

**SCOTTSDALE CITY COUNCIL  
REGULAR MEETING MINUTES  
WEDNESDAY, JULY 6, 2016**



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

**CALL TO ORDER**

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:06 P.M. on Wednesday, July 6, 2016, in the City Hall Kiva.

**ROLL CALL**

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

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

**PLEDGE OF ALLEGIANCE** – Vice Mayor Littlefield

**INVOCATION** – Student Pastor Joshua Newton, First Baptist Church of Scottsdale

**MAYOR'S REPORT**

Mayor Lane presented a proclamation honoring Sister Cities International Day to Scottsdale Sister Cities Association President Kathy George.

**PRESENTATIONS** – None

**PUBLIC COMMENT** – Louise Lamb expressed support for Councilmember Korte's position on transportation options.

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

## ADDED ITEMS

### A1. Added Items

Regular Item Nos. 23 and 24 were added to the agenda on June 30, 2016.

**Request:** Vote to accept the agenda as presented or continue the added item(s) to the August 30, 2016 or August 31, 2016 Council meeting.

### MOTION NO. 1 AND VOTE – ADDED ITEMS

Councilmember Korte made a motion to accept the agenda as presented for Item 23. Councilwoman Milhaven seconded the motion, which carried 5/2, with Vice Mayor Littlefield and Councilman Smith dissenting.

### MOTION NO. 2 AND VOTE – ADDED ITEMS

Councilmember Korte made a motion to accept the agenda as presented for Item 24. Vice Mayor Littlefield seconded the motion, which carried 7/0.

## CONSENT AGENDA

### 1. Hand Cut Liquor License (47-LL-2016)

**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.

**Location:** 7135 E. Camelback Road, Suite 154

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

### 2. Valero Liquor License (48-LL-2016)

**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (beer and wine store) State liquor license for an existing location with a new owner.

**Location:** 6842 E. Thomas Road

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

### 3. The Beverly Liquor License (49-LL-2016)

**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person transfer of a Series 6 (bar) State liquor license for an existing location with a new owner.

**Location:** 7018 E. Main Street

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

### 4. Uncorked Wine Lounge & Eatery Liquor License (50-LL-2016)

**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.

**Location:** 17025 N. Scottsdale Road, Suite 140

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

5. **Cedar Room Cigars Liquor License (51-LL-2016)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a Series 7 (beer and wine bar) State liquor license for an existing location with a new owner.  
**Location:** 20715 N. Pima Road, Suite F-100  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
6. **Bodega 13 Liquor License (52-LL-2016)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.  
**Location:** 8876 Pinnacle Peak Road, Suite 100  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
7. **Easy Rider Beverage Distributing, LLC, Liquor License (53-LL-2016)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 4 (wholesale) State liquor license for a new location and owner.  
**Location:** 10456 N. 74<sup>th</sup> Street, Suite 5002  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
8. **The Great Australian Bakery Wine & Dine Liquor License (54-LL-2016)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.  
**Location:** 7217 E. Main Street  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
9. **Taj Mahal Liquor License (55-LL-2016)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.  
**Location:** 4225 N. Craftsman Court  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
10. **Off Road Expo Event**  
**Request:** Adopt **Resolution No. 10485** to authorize:
  1. Funding not to exceed \$75,000 from the City portion of event development bed tax funding for the Off Road Expo event.
  2. New Event Funding Agreement No. 2016-084-COS with The Promotion Company, Inc., a division of Bonnier Corporation.**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)
11. **Fiscal Year 2016/17 Community Event Funding Program**

Item 11 was moved to the Regular Agenda (Page 5).

- 12. Fiscal Year 2016/17 Matching Event Advertising Funding Program**  
**Request:** Adopt **Resolution No. 10458** authorizing bed tax funding to be allocated for events to be identified in the FY 2016/17 Matching Event Advertising Funding Program; and authorizing the Mayor to execute individual agreements with each event producer.  
**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)
- 13. Fiscal Year 2016/17 Event Venue Fee Funding Program**  
**Request:** Adopt **Resolution No. 10459** authorizing bed tax funding to be used for development of events to be identified in the FY 2016/17 Event Venue Fee Funding Program; and authorizing the Mayor to execute individual agreements with each event producer.  
**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)
- 14. Fire Department Budget Transfer**  
**Request:** Adopt **Resolution No. 10517** authorizing a FY 2016/17 General Fund Operating Contingency budget transfer in the amount of \$100,000 to the Fire Department's General Fund Operating budget for costs associated with providing EMS training related to new clinical modalities and upgrades.  
**Staff Contact(s):** Tom Shannon, Fire Chief, 480-312-1821, [tshannon@scottsdaleaz.gov](mailto:tshannon@scottsdaleaz.gov)
- 15. Summary Plan Descriptions Amendments**  
**Request:** Adopt **Resolution No. 10500** approving the Summary Plan Descriptions which provide complete information concerning the City's medical benefit plans.  
**Staff Contact(s):** Donna Brown, Human Resources Director, 480-312-2615, [dbrown@scottsdaleaz.gov](mailto:dbrown@scottsdaleaz.gov)
- 16. Cigna Health and Life Insurance Company Administrative Services Agreement**  
**Request:** Adopt **Resolution No. 10501** authorizing Agreement No. 2016-093-COS with Cigna Health and Life Insurance Company to administer medical, pharmacy, dental, employee assistance program, and behavioral health benefits to City employees beginning July 1, 2014.  
**Staff Contact(s):** Donna Brown, Human Resources Director, 480-312-2615, [dbrown@scottsdaleaz.gov](mailto:dbrown@scottsdaleaz.gov)
- 17. Emergency Operations Plan**  
**Requests:**
  1. Adopt **Ordinance No. 4262** amending Scottsdale Revised Code, Chapter 10, Civil Defense and Emergency Services.
  2. Adopt **Resolution No. 10415** approving the City of Scottsdale Emergency Operations Plan.**Staff Contact(s):** Brent Stockwell, Assistant City Manager, 480-312-7288, [bstockwell@scottsdaleaz.gov](mailto:bstockwell@scottsdaleaz.gov)
- 18. City Auditor's Fiscal Year 2016/17 Audit Plan**  
**Request:** Approve the City Auditor's FY 2016/17 Audit Plan, as recommended by the Council's Audit Committee at its June 20, 2016, meeting.  
**Staff Contact(s):** Sharron Walker, City Auditor, 480-312-7867, [swalker@scottsdaleaz.gov](mailto:swalker@scottsdaleaz.gov)

