

---

This document was created from the closed caption transcript of the December 7, 2022 City Council Regular meeting and has not been checked for completeness or accuracy of content.

A copy of the agenda for this meeting, including a summary of the action taken on each agenda item, is available online at:

<https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Council/archive-agendas-minutes/2022-agendas/12-07-22-regular-agenda.pdf>

An unedited digital video recording of the meeting, which can be used in conjunction with the transcript, is available online at:

<https://www.scottsdaleaz.gov/scottsdale-video-network/council-video-archives/2022-archives>

For ease of reference, included throughout the transcript are bracketed "time stamps" [Time: 00:00:00] that correspond to digital video recording time.

For more information about this transcript, please contact the City Clerk's Office at 480-312-2411.

---

#### **CALL TO ORDER**

[Time: 00:00:00]

Mayor Ortega: Good evening. I call the December 7, 2022 city council regular meeting to order. City Clerk Ben Lane would you please conduct the roll call.

#### **ROLL CALL**

[Time: 00:00:01]

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

Mayor Ortega: Present.

Clerk Ben Lane: Vice Mayor Tom Durham.

Vice Mayor Durham: Present.

Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilmember Caputi: Here.

Clerk Ben Lane: Betty Janik

Councilmember Janik: Present.

Clerk Ben Lane: Kathy Littlefield.

Councilmember Littlefield: Here.

Clerk Ben Lane: Linda Milhaven.

Councilmember Milhaven: Here.

Clerk Ben Lane: Solange Whitehead.

Councilmember Whitehead: Here.

Clerk Ben Lane: City Manager Jim Thompson.

Jim Thompson: Here.

Clerk Ben Lane: City Attorney Sherry Scott.

Sherry Scott: Here.

Clerk Ben Lane: City Treasurer Sonia Andrews.

Sonia Andrews: Here.

Clerk Ben Lane: City Auditor Sharron Walker.

Sharron Walker: Here.

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

Mayor Ortega: Please stand for the pledge of allegiance.

[Time: 00:00:26]

Vice Mayor 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, liberty and justice for all.

Mayor Ortega: So we continue to keep the people of Ukraine and their fight for freedom. Let's pause in silence. Thank you.

It is with great sadness that I tell you the recent passing of retired, presiding Judge Joseph Olcavage. He was known for his soft smile, attentive gaze, and piercing intellect as he presided in the Scottsdale City Court.

He was a strategic thinker, visionary, whose skills resonate in our municipal system and ripple throughout Scottsdale. For more than 40 years we would constantly mentor new judges, promoted

peer education, and created an in-house data system with its own shorthand to streamline Courtroom processes.

Judge O joined in 1980 and later served as a City prosecutor, assistant city attorney, and associate judge and from 2012-2022 as Scottsdale's presiding judge. Supreme Court Justice Thurgood Marshall said in recognizing the humanity of our fellow human beings, we pay ourselves the highest tribute. Certainly Judge O believed in equal justice for all with sincere possibility for restoration of the individual. He knew that courts are intimidating. He was centered around the human experience.

Judge O inspired a staff and everyone he encountered by his authentic leadership. He spent his life's energy fully committed to public service every day. 20 years ago as City Councilman, I judge the Judge as he reappointed. He shared his wisdom as we sat in the Mayor's office about a year ago. But the most memorable last time together was with several other judges and their wives and families at the Diamondbacks sky box game just a couple of months ago. We shared conversation and rotated to sit next to Judge O. The game really didn't matter. To me Judge O mentioned the Green Dolphin Pub in Tucson, his law school classmates, and so many other things, which I will treasure. It is comforting to know we had the privilege to know him.

I see several of the colleagues in the audience today who were at the sky box that night and treasure the memory of Judge O. At the request of Donna and his family I'm sharing the following about services for Judge O. A funeral mass will be held at 11:00 a.m. on December 15th at St. Patrick's Catholic Community. That's 10815 North 84th Street in Scottsdale. Mass will be followed by processional and graveside service at Paradise Memorial gardens at 8300 East Shea Boulevard in Scottsdale.

Let's share a moment to remember our dear friend and colleague, Judge Joseph Olcavage. Our hearts and prayers are with his family. Thank you.

[Time: 00:06:17]

Continuing we have a presentation to Councilmember Linda Milhaven for her last council meeting tonight. Gifts include -- well, they are surprises. I can't let you know. I would ask for us to share our comments of working together with Linda. If I may start. Tammy, go ahead.

Councilwoman Caputi: First of all, I want to thank my colleague, Linda Milhaven to the 30 years of service to the city. Not just the city council, she has volunteered her time and energy in so many ways to so many organizations in the community. It is really going to be missed when you are gone. I just want to say although you are not going anywhere. I didn't mean it like that. Of course, we always know where to find you. It's been an honor and privilege to work beside you the last few years. I think I can speak for the entire council when I say your leadership and institution institutional knowledge will be greatly missed here on the council. Thank you, Linda.

Councilwoman Whitehead: I think I'm next. Okay. I've had the pleasure of working with Councilwoman Milhaven for four years. City government is a team sport. You elect seven different people with seven opinions. Our job is to debate issues and come to a path that is best for our community.

