdoor fitness. Over here in this portion of the ground floor, we have a stretch and massage room. We have a wellness concierge and a telemed occupational and speech therapy facility. So, there aren't many 20-somethings that are moving into this building. But happy to answer any additional questions.

Councilmember Durham: I assume there's medical personnel next door at Belmont, correct?

John Berry: Mayor, Vice Mayor, Councilmember Durham, yes, they offer, they have assisted living, and they have memory care, and they have a different level of licensure by the state.

Councilmember Durham: Will personnel from the Belmont will be available to assist at this location?

John Berry: Mayor, Councilmember Durham, those, the details of that are under consideration. We're putting the cart before the horse, not wanting to invest a lot of attorney time on those types of details until if this is approved, then they can iron out the details of those types of arrangements that could exist.

Councilmember Durham: Great, thank you. That's all I have, Mr. Mayor.

Mayor Ortega: Thank you. Councilwoman Littlefield, Vice Mayor Whitehead.

[Time: 01:06:38]

Councilwoman Littlefield: Thank you, Mayor. Thank you, John. I'm, I guess, fortunately or unfortunately, fairly familiar with independent living facilities here in the valley. Both my parents lived in one together and then separately, and my dad had a car. It was parked at the facility, and he used it on Sunday night when he took my mother out to dinner. That was it. There was very, very little traffic, car, automobile traffic, because most of these folks, they don't drive anymore and most of them don't want to drive. They are uncomfortable in high traffic and so they really want the car because it's part of who they are, but they really don't want to get in and drive it much or if they want to have the car driven, they will have their kids drive it for them when they go out to dinner.

This is a healthcare facility, and it's for people who don't need to be in a nursing home yet, but they want to be together, and sometimes it's only one of them that needs this facility but both of them can get the apartment, if you want to call it that, the room. And it serves a need and a think it's a huge need here in Scottsdale right now. That people of Scottsdale are aging, and a lot of them need this kind of help. They are not ready for a nursing home. They don't want to go to a nursing home where they can't do anything or be themselves or go out and play a card game or play chess. My dad used to play chess with the guy down the hall, and that's the kind of lifestyle that they are looking for, and I think that's the kind of lifestyle that you are going to be presenting here. Am I correct or not?

[Time: 01:08:27]

John Berry: Mayor, Vice Mayor and Councilwoman Littlefield, that was a glowing endorsement. This is a public spot on TV. I mean, the public has the right to access this so we may be utilizing it in our marketing materials. No, that was absolutely on target. Thank you.

Councilwoman Littlefield: Okay. And I assume because of the type of facility that this is, there will be nursing or medical facilities on, at the location if they are needed?

John Berry: Mayor, Councilmember Littlefield, there will be medical supervision available and there will be Belmont, again, has facilities literally a few feet away. I think it's important to note that one of the things I have been educated on because we are bringing several of these forwarded because of the need that you have identified. One of the things that's really surprised me as I've learned more and more about his is what happening with technology, and technology being integrated into these independent living. So much now is done on an app or an iPad or, you know, my 85-year-old mother-in-law still lives in her condo, but she, we have to consider other options. She has medical providers that actually come to her, so she doesn't have to get in the car and go to an office.

So that's why you saw on that floor plan, we had telemed, specific rooms for telemedicine, specific rooms for physicians, physical therapists and others to come to their patients on site. That's become more and more prevalent. So, the model of having four or five medical personnel that live there onsite is really changing over time with the advent of technology, because it's better for the patient. And it's less expensive for the patient and for our healthcare system. So that technology piece of it will be integrated into this facility.

Councilwoman Littlefield: Okay. Well, I think this is something that this the people in Scottsdale are going to be needing more and more, as we all age and get older and become less independent but we don't want to admit it. And I think this is a good place for it. I like it being right next to the nursing home because that makes a wonderful transition. And it's also if it's a couple living there, and one needs a nursing home and one wants to stay in the independent living, they can get together. They can visit. They can walk across the walkway to the other facility and be together. And I think that's a huge and very important aspect. Not only for those two people, but for their families as well. So, I am supportive of this. I think it's going to be good. I don't think that the traffic will be that much larger than what it is now. There will be some, obviously, because there's going to be people there instead of cactus. But I think that this is a better solution than a real apartment complex with people coming and going to work and play and all the rest of that. And also, just to plug them, Horizon Animal Hospital is my animal hospital for my dog, and it's a great one. So, if they have a pet, that was a question I had, do you allow pets if someone comes with a small dog or cat?

John Berry: Mayor, Councilwoman Littlefield, yes.

Councilwoman Littlefield: Thank you.

Mayor Ortega: Thank you. Vice Mayor Whitehead then Councilwoman Janik, Councilwoman Caputi.

[Time: 01:12:12]

Vice Mayor Whitehead: Thank you, Mayor. John, can you tell me more about the transportation that will be provided?

John Berry: Yes, Mayor, Vice Mayor, we will have the traditional, if you want to call it that, driver with, that provides transportation services. But again, technology is changing because now you can get Uber.

You can get Lyft. There are other services that are not Uber and Lyft that are specifically designed for elderly and medical transport, Veyo, there's two or three of them out there that I see in our parking lot driving people all the time to the medical imaging place next door. So more and more, people want to use that one-on-one or the two of them to take them to appointments, but there will be the opportunity for groups to go to events or do things together. They will have the more traditional transportation on site.

Vice Mayor Whitehead: But if, I think Belmont does have a little bus that takes the residents to the grocery store. Do you expect to have that sort of bus-type thing, that service?

John Berry: Mayor Ortega, Vice Mayor, if I wasn't clear enough, whether it's a bus or a multiple passenger vehicle, the answer is it's available for folks when they need it for those type of services.