19. **Fiscal Year 2015/16 Operating Budget Adjustments**  
**Request:** Adopt **Resolution No. 10523** authorizing FY 2015/16 operating budget adjustments.  
**Staff Contact(s):** Judy Doyle, Budget Director, 480-312-2603, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)
20. **Monthly Financial Report**  
**Request:** Accept the FY 2015/16 Monthly Financial Report as of April 2016.  
**Staff Contact(s):** Judy Doyle, Budget Director, 480-312-2603, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)
- 20A. **Hall v. City of Scottsdale Settlement Agreement**  
**Request:** Adopt **Resolution No. 10530** authorizing settlement in the amount of \$32,000 of the petition to reopen Mary Jo Hall's worker's compensation claim against the City entitled *Hall v. City of Scottsdale*, Case No. 20041-660067, currently pending before the Industrial Commission of Arizona.  
**Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405, [bwashburn@scottsdaleaz.gov](mailto:bwashburn@scottsdaleaz.gov)

#### **MOTION AND VOTE – CONSENT AGENDA**

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 20A, absent Item 11, which was moved to the Regular Agenda. Vice Mayor Littlefield seconded the motion, which carried 7/0.

#### **REGULAR AGENDA**

11. **Fiscal Year 2016/17 Community Event Funding Program**  
**Request:** Adopt **Resolution No. 10457** authorizing bed tax funding to be allocated for events to be identified in the FY 2016/17 Community Event Funding Program; and authorizing the Mayor to execute individual agreements with each event producer.  
**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)

Tourism and Events Director Karen Churchard gave a PowerPoint presentation (attached) on the proposed Fiscal year 2016/17 Community Event Funding Program.

#### **MOTION AND VOTE – ITEM 11**

Councilman Smith made a motion to direct staff to keep the Community Event Funding as it currently exists for Item 1 (payments at 75% before the event and 25% after the event) and Item 2 (marketing/advertising at no minimum), and to proceed with the recommended changes for Item 3 (requiring a budget) and Item 4 (funding up to \$30,000, plus up to an additional 10% for an event that is held May through December). Councilwoman Klapp seconded the motion, which carried 5/2, with Councilmembers Korte and Milhaven dissenting.

21. **Stormwater and Floodplain Management Code Amendment**  
**Requests:**
1. Adopt **Ordinance No. 4246** amending Scottsdale Revised Code, Chapter 37, Stormwater and Floodplain Management.
  2. Adopt **Resolution No. 10402** declaring the document entitled "Scottsdale Revised Code, Chapter 37, Stormwater and Floodplain Management" to be a public record.
- Presenter(s):** Ashley Couch, Stormwater Project Manager  
**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

Stormwater Project Manager Ashley Couch gave a PowerPoint presentation (attached) on the proposed Stormwater and Floodplain Management Code amendment.

Mayor Lane opened public testimony.

Marilyn Andrews, Scottsdale resident, spoke in opposition to the proposed Stormwater and Floodplain Management Code amendment.

Mayor Lane closed public testimony.

### **MOTION – ITEM 21**

Vice Mayor Littlefield made a motion to continue Item 21. Councilman Phillips seconded the motion. No vote was taken.

### **ALTERNATE MOTION AND VOTE – ITEM 21**

Councilmember Korte made an alternate motion to adopt Ordinance No. 4246 and Resolution No. 10402. Councilwoman Milhaven seconded the motion, which carried 5/2, with Vice Mayor Littlefield and Councilman Phillips dissenting.

#### **22. Monthly Financial Update**

**Request:** Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of May 2016.

**Presenter(s):** Jeff Nichols, City Treasurer

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

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of May 2016.