Councilmember Milhaven and I have teamed up on a number of occasions when 2020 happened. Some of the programs for our most vulnerable Po populations were lessened because of budget cuts. It was Councilwoman Milhaven that worked with me to save the programs. We've had a good time working with create energy efficiency dollars. It is the cheapest energy source. I've had the pleasure and assistance -- the very effective assistance of Councilwoman Milhaven affecting that. I certainly liked working together to get the green building codes passed last night. Thank you, Linda.

Mayor Ortega: Kathy?

Councilwoman Littlefield: Thank you, Mayor. I would like to say I've been very honored to work with Linda over the last eight years. She has been a great help to me in a lot of the things in finance at the city. How the budgets work, how they got put together. Because for a long time, I depended on what she would say about stuff in the history of the city and how it all worked together, because that was my only source of knowledge and ability to learn things.

So I really appreciated that, Linda. You were a great help for me to learn how the city would put together financially and to make it all work together and tie together. That was the biggest part was to tie it together and make it one unified hole. I've also just enjoyed her company. She's interesting. She's a good conversationalist. She has a lot of fun stories to tell. (Laughter) Hopefully she's not going to tell them all tonight. I've enjoyed it very much, Linda. Thank you.

Councilwoman Janik: I've had the pleasure of knowing Linda for about two years. What I really appreciate is her knowledge of the way things work. She's very easy to share with no matter how mundane the question is. She answers with it respect and no judgment. I particularly appreciate that she has dedicated 12 years of her life. I have to tell you when you are on council, it is a demanding job. She has given freely and with a smile. I thank you for that. That's a good example for all of us. Thanks.

[Time: 00:10:29]

Vice Mayor Durham: Thank you. Several of the members here have mentioned Linda's institutional knowledge. Which is always very important. Especially for newbies on council. It is really good to hear about the way things have done. I don't think any of us come as prepared as Linda does with control of financial numbers and studying the facts. She always comes prepared. I didn't always agree with her, often. I did respect her views. She does a great job for the city. As councilwoman Janik emphasized, 12 years of this is -- it is a lot of work. I've done for two years. I'm not sure I can imagine doing it for 12. We should all thank her for those 12 years of service.

Mayor Ortega: Linda, we've known each other for decades. I remember from the Chamber of Commence, Scottsdale leadership certainly on downtown issues and prior to when I was a Councilman. I love that Long Island accent. I can say that, I hope. Your sister speaks very quickly as well. I enjoy the beauty of that. There are so many things this community encountered. When I first took office actually there were three dues. I snuck in on December of 2020 when the building was closed because of COVID. Mayor Lane was presented, Virginia Korte was presented, and Guy Phillips was presented. You know, sorry, Suzanne Klapp. Councilwomen Klapp. There was nobody in here. That was because COVID had closed things down. I was a Mayor-elect. I stayed over there. I saw the appreciation that so many people gave. I heard Linda speak about her council experience. It is with that gratitude that I

would like to give you the floor and then we'll all go down together and have a little presentation. Is that good?

Councilmember Milhaven: Thank you, Mayor. I know all of you are here for the zoning case. I have no misconceptions. Thank you for the kind words very much. I'm so humbled and grateful to have had the opportunity to serve the incredible community. I'm grateful to all of the residents who put their trust in me. I'm grateful for the amazing team for the great work they do every day making and keeping Scottsdale the great place it is. And for all of the support they provide to us as city council members.

We can attest you sit in the chair. Staff is always there to help. Thank you for the great work that you do. I'm grateful to the charter officers for their wisdom and patience. I'm grateful to my colleagues over the years. Although there were and have been disagreements, I know that everyone was always trying to do the right thing. As a community and as a city council, we'll continue to have disagreements. I think we agree on many more things than we disagree. I think we all agree this is a great city with a great quality of life and strong, diversified, economy. I hope we can always start our conversations from that point of agreement.

[Time: 00:14:17]

When we start from the points that we agree with, we can have much more respectful discussions. We can share ideas. The process may come up with better ideas than we had individually. I'm grateful to all of my colleagues for all of the great conversations and discussions. Sometimes when we disagreement, people will tell us we are not listening. We are listening. We just sometimes disagree. We live in a community of 240,000 people. I think we'll rarely have a ewe no, ma'am mouse point of view on any single issue. I'm reminded of a quote that I heard once that said it isn't hard to do the right thing. What's hard to know is what the right thing is. So we may sometimes disagree about what the right thing is.

I've always tried to do what I thought was the right thing and in the best interest of the greater good. 12 years is a long time. A lot has happened. We faced two financial disasters. When I first took office, we were in the midst of the great recession. We didn't know how bad, bad was going to get. Then in the last term we had to face the uncertainties of COVID. We were able to make tough decisions, maintain city services, and come through with strength.

Our downtown has seen significant investments. More people are living and working downtown than ever before. I'm heartened to see what were once empty streets filled with people, walking dogs, pushing baby carriages, or enjoys meals on the patios. We need more investment in the downtown. We've come a long way. It was full of empty car dealerships.