Vice Mayor Whitehead: Okay. Great. How tall is Belmont?

John Berry: It's three stories. This is three stories as well. Now, when we did the Belmont case, I was involved in that, the neighbors at the time wanted a large distance between themselves and the three-story building, as the Mayor as an architect knows, that foreshadowing as he very well pointed out, putting a one-story building there and a bunch of landscaping really is a better visual buffer than a much longer area. So, there will be a significant buffer to the three-story building. And oh, by the way, the three-story building is much further away from the south property line than the Belmont project. So, the Belmont is 100 feet, this is 165 feet away from that south property line.

Vice Mayor Whitehead: Okay. Thank you. I live in the area. Peter and I have communicated a lot. I think he even came over to my house one time for citrus. So Lee, I'm not too far of a neighbor from you. The Belmont property hasn't caused, of course, any traffic. I absolutely concur that the traffic during school hours is really bad. I have three children that went to that school and walked to school every single day for the six years that they went to that school. So, I'm always a little disappointed to see kids getting driven, but that's not for me to decide. But the, you know, traffic at, you know, when school is open at drop-off and pickup is kind of bad, but the rest of the time, traffic is pretty light. I wish people didn't speed. I don't, this is in a sense a down zone. So, the question is, will something be built here? And the answer is yes.

I have been in my home, 27, 28 years. So, something is going to get built here. I kind of wanted a bakery, but that's okay. Commercial would be very bad for our neighborhood. It would be, it is a very big bike corridor right there. So commercial would be dangerous for the kids, would be dangerous for all of us, because it's a lot more traffic and it's people who are zipping in and zipping out. And also, the little shopping center west of Lee has really struggled. I mean, we're seeing that everywhere, shopping centers are struggling. And so, what shopping center, what businesses in shopping centers want are customers. And they like good customers, so we're not going to have party animals. We are just going to have people who choose to retire and live in Scottsdale and go to, you know, Nick's Italian restaurant which has been there longer than I have been here.

So, I think, so the question is: Are we going to have something? Yes. And this is from a traffic perspective, from a property value perspective, from a needs perspective, this is absolutely the best thing. And then on top of that, I'm going to commend the applicant for choosing to do LEED certified, because when we talk about water and when we talk about heat, that's up to us. Good construction not only is it nicer to look at, but it significantly reduces the water usage, and it significantly reduces pollution. It significantly reduces heat. If those air conditioners in those little units, those casitas, don't come on very often, that keeps us all cooler, and actually impacts our air quality. So, I'm very pleased, of course we have a green building codes, but I'm pleased we are going above and beyond that with the LEED certification. And of course, I love our trees and for those who didn't notice we had a tree canopy plan on our Consent Agenda tonight. So, trees are also an important part of our air quality and our temperature and just our quality of life. So, I'm going to support this project and it affects me as much as it affects everybody who spoke tonight.

Mayor Ortega: Councilwoman Janik, Councilwoman Caputi.

[Time: 01:18:01]

Councilwoman Janik: Thank you, Mayor. Just a few comments. First of all, it appears that the Belmont assisted living facility has been a very good neighbor. I don't think we've heard complaints about that. So that's a good track record. Second thing, my parents lived in a facility with these exact same age guidelines and with the exact same facilities and it was a wonderful complement to the city. So, I think this is, as my other members have said, this will end up being a very welcome addition to that part of the city. My third comment is I totally agree with Tom Durham, we need to make sure that we have the stipulation for the staging during construction. And number four, I want to thank Rose, Peter, Henry, and Lee for coming to speak. I believe firmly that your fears will not be realized, and that once the project is done, you will realize it serves as an enhancement to your neighborhood and to your property value and it appears it's being done right with the proper buffers so that I think you will say, wow, this is good. And I believe, as does Councilwoman Whitehead, that commercial development would pose quite a few more problems than this particular facility. Thank you.

Mayor Ortega: Thank you. Let me turn to city attorney to just comment on perhaps a stipulation or what?

[Time: 01:19:29]

Sherry Scott: Yes, please, Mayor. If the Council is desiring to entertain a motion with the stipulation that was referenced earlier regarding a construction mitigation plan, staff would ask that that be upon the approval of the Building Official in consultation with the Transportation Department, as opposed to something that the DRB would approve.

Mayor Ortega: Thank you. We'll accept that as good practice. Councilwoman Caputi, Councilmember Durham, and myself.

[Time: 01:20:04]

Councilwoman Caputi: Just really quick because I don't want to repeat the great comments that my colleagues have already made, but just a few others, just quick comments. I as well have three children in our public schools, and I do unfortunately a drop-off and a pickup every single day. And I know a lot of comments we heard were about concern about the schools, but honestly, at least in our public school, just a little bit north of that, the traffic is pretty bad for about ten minutes and then it's completely gone and that's twice a day.

I do the drop-off and the pickup, so bad, then ten minutes later it's a ghost town. So, I've driven that area as well, it's very similar, you get the ten-minute surge on either side and then it's pretty manageable. And I know as a parent, I would certainly be much more comfortable having a retirement community on the side of where my kids are going as opposed to a commercial facility where you are going to have an exceedingly larger amount of traffic and much more dangerous. And also, I'm so glad we still have school-aged children in our city, considering all of the scary statistics we just heard. Thank God that we still have schools that are filled. So always a good thing.

And then just really quickly, there was a comment about concern for dropped property values. We take that very seriously up here. I mean, it's our job to make sure that we maintain property values in our city. Property values in Scottsdale are at an all-time high, I would say, and I'm pretty confident that putting in an exceptional facility like this to replace a dirt lot will only improve your property values. They are taking incredible steps to make sure that this is a gorgeous facility. And in terms of worrying about crime, again, I think having a random empty lot, dirt lot is certainly going to be a lot more prone to crime or criminal activity than a 55 plus retirement community. So, I feel pretty comfortable that those concerns, as Councilwoman Janik just mentioned, will more than likely not be realized and I definitely support the project. Thank you.