#### **23. SkySong Ground Lease Amendment**

**Request:** Adopt **Resolution No. 10492** authorizing Contract No. 2004-119-COS-A7, the seventh amendment to the ground lease with ASUF Scottsdale, LLC, regarding the location and configuration of the City's remaining 1.5-acre parcel in the SkySong development.

**Presenter(s):** Martha West, Sr. Real Estate Manager

**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

Senior Real Estate Manager Martha West gave a PowerPoint presentation (attached) on the proposed SkySong ground lease amendment.

Arizona State University Foundation Representative Don Couvillon gave a presentation on ASUF Scottsdale's request for an amendment to the SkySong Ground Lease.

### **MOTION – ITEM 23**

Councilman Smith made a motion to continue Item 23. Vice Mayor Littlefield seconded the motion. No vote taken.

### **ALTERNATE MOTION AND VOTE – ITEM 23**

Councilwoman Milhaven made an alternate motion to adopt Resolution No. 10492 authorizing Contract No. 2004-119-COS-A7, with all of the additional amendments that were presented. Councilmember Korte seconded the motion, which carried 6/1, with Councilman Smith dissenting.

#### **24. Special Event User Guide**

**Request:** Presentation, discussion, and possible direction to staff regarding the first edition of the Special Event User Guide and Rules.

**Presenter(s):** Karen Churchard, Tourism and Events Director

**Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, [kchurchard@scottsdaleaz.gov](mailto:kchurchard@scottsdaleaz.gov)

Tourism and Events Director Karen Churchard gave a PowerPoint presentation (attached) on the draft Special Event User Guide.

Mayor Lane opened public testimony.

The following commented on the Special Event User Guide and Rules:

- Aaron Shearer, Green Bee Produce
- Sonnie Kirtley, Coalition of Greater Scottsdale
- French Thompson, Scottsdale resident

Mayor Lane closed public testimony.

Councilmembers offered several comments and suggestions related to amendments to the Special Event User Guide and regulations:

- Add language to clarify/define:
  - Each party's (applicant's and City's) responsibilities.
  - The applicant has the responsibility for demonstrating that the net aggregate impact of a proposed event will not be negative, but the City determines the impact of the event and whether a permit will be granted.
  - Who (City and/or the applicant) is responsible for notifying surrounding neighbors and businesses regarding an event.
  - The City's signage criteria and regulations.
- Create a definition in the Special Event Ordinance for Farmer's Markets held on public or private property, along with the number of permitted days for that usage. Include a provision that does not require a Farmer's Market applicant to apply every quarter.
- Expand the notification area.
- Establish the notification distance on a case by case basis, depending upon the anticipated impact of the proposed event.

- Establish a notification standard of 750 feet. Determine if any other businesses beyond that point will be impacted and notify those businesses of the proposed event.
- The City should be responsible for all notifications, including street closures.
- The impact of a proposed event needs to be measured quantitatively and all decisions need to be made by the City.
- Whenever possible, quantify (measurable) the determination criteria so that it is clear to everyone how determinations are made.
- If the data indicates the negative impact is greater than 50%, the permit should not be issued until the concerns are resolved.
- Provide a process for resolving negative impact and moving forward with an application whenever possible.
- 14-day input before issuance of a permit is good idea.
- Tabulate the responses and make them public before a permit is issued.
- Make sure the guidelines are clear to anyone who reads them, not just event producers.
- Post the revised guidelines and provide a copy to Council.
- Measure the impact of the new ordinance by tracking the number of event applications received, how many go forward, and how many do not go forward because they did not meet the Special Event criteria.

**PUBLIC COMMENT** – None

## **CITIZEN PETITIONS**

### **25. Receipt of Citizen Petitions**

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

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

No citizen petitions were received.

## **MAYOR AND COUNCIL ITEMS**



**ADJOURNMENT**

The Regular City Council Meeting adjourned at 8:48 P.M.

**SUBMITTED BY:**



**Carolyn Jagger**  
City Clerk

Officially approved by the City Council on August 30, 2016

### CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 6<sup>th</sup> day of July 2016.

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

**DATED** this 30<sup>th</sup> day of August 2016.

  
\_\_\_\_\_  
Carolyn Jagger, City Clerk

# Item 11

## COMMUNITY EVENT FUNDING

CITY COUNCIL MEETING

July 6, 2016

	<b>COMMUNITY EVENTS EXISTING</b>	<b>COMMUNITY EVENTS PROPOSED</b>	<b>EVENT VENUE PROPOSED</b>	<b>MATCHING EVENT ADS PROPOSED</b>
<b>PAYMENTS</b>	75% Before / 25% After	100% After	No change 100% After	No change 100% After
<b>MARKETING/ ADVERTISING</b>	No Minimum	Must be 30% of funding request	No change	Only print, digital, social media ads and direct mail
<b>BUDGET</b>	No Budget Required	Budget Required	Budget Required	Budget Required
<b>FUNDING LIMITS</b>	\$30,000	\$30k May-Dec +10%	\$25k WestWorld \$5k Others May-Dec +10%	\$30k Tier 1 \$15k Tier 2 \$5k Tier 3 May-Dec +10%

## Item 21

Proposed Revisions to  
Stormwater and  
Floodplain Management Ordinance  
(Chapter 37 of Scottsdale Revised Code)