The neighbors complained about needing the new grocery stores. The new residences have revitalized it and made the area much more attractive to businesses. The neighbors are getting what they wanted. SkySong was one building and more dirt lot than the office complex. Today it is complete and contributed \$1 billion in economic activity. The surrounding neighborhoods their home values have increased faster there than anywhere else in the valley.

We expanded the preserve, nearly doubling the size of the preserve and last but not least with the help of my college, we passed a non-discrimination ordinance. I'm proud to have played a part in the successes. We must not take the successes for granted. We have to look forward and protect our community while planning for a prosperous future.

Although I'm leaving, I won't be going very far away. I spent 30 years in service to the volunteer leader and councilmember. I will continue to invest in helping to keep Scottsdale a great city. Thank you to everyone again for the amazing privilege to serve as your City Councilmember. Thank you.

Councilmember Milhaven: Do you want me to unwrap it?

(Inaudible).

Mayor Ortega: We are now continue. I'm asked to bring you this public service announcement 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, the executive session will be held immediately and will not be open to the public. The public meeting would resume following the executive session, if necessary.

**PUBLIC COMMENT**

[Time: 00:20:21]

Mayor Ortega: Next we're moving to public comment. Public comment is an opportunity for any resident, business owner, or property owner to comment on non-agendaized item that is are within the Council's jurisdiction. Advocacy for or against a candidate or ballot measure is not allowed purr current to Arizona's statute and not deemed to be the council's jurisdiction. Now any one comment, commenting is able to speak for three minutes; however no official council action can be taken. Again, public comment for a non-agendaized item. There are opportunities as noted for the public to speak on agendaized items which are, of course, posted. I'm told there are three speakers for non-agendaized public comment. One is Jason Alexander. Then Sherry Lopez and Dawn Henninger. You have three minute or less. Three come forward.

Jason Alexander: I wanted to thank you for your service to the community. You've been the most powerful, well thought out person on the council in terms of presenting your positions. Whether one agrees with the positions or not, your logic and reasoning is clear and incredibly laid out. I want to thank you for your domain knowledge and ability with rules of order and keeping the meeting on track and being a leader of the council like many of the colleagues said. Personally, I would like to thank you for your willingness to rebuild bridges. Your kindness and humility and willingness to start over. It's been great getting to be your friend. I look forward to cheering you on in your next endeavors.

Councilmember Milhaven: Thank you, Jason.

Mayor Ortega: Next I show Sherry Lopez. You are also going to be speaking on item 19. Excuse me? Okay. She will be speaking on item number 19. Next Don Henninger. Please state your name and address. Thank you.

Don Henninger: Mayor Ortega, members of council, 8202 East -- I'm also here to say thank you to Linda. It was great to hear all of you thank her, but it is nice to hear from the public and residents. Linda, 12 years is a long time. You live in the public spotlight just about every day and every decision is analyzed and dissected. I've been a true leader. You are passionate about the city. You've served about fanfare and personal glory. You are honest, you are transparent, you have an open mind when it comes to challenging issues.

I've not once seen your ego get the better of you or influence any of your decisions that you've made on behalf of the greater good of the city. As city residents, we don't agree on issues. If we do, that's a bad sign for the future. Spirit of debate, differences of opinion, and healthy environment. That makes the city stronger, not weaker. Linda, you've done that admirable blue in all of your years of city. Scottsdale is the golden rule city. You are a golden rule leader. We say thanks to you for your service. We say thanks to all of you on your council tonight. Thank you very much.

Councilmember Milhaven Thank you, Don.

Mayor Ortega: Thank you. That concludes the public comment part of our agenda. Therefore, I close public comment.

#### **CONSENT AGENDA**

[Time: 00:24:24]

Mayor Ortega: Next we go to the consent agenda items. Consent agenda items are dually posted and thoroughly vetted. Items 1-18 there's an opportunity for any comment on those agenda items 1-18. I don't believe there's any public comment. So I would -- we'll be making a motion shortly on items 1-18. Let me go to Councilwoman Whitehead and Councilwoman Janik.

Councilwoman Whitehead: Thank you. I want to bring to the attention that tonight is also the last meeting for one of our charter officers. Our auditor. Scottsdale city auditor Sharron Walker. There's a lot of reasons that Scottsdale is exceptional. There are a lot of things we do different here. Certainly, this is one great example. Unlike every other city we have an independent auditor. We have an auditor that reports and audits every aspect of our city. How we operate, how we spend money, how we make sure that parks are open for the public.

That's how we as a city have been able to fine tune how we spend money and become the city that we are. I think it is rare that a city -- the position in the city saves taxpayers so much money. That's exactly what Sharron Walker and her small team have done. It sounds boring. It is exceptional work. It's made Scottsdale an exceptional city. As a member of the audit committee for four years, boy, am I going to miss Sharon. I'm grateful for the incredibly qualified people she has trained in her years here at the city. Thank you, Sharon.

(Applause).

Mayor Ortega: Councilwoman Janik.