Mayor Ortega: Councilmember Durham and myself.

[Time: 01:22:22]

Councilmember Durham: Thank you, Mayor. Mrs. Petrinovic raised the issue of what do the citizens want and need, and as Mr. Berry explained, this is part of our General Plan, which was passed by the citizens. And we've listed, you know, the ability of seniors to age in place and to provide a variety of housing as an important element of that General Plan. And I think the people who need and want this kind of housing are going to be very happy that it's available. So, it is meeting the needs of citizens.

I don't want to repeat too much of what's already been said. It's a great location, I think. Next to the Belmont, I think it's great that we have this little shopping center across street as at least two good Italian restaurants. So, it would be very great for people to walk across the street. It's integrated to the neighborhood. The traffic, I think you are going to be much happier with the traffic from this than you would be from a bank. A bank would likely include a drive through unit and people whipping in and out for various services there. So, I think the traffic from this is going to be negligible as compared to a

shopping center or a commercial district which is the alternative. So, I think that's a great improvement for you, and addresses the traffic concerns. The boundary buffer on the south side is well designed to prevent that people, the people from the south side. So, for all of these reasons, I think it's a very good project in a very good location and so I'm going to support it. Thank you.

Mayor Ortega: Thank you. I will move to adopt Ordinance Number 4613 approving a zoning district map amendment for Planned Community District with comparable Planned Neighborhood Center, P-C PNC, zoning, and Planned Community District with comparable commercial zoning. Secondly, at the specific site, secondly to adopt Resolution Number 12945 declaring Headwaters Residential Health Care Facility Development Plan as a public record. That's my motion.

Vice Mayor Whitehead: Second.

Councilwoman Littlefield: Second.

Mayor Ortega: I was just going to say, you can sit down.

John Berry: I apologize for not; I just want to make sure that stipulation.

Mayor Ortega: With the stipulation.

Vice Mayor Whitehead: Yeah sorry, I was already thinking that.

Mayor Ortega: I was just going to say, with stipulation that as stated by City Attorney, that the matter concerning construction mitigation be worked out with the Building Department as well as Transportation. And I heard a second on that.

Councilwoman Littlefield: Yes.

Sherry Scott: May I just read the stipulation Mayor?

Mayor Ortega: Yes, yes.

City Attorney Scott: Prior to the issuance of any building permit, construction mitigation plan must be submitted and approved in the discretion of the building official and consultation with the Transportation Department.

Mayor Ortega: Thank you. And, you know, I just want to add one final comment. You know, one the things with aging is that some of the best volunteers in Scottsdale are seniors. And those that want to honor their other spouse and volunteer at schools, for instance, help with a program after school, it's pretty amazing. And I think with safe pedestrian crossing and the opportunity for intergenerational, you know, activity is really a gift that we appreciate in Scottsdale. And I think that's of the added add-on to this project, that the active spouse or the couple there will be participating in those kinds of activities

and augmenting the school. So, with that, I had, did you have one final comment? Councilwoman Littlefield and then we'll take a vote.

Councilwoman Littlefield: Thank you. I just wanted to ask John; the citizens had made some comments about a scorpion infestation when the other building had been built. Could you make sure that you have it in your notes to watch for that and make sure that that does not occur? Thank you.

Mayor Ortega: With, that we have a motion with stipulation. Please record your vote. Thank you. We have seven yeses. Unanimous. Thank you very much. With that, we will continue with the next item on our Agenda.

PUBLIC COMMENT

[Time: 01:27:25]

Next item on Agenda is the second opportunity for public comment. It's reserved for Scottsdale citizens, business owners, and property owners and by the way, good luck with your project. And at this point, there is no request for public comment on unagendized item, therefore I will close public comment.

CITIZEN PETITIONS

Next matter has to do with the ability for Citizen Petition to come forward. They would have recorded that with the Clerk, seeing none, that matter is closed.

ITEM 21 – MAYOR AND COUNCIL

[Time: 01:27:57]

Next, we have Item Number 21, which is an Item regarding Boards and Commissions, Task Force nominations. At this point, we will look at nomination process and I turn over the meeting to Vice Mayor Whitehead, who will be chairing this portion of the meeting.

Vice Mayor Whitehead: Thank you, Mayor. This evening, the City Council will be nominating Scottsdale residents interested in serving on citizen advisory boards, commissions, and committees. The Scottsdale City Council is responsible for establishing City policies and enacting laws in support of these 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. Appointments for these positions will be made at a Special City Council Meeting in March. As we begin our process this evening, I'd like to remind my colleagues that an applicant only needs to receive one nomination in order to advance to interview before the Council. When I call on you, if your chosen applicant has already been nominated by a

Councilmember, please state "no additional" and we'll move on in the process. Thank you, and let's get started.

We'll start with the Airport Advisory Commission. There's one opening. The Airport Advisory Commission advises the City Council on policy matters relating to the operation of the airport, proposals for development, and airport area land use, fees, and safety concerns. Ken Casey's term expires in March and is ineligible for reappointment. There is one vacancy and 14 applicants. The applicants are Shane Alexander, Martin Arant, Craig Bennett, Greg Blaire, Henry Hoffer, Ed Holbrook, Thomas Kube, Christan Lambert, Peter Lenton, Kevan MacKenzie, Seth Rosenberg, Domenic Sarnataro, Thomas Trainor, and Ken Weingarten. I will now entertain nominations for the Airport Advisory Commission. Each Councilmember can nominate one application and I am going to start with Councilwoman Caputi.