City Council Meeting  
July 6, 2016

Presented by:  
C. Ashley Couch, P.E., CFM  
Floodplain Administrator

### **Proposed Stormwater Code Revisions**

#### Purpose of Presentation

- Introduce project and give a brief project history
- Discuss major proposed changes to stormwater ordinance
- Discuss public involvement phase
- Answer questions and solicit feedback
- Request adoption of revised ordinance

## **Proposed Stormwater Code Revisions**

### Project Background

- Phase 1, adopted August 28, 2012:
  - Updated all articles subject to regulatory agency review
    - Article I: Floodplain Management (FEMA and ADWR)
    - Article III: Stormwater Quality (EPA and ADEQ)
    - Article IV: Enforcement (FEMA, ADWR, EPA, and ADEQ)
    - Article V: Interpretations, Appeals, and Variances (FEMA and ADWR)

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## **Proposed Stormwater Code Revisions**

### Project Background

- Phase 2
  - Update rest of ordinance, primarily Article II: Stormwater Regulation (not subject to regulatory agency review)
  - Address some minor issues with Phase 1; e.g.:
    - Need a Base Flood Depth definition
    - Add FEMA requirement for elevation of utilities servicing a building
    - Eliminate language from our ordinance that is already in Arizona Revised Statutes, since it's redundant and unnecessary

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## **Proposed Stormwater Code Revisions**

- No proposed revision will allow adverse stormwater impacts to other property

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## **Proposed Stormwater Code Revisions**

### The proposed ordinance will:

- Provide greater flexibility by allowing interpretations and appeals regarding standard regulations
  - This allows the city to consider innovative proposals that meet the intent of the code
- Update the language to make it more clear and concise

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## **Proposed Stormwater Code Revisions**

### Summary of Major Proposed Revisions

- Article II completely revised
  - First major revision since 1988
- Allow the current Environmentally Sensitive Lands Ordinance (ESLO) to control the planning and aesthetic considerations of wash modifications
- Clarified stormwater storage requirements, stormwater storage waiver criteria, and in-lieu fees

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## **Proposed Stormwater Code Revisions**

### Summary of Major Proposed Revisions

- Provide the Transportation Director flexibility to consider allowing wet (also known as dip) roadway crossings of watercourses where there is no increased risk of structural flooding
- Move drainage requirements for streets to the Design Standards and Policies Manual (DSPM)

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## **Proposed Stormwater Code Revisions**

### Public Involvement

- Several meetings with an ordinance update working group consisting of engineers and other community stakeholders and a public open house

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## **Proposed Stormwater Code Revisions**

### Boards and Commissions

- Development Review Board: April 21, 2016
- Building Advisory Board of Appeals: April 21, 2016
- Planning Commission: May 11, 2016

The proposed ordinance was presented to these boards and commissions as a non-action item for informational purposes only. While this item was presented as a non-action item, no board or commission member expressed any objection or concern about the proposed draft.

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## **Proposed Stormwater Code Revisions**

### **Staff Recommended Request:**

- Adopt Ordinance No. 4246 amending Chapter 37, Stormwater and Floodplain Management, of Scottsdale Revised Code
- Adopt Resolution No. 10402 declaring “Chapter 37, Stormwater and Floodplain Management” as a public record

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## **Proposed Stormwater Code Revisions**

### **Current Section 37-43(n)(1):**

~~Existing watercourses with a capacity of 50 cfs or greater, disregarding any estimated peak discharge values, shall be maintained in their natural state unless it is determined that alterations are required to meet other provisions of this [stormwater] ordinance.~~

### **Proposal**

- Allow the current Environmentally Sensitive Lands Ordinance to control the planning and aesthetic considerations of wash modifications

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## **Proposed Stormwater Code Revisions**

- Allow the current Environmentally Sensitive Lands Ordinance to control the planning and aesthetic considerations of wash modifications
  - Resolves inconsistency between city's zoning and stormwater ordinances
  - Consistent with long-standing staff practice
  - Zoning Administrator would continue to evaluate wash modification permits based on hardship, aesthetics, context sensitivity, minimization of disturbed areas, re-vegetation plans, and environmental preservation of the pristine Sonoran Desert
  - Stormwater Management continues to evaluate engineering feasibility—project approval granted based on compliance with stormwater regulations alone, which protect public against flooding and adverse stormwater impacts due to proposed development
  - State law grants development rights to property owners; city limited in its ability to impose severe constraints—proposal consistent with state law