Councilwoman Janik: Okay. What I have to say isn't quite as dynamic. Sharon is wonderful, trustworthy, and when you have someone like that working for the city, you know you don't have to worry about our audits. She does impeccable work. The other item I want to address on the consent agenda, I would like more information on item seven, animal control services intergovernmental agreement amendment? Hopefully Kroy is around.

Mayor Ortega: Good. We'll hold on that while Kroy comes forward. Let's move to Councilwoman Littlefield.

[Time: 00:27:17]

Councilwoman Littlefield: Thank you. I would like to reiterate what Councilwoman Solange Whitehead said it's been a pleasure working with you on the audit committee. She doesn't do the city audits with an attack mode. She does this with a we can fix this, make it better, go forward, the city will be stronger for it. That's her entire attitude. That's what she accomplishes in every single audit that she's done. I really appreciate that. Thank you very much.

Mayor Ortega: Vice Mayor Durham.

Vice Mayor Durham: Thank you. I've served on the audit committee. I agree with everything that was said. Especially council member's comments about working to fix things. The emphasis is always on getting something fixed. It always gets fixed and it always saves us a lot of money. And results in better operations. So it's been very plenty experience to work on the audit committee. Thank you.

Mayor Ortega: Anyone else? Sharon, you have to commend you. Thank you for the years of experience and expertise that you have here and the prior experience at the state level as an auditor there. The audit office broke ground by auditing the school district at their request. So they don't have a full-time auditor. They would have gone to outside audit consultants. Sharon came before us and said that she could provide that.

It was very worthy while, as you know, we're major partners together with our kids and city. She did an excellent job for the school district. We were compensated for that. I think that broke ground. We've improved our relationship with the school districts as well. Just to be totally clear, she did refuse a street sign. She did refuse a Kachina. It was something about grandkids breaking things or whatever it was. Sharon is going to enjoy a wonderful retirement. God bless you. Thank you so much.

(Applause)

City Auditor Walker: Thank you.

Mayor Ortega: Few words, right?

City Auditor Walker: I would just like to say thank you to the council and previous councils that have let me do the work that I do how to help Scottsdale provide even better services. Thank you very much.



Mayor Ortega: Wonderful. There was a question about item seven. I don't know if there's -- I see Kroy. Excuse me. Coming forward to answer any question that Councilwoman may have.

Kroy Ekblaw: Good evening. I couldn't hear if there was a question yet.

Councilwoman Janik: Just a little more information. On item number seven. What it involves. Sounds very interesting. Thank you.

Kroy Ekblaw: It is really something that we've been doing for several years. This is a continuation in which we have the animal control periodically visit trail heads. They work with the staff and stewards on the education of users about animal -- dogs in particular. It has to do with animal health and following the rules of keeping your animal on a leash and things of that nature. At times they may need to do enforcement. It comes from the educational standpoint that we try to make all of the users well aware of the rules associated with and why it benefits their animals to do those things as well.

Councilwoman Janik: Thank you.

Mayor Ortega: Thank you. I see no further questions. Do I have a motion to approve consent agenda items 1-18?

Councilwoman Whitehead: I motion.

Councilwoman Littlefield: I second.

Mayor Ortega: We have a motion and second. Please record your vote. Thank you. Unanimous.

Next, we move on to the regular agenda items, listed as item 19, 20, and 21. I want to clarify at this point that item number 20 -- item number 20 -- will not be discussed tonight. If there's members of the public here, I thought I would point that out. It is 9400 Shea, per the applicants request, it will be continued to be a day to be determined by the city council. This is the first continuance of the case. It is granted as a matter of right. This request for a continuance was made directly to the City Clerk in due time before the council meeting. We are respecting our rules and able I want to clarify item 20 is not being heard tonight.

**ITEM 19 – MERCADO COURTYARDS MINOR GENERAL PLAN AMENDMENT AND REZONING (6-GP-2022 AND 12-ZN-2022)**

[Time: 00:33:22]

Mayor Ortega: Next we'll move to item number 19. I'm going to give another PSA here. Per our rules, citizens attending shall observe the same rules of order and decorum applicable to the city council and staff. Applause, stomping of feet, whistles, boos, yells, and other demonstrations will not be permitted. Violations of the rules could result in removal by security staff. It helps the meeting to go quicker. I know we're respecting one another's time. I will announce three speakers at a time when public comment is requested. We will move to item number 19. Mercado Courtyards minor general plan amendment and rezoning (6-GP-2022 and 12-ZN-2022). The presenter is Jeff Barnes.

Jeff Barnes: Good evening. I'm Jeff Barnes giving you a combined presentation for the general plan and zoning cases that make up the Mercado Courtyards request. The site location shown here is highlighted in yellow. The site is located to the south of Shea Boulevard on the east side of 92nd street. A little bit closer view. You can see there are existing commercial buildings and office buildings on the site. The application's development plan seeks to retain the existing commercial buildings at the north end of the site, removing the other buildings and rebuilding with residential units that I'll provide a site plan for in a couple of slides.