Councilwoman Caputi: Shane Alexander.

Vice Mayor Whitehead: Councilwoman Janik.

Councilwoman Janik: Dominick Sarnataro.

Vice Mayor Whitehead: Councilwoman Littlefield.

Councilwoman Littlefield: Peter Lenton.

Vice Mayor Whitehead: Mayor.

Mayor Ortega: Greg Blaire.

Vice Mayor Whitehead: I nominate Seth Rosenberg. Councilman Durham.

Councilmember Durham: I nominate Ed Holbrook.

Vice Mayor Whitehead: And Councilman Graham.

Councilmember Graham: Mr. Kube.

Rommel Cordova: Mayor, if I may, if you could repeat your selection, please?

Mayor Ortega: Greg Blaire.

Rommel Cordova: Got it. Thank you.

[Time: 01:31:13]

Vice Mayor Whitehead: Okay. Moving on to the Board of Adjustment with one opening. The Board of

Adjustment is a quasi-judicial body that hears variance requests, appeals of the Zoning Administrator's interpretation and decisions, and decides on administrative decisions or zoning requirements, which create unnecessary hardships in the development of a property because of an exceptional or extraordinary conditions.

Justin Laos has resigned from the board in November. There is one vacancy and two applicants. The applicants are Jay Leopold and David Pierce. I will now entertain nominations for the Board of Adjustment. Each Councilmember can nominate one applicant. And we'll start with Councilwoman Janik.

Councilwoman Janik: David Pierce.

Vice Mayor Whitehead: Councilwoman Littlefield.

Councilwoman Littlefield: Jay Leopold.

Vice Mayor Whitehead: Mayor Ortega.

Mayor Ortega: No additional.

[Time: 01:32:13]

Vice Mayor Whitehead: Actually, we're done. Onward. Okay. Environmental Advisory Commission, one opening. The Environmental Advisory Commission provides guidance on the prioritization of future environmental activities and recommends environmental policies to the City Council. Special qualifications as specified in the Scottsdale City Code, the membership of the Board shall reflect both scientific and non-scientific interests.

Anthony Coletta's term expires in March and is ineligible for reappointment. There is one vacancy and four applicants. The applicants are Lauren Click, Tara Iyengar, Nathan Nutter, and Alexandra Sellers. I will now entertain nominations for the Environmental Advisory Commission and each Councilmember can nominate one person. We are going to start with Councilwoman Littlefield.

Councilwoman Littlefield: Tara Iyengar.

Vice Mayor Whitehead: Mayor Ortega.

Mayor Ortega: Lauren Click.

Vice Mayor Whitehead: No additional.

Vice Mayor Whitehead: Councilman Durham.

Councilmember Durham: Alexandra Sellers.

Vice Mayor Whitehead: Councilman Graham.

Councilmember Graham: Nathan Nutter.

Councilwoman Caputi: No additional.

[Time: 01:33:29]

Vice Mayor Whitehead: We're done. All right. Each of those have been nominated. Let's move on to the Historic Preservation Commission. One opening. The Historic Preservation Commission oversees the development and the management of Scottsdale's Historic Preservation Program. Special qualifications as outlined in the Scottsdale City Code, each member shall have demonstrated special interest, knowledge, or experience in at least one of the following: Building construction, history, architectural history, real estate, historic preservation law or historic preservation related field.

Ben Brosseau's term expires in March and is ineligible for reappointment. There is one vacancy and two applicants. The applicants are Michael Bucek and Glen Loveland so I will now entertain nominations for the Historic Preservation Commission. Each Councilmember can nominate one applicant. And we're going to start with Mayor Ortega.

Mayor Ortega: Glen Loveland.

Vice Mayor Whitehead: No additional.

Vice Mayor Whitehead: Councilmember Durham.

Councilmember Durham: Michael Bucek.

[Time: 01:34:33]

Vice Mayor Whitehead: Okay. Both have been nominated. Industrial Development Authority. One opening. The Industrial Development Authority's main function is to issue tax-exempt bonds for certain types of private developments for the purpose of attracting new economic activity to the community. Special qualifications: There are no formal requirements but given the nature of the work that the IDA conducts, it is suggested members be comfortable working with detailed financial pro forma, feasibility studies, and financial projections.

Mary Grier resigned from the board in November. There is one vacancy and there are three applicants. The applicants are Austin Fairbanks, Ethan Knowlden, Stephanie Rimmer. I will now entertain nominations for the Industrial Development Authority and each Councilmember can nominate one. I will start with myself, I'll nominate Ethan Knowlden, Councilman Durham.

Councilmember Durham: Stephanie Rimmer.

Vice Mayor Whitehead: Councilman Graham.

Councilmember Graham: Mr. Fairbanks.

[Time: 01:35:42]

Vice Mayor Whitehead: Okay. Onward. McDowell Sonoran Preserve Commission. Two openings. The McDowell Sonoran Preserve Commission provides citizen oversight for acquisition, preservation, and management and stewardship of the McDowell Mountains and related Sonoran Desert for the benefit of this and future generations. Terms for Laurie LaPat-Polaski and Marsha Lipps expire in March, and both are ineligible for reappointment.

There are two vacancies and eight applicants. The applicants are Robert Hallagan, Nicholas Hartmann, Susan Hirshman, Pruitt Layton, Steven Lichtblau, Michael Pomarico, Ryan Rybarczyk, and Kevin Walsh. I will now entertain nominations for the McDowell Sonoran Preserve Commission and each Councilmember can nominate two applicants. I'm going to start with Councilman Durham.