## Item 22

# Monthly Financial Update

## As of May 31, 2016

City Council  
 July 6, 2016  
 Prepared by: City Treasurer

### General Fund Operating Sources May 2016: Fiscal Year to Date

*(in millions: rounding differences may occur)*

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$87.5	\$92.0	\$96.5	\$92.1	\$4.4	5%
0.1% Public Safety	8.5	9.0	9.5	9.0	0.5	5%
State Shared: Sales Tax	17.3	18.1	18.9	18.9	-	-
Income Tax	22.2	24.1	24.0	24.0	-	-
Auto Lieu Tax	7.1	7.5	8.1	7.7	0.4	5%
Property Taxes (Primary)	23.8	23.6	23.9	24.5	(0.6)	-3%
Franchise Fees/In-Lieu Tax	11.2	11.1	11.3	10.8	0.5	5%
Other: Licenses, Permits & Fees	8.2	9.1	9.4	9.0	0.4	4%
Fines & Forfeitures	6.1	6.9	7.0	6.8	0.2	3%
Miscellaneous	7.5	10.1	11.4	10.7	0.7	6%
Building Permits	13.8	13.9	12.4	12.7	(0.3)	-3%
Interest Earnings	1.6	0.9	1.2	0.8	0.4	52%
Indirect Cost Allocations	6.0	5.9	5.5	5.5	-	-
Transfers In	6.5	7.9	8.3	8.3	-	-
<b>Total Operating Sources</b>	<b>\$227.3</b>	<b>\$240.2</b>	<b>\$247.1</b>	<b>\$240.8</b>	<b>\$6.3</b>	<b>3%</b>

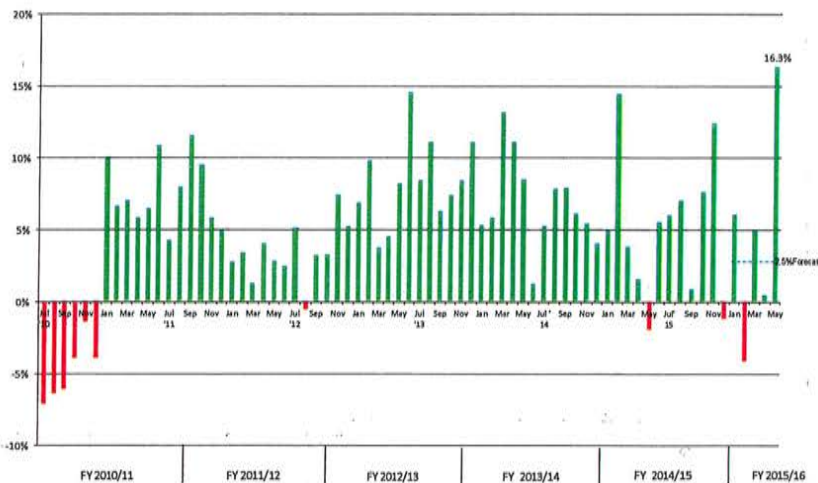
## General Fund Operating Sources: Sales Tax May 2016 : Fiscal Year to Date

*(in millions: rounding differences may occur)*

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$14.8	\$15.5	\$16.8	\$16.3	\$0.5	3%
Large retail stores	8.5	8.7	8.7	9.1	(0.4)	-5%
Misc goods & services	6.9	7.2	8.5	7.3	1.2	16%
Grocery & convenience	6.1	6.4	6.6	6.5	0.1	1%
Auto sales & maintenance	11.2	12.4	13.2	13.1	0.1	1%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	4.5	4.9	5.1	5.0	-	-
Restaurants & bars	7.8	8.5	8.9	8.8	0.1	1%
<u>Business:</u>						
Construction	10.0	10.5	9.5	7.7	1.8	23%
Rental	11.5	11.8	13.3	12.2	1.2	9%
Utilities	4.1	4.1	4.1	4.1	-	-
Licenses, penalties/interest	2.2	2.1	1.9	2.1	(0.2)	-8%
<b>Total 1.0% Sales Tax</b>	<b>\$87.5</b>	<b>\$92.0</b>	<b>\$96.5</b>	<b>\$92.1</b>	<b>\$4.4</b>	<b>5%</b>

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## General Fund Sales Tax: 1.0% General Purpose – Year over Year Change



## General Fund Operating Uses: by Category May 2016: Fiscal Year to Date

*(in millions: rounding differences may occur)*

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<b>Personnel Services*:</b>						
Salaries & Wages	\$106.6	\$110.1	\$111.6	\$112.8	\$1.2	1%
Overtime	6.7	7.4	6.4	6.4	0.1	1%
FICA	7.3	7.5	7.5	7.6	0.1	1%
Retirement	15.9	17.0	19.3	19.5	0.2	1%
Health/Dental & Misc	14.3	14.5	15.3	15.6	0.3	2%
<i>Total Personnel Services</i>	<u>\$150.9</u>	<u>\$156.6</u>	<u>\$160.1</u>	<u>\$162.0</u>	<u>\$1.9</u>	<u>1%</u>
Contractual, Commodities, Capital Outlay	52.9	55.0	54.9	58.3	3.4	6%
<i>Total Operating Expenses</i>	<u>\$203.7</u>	<u>\$211.6</u>	<u>\$215.0</u>	<u>\$220.3</u>	<u>\$5.3</u>	<u>2%</u>
Debt Serv. & Contracts	1.6	1.6	1.6	1.6	-	-
Transfers Out	0.4	-	3.7	2.0	(1.7)	-85%
<i>Total Operating Uses</i>	<u>\$205.8</u>	<u>\$213.2</u>	<u>\$220.3</u>	<u>\$223.9</u>	<u>\$3.6</u>	<u>2%</u>
<b>*Pay Periods thru May:</b>	<b>24</b>	<b>24</b>	<b>24</b>			