Also of note as I go through this, there was a previous rezoning application approved on the portion of the site changing from the prior C3 to PUD. That application development plan sought to keep the commercial office building up near 92nd street and repurpose the more linear building into residential dwelling units. The current proposal has a larger development in it. That's maybe more clearly shown on the existing zones mapping of the existing PUD portion of the site is shown here. There's current application includes a portion of C3 at the north end and C0 along the east side with the ultimate intent of the request to bring the entirety of the site to PUD with the existing PCD overlay that's out there today. Also included in the request is a change to the general plans land use designation within the site boundary.

I mention that previous zoning requests that also included a change from commercial to mixed use neighborhoods for the portion of the site that's shown. This request tonight with the larger development area seeks to also change the other commercial designated areas within the boundary to be mixed use neighborhoods throughout the entirety of the boundary in alignment with the mixed use zoning district request. So there are three actions that you are being requested tonight. The first one is the adoption of resolution 12633, pertaining to the minor general plan amendment. The second is adoption of ordinance 4573, pertaining to the zoning change. Then the third is adoption of resolution 1263 that declares the development plan that's associated to the zoning change. So I mention there's a PCD overlay that exists out there today.

There are findings associated with that and detailed to them. The application doesn't seek to change the PCD component. So it won't spend too much time combing through these. They are not seeking any sort of amendments with the current proposal that would be a function of the PCD. It stays in place as an overlay as it is today. But the PUC district being requested does have its own findings. Those are listed out here again also detailed through in the staff report. They generally talk about the development, promoting revitalization, that it proposes a plan to utilize densities, development standards, land uses that aren't otherwise able to be accomplished in the existing zoning designation that the development be compatible with adjacent land uses in the surrounding area and there's adequate infrastructure and city supports to support it.

Some of these -- I won't say them all, but comb through them. It is an 8.52 acre site that's being requested for this. Within that the development plan seeks to retain over 2400 square feet of commercial area and introduce residential to the area which results in 30.75 units for accumulate development area within the site boundary. Of note of here, the PUD specified a minimum of 10% open space required. The applicant development plan proposes to be able to provide for 29.5%. I'll graphically show that in a few slides as well. Getting into the site layout, this is the plan with the application. Identified on the north end is opening the component and introducing residential building to the south and east that wraps around the parking garage and cross access through the development

to account for access to adjacent development to the west and the existing commercial development to the north. The proposal includes signaling the intersection at 92nd Street.

That cross access component assisting in bringing vehicular access to have alternate methods of movement from and to the site. This is a zoning application. The building elevations provided are conceptual in nature. If approved, it would go through the development review board process for more refined details. What's conveyed in the elevation drawings that are provided in the development application is a two story building that steps back and up two and three stories which carries back through about half of the building depth before stepping up to a fourth story in height. Visible to some of the rendering that are included in the development application probably most helpful in the lower left corner and the amount before the story is stepped up at the rear or furthest away portion of the site.

[Time: 00:42:14]

As the applicant team is working through this, they've been attempting to refine and demonstrate how they are able to incorporate some materials and features that are found in the adjacent buildings that exist around this site. That's being represented in the roof and materials in the blow-up elevation here as well in some updated rendering. In the case the upper left corner would be the 92nd Street frontage elevation. So, I mention the increase in open space earlier in the calculations. This is visually representing that, the green area is highlighted on here are areas of the site qualifying as open space per code definition and the 29.5% of the site that can be achieved through the layout with the development plan. Also important is access and circulation.

So the proposed configuration does account for the ability to have emergency vehicle access loops around the entirety of the site as well as that cross access component that identified earlier. In addition to vehicular access, the development plan accounts for pedestrian, circulation, and cross access. Again in and around within the site but also connecting from the residential across to the commercial and on into the adjacent commercial and adjacent office complexes and signalized intersection and the green belt multiuse path that's over on the side of 92nd Street as well. Then conceptually landscape plan demonstrating base planting to be able to be provided in the courtyard spaces throughout the site configuration.

This did go to the development review board in November. November 3rd specifically. As a function of the zoning request, they are asked to make a recommendation relative to the development plan for the application. They did that. They recommended approval with the vote of 6-0. As part of their discussion, they stressed that vehicular and pedestrian access that's demonstrated in the development plan and wanted to make sure that carries forward if the project moves forward. It went to the planning commission November 9th.

They made a recommendation of approval with a vote of 4-3. The applicant had introduced a reduction from 273 units to 263 that's shown in the application today. And part of that modification was the incorporation of some ground level work and space in the product. Those were incorporated in with the planning commissions stipulated recommendation. That wraps up staff's presentation. The applicant team is here and ready to present more information for you.

Mayor Ortega: Thank you. The next process is for the applicant presentation. Then we'll open up for public comment. I understand there are 40 people wishing to speak. Please come forward. Announce your name and address and continue.

Chris Loeffler: Thank you. Just waiting for the presentation to come up here. Mayor Ortega, Vice Mayor, and congratulations Councilwoman Milhaven. I'm excited to be here tonight. I know that we have a tremendous crowd. I know there's a lot of interest in the project. One of the reasons why I'm excited to be here is I think this is our first real opportunity to present the project fully reimaged to you. I hope to win you over and set a new standard for development in Scottsdale. Before I get started, I wanted you to know who I am and Caliber. I'm the CEO and founder of Caliber.