Councilmember Durham: I nominate Robert Hallagan and Susan Hirshman.

Vice Mayor Whitehead: Councilman Graham.

Councilmember Graham: No additional.

Vice Mayor Whitehead: Councilwoman Caputi.

Councilwoman Caputi: No additional.

Vice Mayor Whitehead: Councilwoman Janik.

Councilwoman Janik: No additional.

Vice Mayor Whitehead: Councilwoman Littlefield.

Councilwoman Littlefield: No additional.

Vice Mayor Whitehead: Mayor Ortega.

Mayor Ortega: No additional.

Vice Mayor Whitehead: And I have no additional. Thank you.

Councilmember Graham: They just got appointed.

[Time: 01:37:01]

Vice Mayor Whitehead: Parks and Recreation Commission. Two openings. The Parks and Recreation Commission advises the City Council on the acquisitions of lands and facilities for use as parks or recreation centers, and on the operation, use, care and maintenance of these parks and recreation areas. Maryann McAllen resigned from the commission in December. Eric Kurland's term expires in March, and he is eligible for reappointment; however, he did not submit an application for consideration.

There are two vacancies and 19 applicants. The applicants are Jamie Alford, Amy Arnold, Sondra Barr, Frank Bertone, Robert Blackwell, Riley Casey, Daniel Cheetham, Tiffany House, Evan Judge, Sandy Kull, Jane Legacy, Heather Lynn, Sukura McLawson, Kim Ollerhead, Nicole Pawenski, Rob Scott, Dennis Soeffner, George Weinbaum, and Diane Wilson. I will now entertain nominations for the Parks and Recreation Commission. Each Councilmember can nominate two applicants. And I think we are on Councilman Graham.

Councilmember Graham: Thank you, I will do, I will nominate Mr. Weinbaum and Miss Alford.

Vice Mayor Whitehead: Okay, Councilwoman Caputi.

Councilwoman Caputi: Amy Arnold and Diane Wilson.

Rommel Cordova: Vice Mayor, if I may, there are so many applicants so if you give me a moment to scroll down the screen. If Councilmember Graham, if you could repeat your selections, please. Thank you.

Councilmember Graham: Sure, actually, I'm going to revise them. No, I'm just kidding, Mr. Weinbaum at the bottom and then the first, at the very top, number one, Ms. Alford.

Rommel Cordova: Thank you.

Councilmember Graham: Thank you, Rommel.

Rommel Cordova: Thank you.

Vice Mayor Whitehead: Would you like Councilwoman Caputi to repeat hers?

Councilwoman Caputi: Are you good with mine?

Rommel Cordova: If you could repeat yours, please.

Councilwoman Caputi: Oh sure, Amy Arnold and Diane Wilson.

Vice Mayor Whitehead: Okay, now we are going to go a little slower here. Councilwoman Janik.

Councilwoman Janik: Robert Blackwell. No additional.

Vice Mayor Whitehead: Councilwoman Littlefield.

Councilwoman Littlefield: Robert Blackwell, Sandy Kull.

Vice Mayor Whitehead: Mayor Ortega.

Mayor Ortega: No additional.

Vice Mayor Whitehead: No additional. And Councilman Durham?

Councilmember Durham: I nominate Diane Wilson.

Vice Mayor Whitehead: She's already on.

Councilmember Durham: She's already on? Okay. Heather Lynn.

Vice Mayor Whitehead: Okay. Did you get all that?

Rommel Cordova: Yep. We're good. Thank you.

[Time: 01:40:14]

Vice Mayor Whitehead: Thank you. That was quite a few people. Tourism Development Commission, two Scottsdale hotelier openings. The Tourism Development Commission advises the City Council on matters concerning the expenditure of revenues from the Transportation Privilege Tax or transient lodging bed tax designated for tourism development. Special qualifications as specified in the Scottsdale City Code, the Tourism Development Commission shall consist of representatives of the tourism industry in Scottsdale, including a minimum of four Scottsdale hoteliers, one member of the Scottsdale Convention and Visitors Bureau, and a balance from elements of the tourism industry.

Richard Newman resigned from the Commission in October. Sherry Henry resigned from the Commission in January. There are two Scottsdale hotelier position vacancies and two applicants. The applicants are James Kisselburg and David Sobek. I will now entertain nominations for the Tourism Development Commission and each Councilmember can nominate two, so we will start and end with Councilwoman Caputi.

Councilwoman Caputi: This is all me. James Kisselburg and David Sobek.

Vice Mayor Whitehead: Excellent. This concludes our nomination process this evening. Individuals nominated will be contacted by city staff with additional information. I would like to take this opportunity to sincerely thank all who applied to serve on a citizen advisory board or commission. Even if you were not nominated, your application will remain on file for one year for consideration at a future date if there are additional vacancies. With that, I turn it back over to Mayor Ortega.

Mayor Ortega: Thank you very much, Vice Mayor. At this point, we will take a short recess and come back at 7:00 sharp and continue with a Work Study.

RECESS

[Time: 01:42:05]

WORK STUDY SESSION

[Time: 01:42:37]

Mayor Ortega: So, we are returning to our Regular Meeting, February 6, 2024. This portion has to do with the Work Study. Work Study is an opportunity for Council to speak directly about the subject that's been posted, and we do call upon the public and allow public comment at the beginning of Work Study. Seeing none, therefore, I will close public comment. The subject of our Work Study is the Quarterly Financial and Capital Improvement Plan, CIP updates, and that is, our presenter is Sonia Andrews, City Treasurer and Allison Tymkiw, the City Engineer. Thank you.