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## General Fund Operating Uses: by Division May 2016 : Fiscal Year to Date

*(in millions: rounding differences may occur)*

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$16.3	\$16.6	\$18.2	\$18.4	\$0.2	1%
Administrative Services	13.7	13.8	14.2	14.5	0.3	2%
Comm. & Econ Development	21.3	22.3	21.4	22.5	1.1	5%
Community Services	29.9	30.8	30.7	31.7	1.0	3%
Public Safety - Fire	29.0	30.4	31.8	31.2	(0.6)	-2%
Public Safety - Police	77.1	81.3	83.2	85.8	2.7	3%
Public Works	16.4	16.4	15.5	16.2	0.7	4%
<i>Total Operating Expenses</i>	<u>\$203.7</u>	<u>\$211.6</u>	<u>\$215.0</u>	<u>\$220.3</u>	<u>\$5.3</u>	<u>2%</u>

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## General Fund - Sources Year-End Estimate: FY 2015/16

(in millions: rounding differences may occur)

	FY 2015/16	FY 2015/16	Variance	
	Approved	Forecast	Fav/(unf)	%
1.1% Sales Taxes	\$110.0	\$115.8	\$5.8	5%
State-Shared Revenues	55.5	55.6	0.1	0%
Property Taxes	26.0	26.0	0.0	0%
Franchise Fees/In-Lieu Taxes	12.0	12.3	0.3	3%
Building Permits	14.3	14.3	0.0	0%
Charges for Services/Other	37.0	36.0	(1.0)	-3%
Transfers In	9.1	11.5	2.4	26%
<b>Total Sources</b>	<b>\$263.9</b>	<b>\$271.5</b>	<b>\$7.6</b>	<b>3%</b>

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## General Fund - Uses Year-End Estimate: FY 2015/16

(in millions: rounding differences may occur)

Category	FY 2015/16	FY 2015/16	Variance	
	Approved	Forecast	Fav/(Unf)	%
Personnel Services:				
Salaries & Wages	\$123.3	\$122.1	\$1.2	1%
Overtime	7.0	6.9	0.1	1%
FICA	8.3	8.2	0.1	1%
Retirement	22.1	21.9	0.2	1%
Health/Dental & Misc	17.1	16.8	0.3	2%
<i>Total Personnel Services</i>	<i>\$177.8</i>	<i>\$175.9</i>	<i>\$1.9</i>	<i>1%</i>
Contractual, Commodities, Capital Outlay	65.5	64.5	1.0	2%
<i>Total Operating Expenses</i>	<i>\$243.3</i>	<i>\$240.4</i>	<i>\$2.9</i>	<i>1%</i>
Debt Serv. & Contracts	14.8	17.2	(2.4)	-16%
Transfers Out	6.2	7.5	(1.3)	-21%
<b>Total Operating Uses</b>	<b>\$264.3</b>	<b>\$265.1</b>	<b>(\$0.8)</b>	<b>-1%</b>

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## General Fund Results Year End Estimate: FY 2015/16

(in millions: rounding differences may occur)

	FY 2015/16 Approved	FY 2015/16 Forecast	Variance	
			Fav/(Unf)	%
Sources	\$263.9	\$271.5	\$7.6	3%
Uses	264.3	265.1	(\$0.8)	-1%
<b>Total Sources Over/(Under) Uses</b>	<b>(\$0.4)</b>	<b>\$6.4</b>	<b>\$6.8</b>	
<b>Ending Unreserved Fund Balance</b>	<b>\$22.8</b>	<b>\$30.6</b>		

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## General Fund Results: Summary May 2016: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 13/14	FY 14/15	FY 15/16	FY 15/16 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
Sources	\$227.3	\$240.2	\$247.1	\$240.8	\$6.3	3%
Uses	205.8	213.2	220.3	223.9	3.6	2%
Change in Fund Balance	\$21.5	\$27.0	\$26.8	\$16.9	\$9.9	

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## General Fund Operating Sources May 2016

*(in millions: rounding differences may occur)*

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$8.5	\$8.3	\$9.7	\$8.7	\$1.0	11%
0.1% Public Safety	0.8	0.8	1.0	0.9	0.1	11%
State Shared: Sales Tax	1.7	1.9	1.9	1.9	-	-
Income Tax	2.0	2.2	2.2	2.2	-	-
Auto Lieu Tax	1.0	1.1	0.8	1.1	(0.3)	-30%
Property Taxes (Primary)	6.0	6.1	5.6	6.2	(0.5)	-9%
Franchise Fees/In-Lieu Tax	0.0	0.0	0.0	0.0	-	-
Other: Licenses, Permits & Fees	0.8	0.8	0.8	1.0	(0.1)	-14%
Fines & Forfeitures	0.6	0.7	0.5	0.6	(0.1)	-23%
Miscellaneous	0.8	0.6	0.6	0.7	-	-
Building Permits	1.3	1.3	1.6	1.6	-	-
Interest Earnings	0.2	0.1	(0.1)	0.1	(0.1)	nm
Indirect Cost Allocations	0.5	0.5	0.5	0.5	-	-
Transfers In	0.6	0.6	0.6	0.6	-	-
<b>Total Operating Sources</b>	<b>\$25.0</b>	<b>\$25.1</b>	<b>\$25.7</b>	<b>\$26.0</b>	<b>(\$0.3)</b>	<b>-1%</b>