It is a Scottsdale-based developer founded in Scottsdale with three young co-founders and no money. Today we're a public reporting company. We employ over 70 people in the corporate office over 1,000 in all of the assets that we are invested in. One thing that's critical to understand about our business that's different than every other development is Caliber is built with 2,000 families in projects and funds that we manage. These families are very much probably some of the people in the room. Roughly 50% of them are Arizona residents. When you talk about who is funding the project? Who is invested in the project?

That's quite a few people that you might know and neighbors. It is different from the projects where the developer comes in, gets an entitlement and move on. We plan to build it, own it for the long term. We look forward to hopefully winning your approval. Thank you very much. To the planning commission for the representations and support. I want to start with the why. Nurses are walking out of the buildings several times with week crying or crying in the building trying to take care of more patients than we are able to. We don't want to offer poor care. We do our best not to. When you are the patient to nurse ratios, there's no way to deliver the best health care that you want. It is an ER level trauma nurse quoted. It could be any nurse all over the country.

Scottsdale is definitely facing the same challenges. Honor Health, Manurer Gateway. We have the support of Honor Health. It will create an appealing place for our staff and community. The lack of obtainment housing is one of many reasons hospitals are having a hard time keeping and retaining nursing. There's 32% overall vacancy within a mile and multifamily is the primary use missing to support the commercial and medical uses to be able to attract and retain staff. In the area there's been no new apartments in the last ten years.

[Time: 00:50:07]

You can see the headquarters. I live there. I understand this area very well. I understand the challenges of the area. There's something that I want you to understand. Caliber has never invested in a 200 plus unit apartment complex in the city of Scottsdale in the 15-year history. This is the first one we've brought to the table. We believe in the city. We understand the anger out there around apartments. We understand what the community is facing. In this particular case we hope that you can see we can set a new standard. 39% of Scottsdale residents are over 55. It is not just the caregivers. We're offering incentives for retirees. We're offer the ability for me to raise my family and my two daughters here and hopefully have them graduate from ASU and want to live in the same McCormick Ranch neighborhood that I live in and have a place to start out.

Only 17% of people who work in Scottsdale live in Scottsdale. If you were for lower traffic and less congestion, you have to be for the project. 83% of people drive in every day. Allowing people to live in a place they don't have to drive to work or far is a huge public benefit. The entire area that you see on the map here is capped -- is under the general plan as Urban Character. The same character as the recently approved opt ma complex and others. You can see our site is directly in the center. What you don't see in the area and entire map is residential or any residential at all. Adding the residential component, the co-working space, the live/work component brings the mixed use concept to life in the urban character designation.

The other thing I want to make sure you understand is this site has been mostly vacant for over ten years. The back lot is a dirt lot. The building we acquired out the bankruptcy scale. It was zero hope to be able to add autopsy. We're not taking down something that's vibrant. We're moving an area that's been vacant and needs it. You can see we're building a medical use. We showed the pedestrian access. Once this is in place, it allows conductivity between the retail centers that will pull traffic down. If you want to go to 9,400 Shea, you have to go down.

By connecting the sites, we can pulling all of the truck traffic off of Shea. We are also creating if you are stuck to go left and sitting at the light for five minute, you beside to bail out and turn right. It slows the traffic and creates the public benefit that we can exist south of Shea. It has nothing to do with the medical offices that we're building which is going to create more traffic. You can see them on the site plan. You can have a look there. In addition we were able to win the support of the McCormick Ranch Property Owners Associate by stepping back the height, lowering the density, and creating a beautiful project that we hope you'll find to be beautiful too.

That stepback creates a situation. If you are driving or walking, you are not going to see the four-story apartment complex. You are going to see a beautiful three-story that fits in with the height in the area. Gives you a view on the step back that you would see. One thing we wanted to do being we live here and we're headquartered here, we wanted to build a beautiful project. I think there's an opportunity to set a new standard for development.

The development is balanced. We meant to change it to something that's worthy on the City of Scottsdale. Look at building from the street and again the entrance. Community feedback and council feedback has been incredibly important for us to take the prior project, redevelopment it, reimagine it, and bring something to you that I want you to vote on. Feedback comes from resident that is are concerned about the key issue. Density, water, traffic, and height. On the density side we dropped to 30 units per acre which is roughly half of the recently approved projects and the lowest approved hopefully that you'll see in a long time. Hopefully we set a new standard with that type of density. On the water side, we're water neutral. We're bringing our water to the table.

I can see what we did for height. We changed the height. That's up to you to decide what's the right balance of development and use to the site. We submit to your leadership. We are now water neutral. We have the required amount. We want to make sure you know we have covered that water requirement. I'll end with this: Caliber has done everything that we possibly could do to make this a project worthy of the city. We are at the end of the line. We have found the best balance to bring to the table to lower the density and height and create a beautiful project.

The discounts that we're offering and ten-year commitment to capped increases and the ability for them to jump the line and go 90 days ahead of any other leasing person. Anyone working within a mile and if they have kids the payment that we're covering for the Boys and Girls Club creates a project that fulfills the purpose of why we got into this in the first place. We didn't want to get involved in the over development of overly large developments in Scottsdale. We hope to win your support.