[Time: 01:43:18]

Sonia Andrews: Thank you, Mayor, Council. Next slide. So, the purpose and the focus of our quarterly financial update is really to highlight the General Fund results to date. We take a look at revenue collections to date and also the budget to actual variances. Next slide. Overall, our year-to-date General Fund revenues are 7% above budget due to mainly one-time construction sales tax revenues that we received, development fees that we received and interest earnings that's come in higher than what we budgeted for. And our year-to-date General Fund expenditures are within our budget. Next slide.

So, the General Fund revenues are primarily sales tax, and as you can see, sales tax is up year-to-date. December, we're up 1% from the prior year, but we're 9% above budget. And if you can remember last year when we were putting the budget together, the top issue was inflation and recession, and most economists believed that we were headed towards a mild recession. So, we budgeted conservatively, especially in the hotel/motel category, in anticipation of some kind of recession. But consumers have continued to spend. Consumer confidence is high, employment is high, and savings have not completely dwindled yet. So rather than a recession, what we are seeing is a slowdown of growth. So, 1% from prior year, compared to last year during this time, we are looking at about an 8% growth from prior year. So definitely the growth in our sales tax has slowed but we are 9% over budget because we have budgeted conservatively. Next slide.

This is just a graph of our rolling 12-month sales tax revenue showing how we are flattening out. Next slide. Aside from sales tax the General Fund also has state shared revenues and charges for services. And as you can see, the charges for services line were 88% over our budget because of some large development fees that we collected, you know, one-time development fees that we have collected but overall, our total General Fund revenues are 7% positive to our budget. Next slide.

On the uses side, we are well within our budget. The large item that is 46% positive variance is other category and that is just timing differences from our purchases of vehicles and equipment. Next slide. And this is the expenditures by division, as you can see, they are mostly positive variances. The only negative variance is in our administrative services. That's I.T. and H.R. And again, that negative variance is due to timing of some citywide software and licensing renewals that we paid. Other than that, that's it. I can answer any questions that you might have.

Mayor Ortega: Thank you, I see Councilmember Durham.

[Time: 01:46:57]

Councilmember Durham: Thank you, Mayor. I'm going back to page 4, on the hotel and motel. And it looks like we've taken a pretty big dip on the hotel and motel from fiscal year 23. Is that mostly attributable to the Super Bowl or are there any other sources for that?

Sonia Andrews: Mayor, Councilmember Graham, I mean, sorry, Durham. That is last year for our hotel/motel, we had a one-time audit recovery that made last year's payment higher, last year's revenue look higher, but it's pretty much we're seeing a slightly decreasing trend from last year in the hotel/motel category.

Councilmember Durham: Was that recovery the result of an audit or an exam?

Sonia Andrews: Correct. Correct.

Councilmember Durham: Okay, I think I remember hearing this before. Yes. Thank you.

Mayor Ortega: Thank you. I appreciate the information and we move from a monthly report to a quarterly, which makes a lot of sense, and it takes into account some seasonality. When, as you mentioned, going from an 8% gain to a 1%, that's a 9% over two years, that's pretty steady, that we could maintain that. It's just my observation. Councilmember Graham, do you have?

[Time: 01:48:38]

Councilmember Graham: Thank you, Mayor. Sonia so this to me is just really easy to read and appreciate that. Although, I think it's pretty similar to your prior reports. You like to budget conservative, don't you? The 9% above budget, but it was the economist, right? That all said we were heading towards, we had some recessionary headwinds. So, it's good that we are above prior year. And, you know, I'm a little

bit, you know, like Councilmember Durham said, hotel is down, and so, you know, we talked about the one-time revenues that we brought in. Construction is up almost 20%. Can you say just a little bit about that?

Sonia Andrews: Yes, Mayor, Councilmember Graham, we had a very large payment for one or two projects during this year-to-date.

Councilmember Graham: Can you share what those projects were?

Sonia Andrews: We can't provide that information for confidentiality purposes.

Councilmember Graham: I didn't think so. I didn't think so. Thank you, Sonia. Thank you, Mayor.

Mayor Ortega: Okay. Let's move on to part two. Which is the CIP update. City Engineer, Ms. Alison Tymkiw. Just while we're waiting for things to cue up, of course all of these slides and presentations will be available online. Is that correct for our viewers at home?

Alison Tymkiw: Yes, Mayor, that's correct.

Mayor Ortega: So, from time to time, we have a glitch, but all of this is certainly available through our website. It's been posted for a while as well for the public's information. And we will use probably the, likely use the overhead. The CIP involves both the 2019 Bond projects, as well as standard capital improvement projects. So, we are about to proceed.

[Time: 01:52:28]

Alison Tymkiw: Okay. Good evening, Mayor, and members of the Council. This is the second quarter CIP quarterly update for fiscal year 23/24. Okay. I will be following the same agenda as my previous updates. First, I will give you an update of the Bond 2019 Program, and then I will give you an update of other projects that are currently under construction, other CIP nonbond projects. Okay. So, this slide right here shows a summary of the Question 1 Projects that are currently funded in the fiscal year 23/24. The listing of the project, the first project is number two, it's add splash pad and improve walkways at McCormick-Stillman Railway Park. Thank you. The GMP number one for that project was awarded tonight at City Council in conjunction with the Roundhouse at McCormick-Stillman Railway Park.

We have a couple of new fiscal, new projects this fiscal year related to our senior centers. We have the dog park, Project Number 42, where the design is progressing. We have Project Number 53, the multiuse sports fields in the area of Bell Road, that's phase two was the Bell 94, that's complete and this is the Riata Area Sports Complex that is currently under construction and that should be complete in the next few months. Can you scroll back down a little bit first? Yeah, right there, perfect. Okay, then Project Number 55 is build a 17-acre park at the Ashler Hills Drive 74th Way and that project, the construction began in December, and I will highlight that project, the status coming up on the next slide. Okay. Slide up, please. Next slide. Thank you.