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## General Fund Operating Sources: Sales Tax May 2016

*(in millions: rounding differences may occur)*

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$1.5	\$1.5	\$1.6	\$1.6	\$ -	-
Large retail stores	0.8	0.8	0.8	0.8	(0.1)	-9%
Misc goods & services	0.6	0.7	1.2	0.7	0.5	72%
Grocery & convenience	0.6	0.6	0.6	0.6	(0.1)	-12%
Auto sales & maintenance	1.1	1.2	1.3	1.3	0.1	6%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	0.6	0.6	0.6	0.6	-	-
Restaurants & bars	0.8	0.8	0.9	0.9	-	-
<u>Business:</u>						
Construction	1.0	0.7	0.9	0.6	0.3	52%
Rental	1.0	1.0	1.3	1.1	0.2	16%
Utilities	0.4	0.4	0.3	0.4	-	-
Licenses, penalties/interest	0.1	0.1	0.1	0.1	0.1	58%
<b>Total 1.0% Sales Tax</b>	<b>\$8.5</b>	<b>\$8.3</b>	<b>\$9.7</b>	<b>\$8.7</b>	<b>\$1.0</b>	<b>11%</b>

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## General Fund Operating Uses: by Category May 2016

*(in millions: rounding differences may occur)*

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$8.9	\$9.3	\$9.1	\$9.3	\$0.1	1%
Overtime	0.4	0.5	0.4	0.5	0.1	14%
FICA	0.6	0.6	0.6	0.6	-	-
Retirement	1.3	1.4	1.6	1.6	0.1	4%
Health/Dental & Misc	1.3	1.3	1.4	1.4	-	-
<i>Total Personnel Services</i>	<i>\$12.4</i>	<i>\$13.2</i>	<i>\$13.1</i>	<i>\$13.4</i>	<i>\$0.3</i>	<i>2%</i>
Contractual, Commodities, Capital Outlay	4.4	4.7	4.3	4.5	0.2	4%
<i>Total Operating Expenses</i>	<i>\$16.8</i>	<i>\$17.9</i>	<i>\$17.4</i>	<i>\$17.9</i>	<i>\$0.5</i>	<i>3%</i>
Debt Serv. & Contracts	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
<i>Total Operating Uses</i>	<i>\$16.8</i>	<i>\$17.9</i>	<i>\$17.4</i>	<i>\$17.9</i>	<i>\$0.5</i>	<i>3%</i>
<b>*Pay Periods in May:</b>	<b>2</b>	<b>2</b>	<b>2</b>			

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## General Fund Operating Uses: by Division May 2016

*(in millions: rounding differences may occur)*

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.4	\$1.4	\$1.4	\$1.4	\$0.1	4%
Administrative Services	1.3	1.1	1.0	1.1	0.1	10%
Comm. & Econ Development	1.4	1.5	1.4	1.6	0.1	8%
Community Services	2.7	2.8	2.8	2.7	(0.1)	-3%
Public Safety - Fire	2.3	2.5	2.7	2.5	(0.2)	-7%
Public Safety - Police	6.3	6.9	6.6	7.0	0.4	6%
Public Works	1.4	1.7	1.4	1.5	0.1	4%
<i>Total Operating Expenses</i>	<i>\$16.8</i>	<i>\$17.9</i>	<i>\$17.4</i>	<i>\$17.9</i>	<i>\$0.5</i>	<i>3%</i>

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## General Fund Results: Summary May 2016

*(in millions: rounding differences may occur)*

	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 15/16 Budget	Actual vs. Budget	
					Fav/(Unf)	%
Sources	\$25.0	\$25.1	\$25.7	\$26.0	(\$0.3)	-1%
Uses	16.8	17.9	17.4	17.9	0.5	3%
Change in Fund Balance	\$8.2	\$7.2	\$8.3	\$8.1	\$0.2	

Item 23

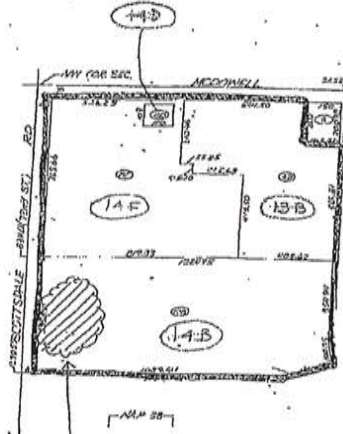
**7<sup>th</sup> Amendment  
SkySong Ground Lease  
1.5 Acre Excluded Parcel**

*City Council  
July 6, 2016*

**Proposed Action**

**Adopt Resolution 10492 authorizing contract  
2004-119-COS-A7 with ASUF Scottsdale LLC  
regarding the location and configuration of  
the city's remaining 1.5-acre parcel excluded  
from the Ground Lease**