[Time: 00:58:57]

Mayor Ortega: Thank you. At this point we'll move to public comment. We do reserve the right, of course, to answer questions. There's 45 people wishing to speak. I ask that you allow two minutes or less. There's a timer. Be adhere to that. We have -- I'll name three people. You can line up and come forward. Oliver Smith, Amy Warren, and Anthony Levy. Come and state your name and address.

Oliver Smith: How did I get to go first? Thank you very much. Congratulations, Linda for your service to Scottsdale. You and I have been friends for a long time. You've done a great job. I'm Oliver Smith. I live at Cholla and 98th Street for about north Shea. I've been in the area for about 40 years. In 1985 I opened up a jewelry store in 90th Street and Via Linda. I loved it. Everything was planned out. They had an automobile center, grocery store, a cemetery somewhere in there. They had parks and things. I thought it was really well planned out. When I got there, most of the rezoning den was in place and most of the commercial was being built. It was a fantastic place to raise my family and business from my standpoint.

The problem that I have with this is I find it really troubling the four points the developer makes regards cleaning up an under-utilized commercial property over run by transients. I don't think we should reward bad ownership. I'm responsible for the coding and signage. I think the developer or owner should be responsible for that. Revitalize and retail the residents within walking. We can walk there and do walk there. Decrease the traffic. That's fine. I agree with that. That's great. Provide a necessary work force. Those people can live in the area. They do enjoy living in the area. There's an apartment complex at 96th and Mountain View that does very well. Thank you very much. I know I'm out of time. I appreciate you voting no on the project.

Mayor Ortega: Next. No clapping. We'll move faster. Amy Warren, Anthony Levy, and Emily Austin. Amy Warren. Okay. Once again. Anthony Levy, after Anthony will be Emily Austin.

Anthony Levy: I'm Anthony Levy. I live at 8750 East Monterey Way. Good evening. Linda, thank you very much for your 12 years of service. It's been almost a year since I was last hear. We were all here for the same thing. Rezoning in an area that citizens don't want. It is 450 square feet apartment for \$1,200 a month. Traffic will be less even though they are adding thousands of cars. A complex that will use less resources than the family home. We know that's not accurate.

[Time: 01:02:23]

Finally, citizens against the project are called NIMBY, not in my backyard. This is our backyard. It is not an out of state investment or developer. We have the right to have a say what goes on in our backyard. With our economy in the recession, and interest rates on the rise, projects approved may not get the

financing to complete their jobs. Why the rush to approve the project? Why can't we wait until next year? We do not want this project. If you say yes, vote yes for the project. That's fine. We will not forget. 2024 is not that far away. Thank you, Mayor.

Mayor Ortega: Please again it will go faster. Emily Austin and Thomas Kube. Just step up.

Emily Austin: I don't want you to cut me off at two minutes. I have four.

Mayor Ortega: Thank you for letting me know. I will allow three minutes, because someone gave their time to you. I did not know that. Thank you.

Emily Austin: Thank you. Linda, congratulations for your service. I appreciate it. I'm Emily Austin. My address is on file. I was born and raised in Kansas. Moved to New York City in my 20s. The noise, honking, traffic, garbage, construction, density, and hustle and bustle was just too much. I moved to Arizona 37 years ago. Which I thought was paradise. It used to be called the west most western town. It was laid back, great weather for tennis and golf every time of the year. I used to tie up my steed and have a mimosa. No way could you do that now.

Now I live with apartments, crime, rude drivers, playing chicken at drive thrus in their fancy SUV, air BnB and short-term rentals. We don't know our neighbors anymore. They don't appreciate it, because they aren't the residents. We have screamed from the rooftops of six offensively heinous Olympic size swimming pools that will use five million gallons along with 1,300 and six buildings. Then you have the audacity we should conserve water? I'm not putting in grass for my dogs out of spite. It costs \$13,000 to put in turf, which I don't afford. And \$5,000 to put in sod. Is the city going to pay for it? If you don't want us using water on a patch of grass, fill in your pools that you probably use twice a year and get back to me. We believed that you were going to reflect the voices. There's only one who has. Thank you. My condolences. I'm sorry. I don't understand why the projects continue to be passed.

I'm grateful that I was a part of stopping the Disneyland in the desert known as the discovery center. And it would have been a disaster for merchants. I don't want to live here. I want to vote in more people like Kathy. Stop the insanity. Vote no on the Mercado. Next we have Jeff and -- if someone has crossed their time, I want to cross them off. I want to keep track. Proceed.

Tom Kube: Thank you. I'm Tom Kube, a 26-year resident lives at 120 sunny Side Drive. The Shea corridor is already heavily traveled and is a main access point. The plan to rezone the property and add 272 apartments will add to the congestion with 300 or more vehicles entering and committing the property. The proposal calls for the controlled intersection as one of the only exits and entrances to the property.