Okay. So, this is a photo of the construction happening at Project 55, build a 17-acre park at Ashler Hills Drive. The project description was to design and construct a 17-acre neighborhood park to include a turf area for unscheduled recreational activities, multiuse lighted sports courts, a playground for ages 2-5, restroom building and lighting, parking area. Construction began in December of 2023. The current status is they are excavating for structure footings for the pickleball courts and the retaining walls and the restroom building, and this picture here shows exactly that. They are excavating for the retaining walls at the pickleball court.

They were also drilling foundations for light poles; pipe material is being delivered to the site for storm drain. They did encounter some hard dig conditions which is what's shown in this picture. Park staff is looking into layouts for the playground and the adult exercise equipment, and the project completion is anticipated for December of 2024. Next slide, please. And then this is just sort of a broader view of the park, and it shows some of the grading stakes that the contractor has laid out. Next slide. Okay, this slide summarizes the projects in Question 2, that are currently funded for fiscal year 23/24. Again, the first project is Project Number 1, which is complete, it's the Civic Center Plaza and as you know, we held the grand opening for that back in October/November, and that project, I will move to the completed project list in the next update and hopefully we will have the project closed out by the end of the fiscal year, as far as funding.

Project Number 15 is build 200 space parking lot off 75th Street, again, that's going to be built with the Scottsdale Stadium Phase 2 project. So that will come in the future. We have the 23 repair lakes in Indian and irrigation at Vista Del Camino Park and Indian Bend Wash, that was highlighted earlier in the City Manager's Fast Five. 45, renovate the horse barns to increase rentable space. I will show a slide on that coming up.

[Time: 01:57:22]

We have the solar systems at North Corp that was built on top of our parking deck and at the Via Linda system. That project is complete. We are currently waiting for APS approval to activate the Via Linda system and then all other work is complete on that. We do have two new solar projects for this fiscal year, which we're working on procurement of a design build contractor, we will be bringing those two forward for approval in the coming months. And next slide, please.

So, this is 45 renovate horse barns to increase rentable space. Again, this project was these revenue generating facilities are a key part of any horse show held at WestWorld. I see a typo. They were built in the 1980s, not the 1908s. The barns require renovation to remain useful and rentable. So, five of the barns have been replaced and are complete. The sixth barn is currently under construction and will be complete by the Arabian Horse Show. And prior to the replacement, this photo shows Barn A. So, prior to our replacement, Barn A was unrentable. Next slide, please. And this slide is one of two that summarize the projects that are in question three. We have several I.T.-related projects listed here that are, a lot of them will be completed in this fiscal year.

We have build a new fire station near Hayden Road and Loop 101 to improve response times. That's

Project 28, and that project is currently in design and we're hoping to bring in GMP later this, in the next few months for City Council authorization. And Project 29 is replace work stations at the 911 Communications Center and those work stations have been ordered and we're anticipating delivery in February and we hope to complete that project by June of 2024. Next slide.

Then we have our 26 and 27, which are the fire training facility and the police training facility. They are currently under construction, and targeted completion at the end of 2024. We have the install bullet-proof glass and reception areas at the police department facilities. I highlighted this at the last update, and we are completing just the one remaining facility which is Via Linda. And then 40 renovate and expand Civic Center jail and downtown police facility to meet demand. That project, the design is progressing. Next slide, please.

[Time: 02:00:10]

This project, Number 9, install fiber optic infrastructure to reduce operating costs. This is actually one of our I.T.-related projects, it's not being managed by my department, by capital project management, but it's a great project to highlight the amount of work that they are doing. They are just in sequential order going through design and construction of all of these sites. And what they are doing is they are installing city-owned fiber throughout the city to meet increasing need for network bandwidth and to conduct business operations and reduce the dependency on leased lines from telecommunication providers that require ongoing operating costs. And then this is just a status of ten current locations that they are working on. And that's a photo of some of the fiber being installed on Shea Boulevard. Next slide, please.

This is a list of the completed projects, again by question. Question 1, again, we have court surface and lighting at some of our parks completed. Question 2, we have several WestWorld projects that have been completed, and then Question 3, again, we have quite a few of the I.T.-related projects that have been completed. Next slide, please. Next, I will highlight just a few of our capital improvement projects that are currently under construction. Next slide.

This is one of our water projects. It's the CAP 1 Plant Traveling Screens project. This project was to replace two traveling screens that are at the end of their service life, clean out the intake channel and other miscellaneous work at the CAP 1 Water Intake Plant, which is near Frank Lloyd Wright and the Hayden Loop 101. The project started in September 2023, and scheduled to be completed this month. Both screens have been installed and are going through their commissioning phase. This photo, you can see the workers are installing one the screens into the intake channel. Next slide, please. This shows one of the new screens being delivered to the site. Next slide. And this shows what the screen looks like that was removed. Next slide.

Okay. The Hayden Road, Miller Road from Pinnacle Peak to Happy Valley Road, this is the bridge over the Rawhide Wash. The project is to construct a four-lane major collector complete street to connect the existing Miller roadway sections to the north and south, including a bridge crossing of the Rawhide Wash. The current status is the drill shafts below grade, columns above grade and the south abutment

are all complete for the bridge. The contractor is finishing the rebar and form work to pour the north abutment. They are concurrently finishing some 36 and 16-inch water line connections that are scheduled in either late February or early March. And the targeted completion for the project is the end of 2024. Next slide. And this project shows, this photo shows some of the columns that are in place. Next slide. And this is the rebar that's for forming of one the abutments. Next slide.