### Current Location of 1.5 acre Excluded Parcel



APPROXIMATE LOCATION OF  
1.5 ACRE EXCLUDED PARCEL -  
LOCATION SUBJECT TO CHANGE

### ASUF Proposed Alternative Location



## **Catalyst**

- ASUF is pursuing hotel development deal for pad located at southwest corner of the SkySong site on Scottsdale Road
- Current generalized location of city's excluded ("floating) parcel is at the southwest corner of the SkySong site on Scottsdale Road

## **Chronology**

**1/2**

- ASUF approached City with proposal:
  - Designate 1.5 ac city parcel on Scottsdale Road
  - Lease designated parcel from city (pre-paid lease at appraised value)
  - Build hotel on 1.5 acre leased parcel
- ASUF proposal to city changes from lease to purchase:
  - Designate same 1.5 ac parcel on Scottsdale Road
  - Purchase parcel at appraised value
  - Closing after 6 months & contingent on ASUF completing deal with hotel developer

## Chronology

2/2

- ASUF proposal to city changes again
  - ASUF asks city to designate our 1.5 ac city parcel at SEC of McDowell Road and Innovation Place
  - 1.5 acre parcel on Scottsdale Road would be available for hotel development under Ground Lease

## Value Comparison

- May 2016 Landpro Valuation appraisals of 1.5 ac parcels
  - Existing: at southwest corner of SkySong on Scottsdale Road
  - Proposed: at southeast corner of McDowell Road and Innovation Place
  - Both valued at \$2.4m (\$37/sf)

#### **7<sup>th</sup> Amendment to Ground Lease – Deal Points**

- City's excluded parcel is defined on McDowell Road (no more floating parcel)
- ASUF provides access to parcel from Innovation Place and 74<sup>th</sup> Street
- Amendment 7 will be effective on or before January 31, 2017
- ASUF removes existing surface parking easement on McDowell 1.5 acre parcel before Amendment 7 becomes effective

#### **Council Action Options**

- OPTION 1: Adopt Resolution 10492 authorizing the 7<sup>th</sup> amendment to the ground lease at SkySong
- OPTION 2: Take no action. No change to the ground lease occurs and the City's excluded parcel will continue to "float" within the SkySong project

**Questions and  
Discussion**



Item 24

**SPECIAL EVENT USER GUIDE**

City Council Regular Meeting

July 6, 2016

**USER GUIDE AND RULES**

1. General Information and Definition
2. Submittal Process and Timelines
3. Permit Application Requirements
- 4. Review Requirements**
5. Fees - Application, Permit & Public Property Use
6. Cancellations and Refund Policies
7. Equipment Rental Information
8. City Contact List and Information
9. City Event Venue Information
10. City Maps

## **REVIEW REQUIREMENTS**

- Amplification & sound
- Event production schedule, Hours and Tear Down
- Fire Services, Emergency Medical and Tents
- Health Permits
- Insurance & Liability Waivers
- Liquor Control
- Neighborhood Notice & Notification
- Parking Plan & ADA
- Police Services, Security Plan & Towing
- Restroom facilities
- Signs & Course Markings
- Site Plan & Course Map
- Street Use, Closures & Restrictions
- Trash, Recycling & Cleanup
- Utilities
- Vender Sales, Tax & Licensing

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## **USER GUIDE PROCESS**

Following process set forth in Special Events Ordinance (S.R.C. Sec. 22-22):

- Draft prepared
- Reviewed by City Attorney
- Filed with the City Clerk
- Posted on website (notified interested parties)
- Takes effect after 30 days

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**NOTICE AND NOTIFICATION**

	<b>APPLICATIONS</b>	<b>STREET CLOSURES</b>	<b>EVENTS</b>
<b>WHEN?</b>	After application, prior to decision. About 60 days prior to event.	After application, prior to decision. Between 30-60 days prior to event.	After decision, prior to event date. About 7-14 days prior to event
<b>WHY?</b>	Provide sufficient time to learn about events that may impact you. Promote early and effective participation to identify issues.	To ensure affected parties are aware, to determine support or concerns, to mitigate impacts	A reminder of events that may impact them
<b>BY WHOM?</b>	By City on website and via email lists	By applicant in format and to parties approved by City	By City on website and via email lists

**Adjacent residents and businesses will receive notice of a special event as follows:**

- In the case of street closures, the applicant will provide notice to neighbors as required by the Ordinance using a form prescribed by the City
- In the case of events not involving a street closure, the City will provide notice via the City’s website and mailing list. Interested parties may also subscribe and receive automatic updates via Real Simple Syndication (RSS) feeds

**City Staff will:**

- Evaluate information provided by the applicant and received from neighbors and businesses in deciding whether the applicant meets the ordinance criteria in order to issue a permit
- As determined by staff on a case-by-case basis, City staff will conduct additional outreach depending on the nature, size, etc. of the event

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**The applicant will:**

- Demonstrate that the event will meet all criteria in the ordinance, including that the event's net aggregate impact will not be negative
- Provide notice to neighbors in the case of street closures, as required by the Ordinance using a form prescribed by the City

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## **NEXT STEPS**

- Direct staff to proceed with implementation of the Special Events Ordinance including the User Guide, either in its current form, or with any changes the Council may desire.
- Any amended section(s) will be prepared, posted for 30 days per the ordinance, and then take effect.
- Any sections not amended would take effect immediately