[Time: 02:03:44]

Okay. Pima and Happy Valley Road projects, this is two projects and it's the Pima Road, Pinnacle Peak to Happy Valley Road project and then the Happy Valley Road and Pima Road to Alma School Road project. So, again, the Pima Road project was adding a sixth lane, additional lanes on Pima Road between Pinnacle Peak and Happy Valley Road and then Happy Valley Road was also widening from Pima Road to Alma School, and we also have a couple of roundabouts on that section. So as far as the status for Pima Road, the traffic is currently shifted to the curb lanes for work in the median. They are working on installation of the irrigation for landscaping in the median islands, and they're working on the shared use path on the east side of the Pima, some concrete work as well as working on the Pima channel on the east side of Pima Road.

For Happy Valley Road, the traffic has shifted to the south side at Golf Club to finish the north side of that roundabout. Excavating drainage ditch on the north side of the Happy Valley Road and installation of storm drains and the projected completion for both projects is summer of 2024. Next slide. So, this is an overhead view that shows Pima Road just north of Pinnacle Peak Road. Next slide. And then this is another view that shows some of the drainage work on the channel that's on the east side of Pima Road. You can also see that traffic is shifted to both of the outer lanes on each side and the inward lane is closed as they are working on the median to install the irrigation. Next slide. And then this shows Happy Valley Road, it's at one of the roundabouts and it shows that half the roundabout is complete and so traffic has been shifted to the completed portion of the roundabout and you can see where they are beginning construction on the other side of the roundabout to complete that. And next slide. Okay. With that, I'm available for any questions.

Mayor Ortega: Thank you. I see Councilwoman Janik and Councilmember Durham wishing to speak. Councilwoman Janik.

[Time: 02:06:00]

Councilwoman Janik: Thank you, Mayor. Alison, very nice presentation. Could you just go back to slide 5 or if you can't get back there, that showed the cost, the original bond amount is \$6.1 million and it's now \$10.8.

Alison Tymkiw: Oh, yeah. Yes.

Councilwoman Janik: That 10.8 number that has not changed since of the last time you presented? That is my question.

Alison Tymkiw: That's correct, Councilwoman Janik. That is the total Council-approved budget that added the additional General Fund last year through the CIP budget process.

Councilwoman Janik: Thank you.

Alison Tymkiw: Yes.

Mayor Ortega: Councilmember Durham.

[Time: 02:06:39]

Councilmember Durham: Thank you, Mayor. For the Old Town parking garage, are we planning a parking study to try to get some more definition on where that ought to go?

Alison Tymkiw: Councilmember Durham, for the Old Town parking structure, we are still looking at alternatives for that project.

[Time: 02:06:39]

Jim Thompson: I'm going to jump in on this one. So, Mayor, members of the Council, Councilmember Durham, we are not going to be pressing with the study at this time. We put that on hold to do a traffic study. The cost of the traffic study was well in excess of a couple hundred thousand. And so, we decided that that would cost us some spaces and so right now if you recall when we originally moved forward with the bonds, I know the question comes forward, two things were towards the end of the projects. One was the bridge up on Thompson Peak, the other was parking in downtown. And those were later because we were worried about going forward, we have moved one project so far up from when they were originally scheduled and that was the dog park at Grayhawk. All the others have stayed pretty much on schedule to when they were going to be done.

One the commitments we made was not to exceed the secondary property tax that existed at the time and with the issuance of debt, we wanted to schedule these projects out over time, especially the staffing. So, we haven't gotten to the parking yet. We are not going to do the study yet. We will wait until we get a little closer to finishing up the projects that were in front of that before we move forward with that. So that's where we are at. We will see that probably latter part of this year. We will come back and have discussions regarding the parking in downtown. I know some would like to see us move it up.

One of the other commitments we had with the monies that were available in that bond was the Artisan project. And the Artisan project, one of the commitments was to buy a floor of parking at 39,999 the spot and they've come forward got approval, but they are not moving forward with the project at this time. That number will not change. That commitment is about \$2.5 million of that original funding in the bond. The rest would then be available for the parking structure. We did go out and we did analyze locations. We did analyze the one that continues to present itself down next to the livery stable and we

can deck that. We've done all of that analysis studies and engineering to show that we could put decks on that facility because that was one of the questions that has the partial underground then it has the ground level, and we can go up from that based on the pilings we already have. So those have been completed.

Councilmember Durham: Thank you. Second question about the dog park. We get questions about that. And it says the design is still in process and I have a little bit of a hard time understanding why the design of a dog park takes so long. It's basically a lot of grass and some fences. So, could you let me know what the issue is there?

Alison Tymkiw: Yes, Councilmember Durham. So, we are actually working towards a 90% design. So, we are actually almost complete. We did run into some delays with the approval process because the dog park is actually partially under the overhead utility corridor. And we had to get approvals from several different utility providers, and we ran into quite a bit of delay doing that.

Councilmember Durham: All right. Thank you.

[Time: 02:10:25]

Mayor Ortega: Well, whether it's the dog park or these other ones that are underway in design, generally speaking, we have Bond 2019 funds, but where there's a shortage, we use General Funds, and that's a very, that's not, it's an open checkbook, but it's also scrutinized very carefully and that makes up any difference between the projected costs and each one case-by-case is reviewed by the Council so that that can be justified in order to move those projects forward. And so, thank you very much. With that, I think we are concluded. Was there any add-on information from the Treasurer? Otherwise, I see no one else wishing to speak. Therefore, we are concluded with the Work Study item. Accordingly, I will ask for a motion to adjourn.

Councilmember Graham: Motion.

Councilwoman Janik: So moved.

Mayor Ortega: Moved and seconded. Please record your vote. We are unanimous.

ADJOURNMENT

[Time: 02:11:30]