Let's look at intersection at 92nd and Shea, the proposed intersections at Mercado, and the intersection of 90th and Mountain View. The space between Shea and proposed is one tenth of a mile distance to the right. With four controlled intersection that span that space, the traffic will increase significantly. Traffic slow will move north and turn south and all the may lay to the intersection. Already congested. Then moving on to the commercial development let's not forget about the 102 new apartments being built. Or north to the 90th street and Shea intersection. Has anyone considered the aggregate impacts. The residents in the area that do not want the projects.

Mayor Ortega: Thank you, sir.

Tom Kube: I'm done?

Mayor Ortega: Yes. We'll hear from them as well. Jeff and Kathy, Sherry. Welcome.

[Time: 01:11:03]

Geof Kull: Good evening. I appreciate the opportunity. I live at 1661 north 72nd Street. I moved there in 1995. I've had the amazing opportunity to live in Scottsdale and experience all of the benefits and raising a family and participant in all of the activities and parks. I've been lulled into a sense of complacency. I thought things are going well. I don't need to change anything. I don't need to have any skin in the game or get involved. A few years ago I started seeing the city change.

I saw people pushing everything that they know into a shopping cart and panhandling? What's happening to the city? I'm beginning to not recognize it any longer. I find it very concerning. I'm here to express my resistance to the project. I believe there's alternative to the types of projects. I think we could have a better community engagement with the city and members of the community to work together and find ways to restructure the project and instead of everybody coming here.

I would like to propose to form a committee of people who are perhaps retired and could offer alternatives. I believe we could create the partnerships with the progress and advertise what's doing on and have people become more engaged and more involved, instead of just a few of them passing the word around. Like I said, I also believe that, you know, 2024 is essential. If they continue to --

Mayor Ortega: Great job.

Geof Kull: There's really only one other way to deal with that. We have to find alternatives for the members.

Mayor Ortega: Thank you. Next, we have Kathy Howard and Sherry Lopez.

Kathy Howard: Good evening, Mayor Ortega and members of the City council. I'm Kathy Howard. I live at 10642 East End Salvador. We've lived there for the last 35 years. The latest attempt to mutilate the neighborhood has been renamed Mercado Courtyards have several mercenary attempts to gain the approval on the land. They are back trying to urbanize the neighbors by adding high-rise apartments and threatening our diminishing supply of water. These buildings are described as luxury apartments. Which could rent for up to \$2,000 a month. Affordable housing is sort of wishy washy.

The project threatens neighborhoods. Hundreds have requested for up zoning while the neighbors took to social media crying out against the development. Developers with the assistance of city staff attempt to debate and switch, renaming and assigning new names and zoning numbers, eliminating from the project files hundreds of previous citizen e-mails objecting to these developments. Putting lipstick on the pig doesn't change anything. It is still a pig. Don't be fooled by the man behind the curtain. Rehashing the same project doesn't change the issue. It is only Groundhog Day over and over again.



Have you heard and do you acknowledge the concerns and requests of the constituents? If so, vote no on the zoning request for Mercado Courtyards.

Mayor Ortega: Thank you, Ms. Howard. Next we have Sherry Lopez. Then Alex McClaren. I like that waving pages instead of clapping. I like that. I think that's a show of support without delaying our -- continue. Sherry and Alex and Ryan.

[Time: 01:16:30]

Sheri Lopez: Thank you. I want to share a personal story. A few months ago I experienced a medical emergency that required me to be taken to the hospital at the height of rush hour. Experiencing the inability to breathe with only oxygen to support me while in transit to the hospital, needless to say was a very frightening experience which was enhanced by the fact that it was taking so long to get to the hospital. From the time the ambulance tried to get off of the 101, it is 20 minutes. It was 30 minutes before I received adequate medical care that saved my life. It is unacceptable. It occurred well before snowbirds and traffic arrived.

I ask that you vote no, because traffic is already a big problem that call and does impact human life. Especially when the ambulance can't get through, there's nowhere for the ambulances to go or move out of the way. This situation could happen to anyone at any time and slowing the ability for a person to receive much-needed medical care because heavy traffic is not acceptable and with many proposed apartments, it is going to get worse. They have to go to Shea to get to the 101.

Mayor Ortega: Thank you. Next Alex, Ryan, and James.

Alex McClaren: Good evening, Mayor and members of the council. Thanks for your service. I'm probably going to annoy a lot of people here. I'm a strong supporter of the project. It is compatible with the Shea area plan. It is compatible with the general plan which voters approved. It provides needed housing for the hospital and workers. It also had some of the work force housing. The traffic is an issue in the area. I know Paul has been working on that. I think the signal which enters the project will help with that. I like the way that the buildings have been set back from the street. It reminds me of the green belt 88 project. It is close to where I live. That's a change from the original project. It certainly removed the blighted building in the area.

Water is an issue for a lot of people in the area. It is an issue for the city and state. I would recommend if people are interested in the water situation they might read Johanna all hands. She had an excellent article yesterday about the water situation. I think we can have growth and water at the same time. The city has 100-year water supply. We're working with the state and with others on assuring our water supply. I'm a supporter of the project. I think it would help the area tremendously.

Mayor Ortega: Thank you. Next we have Ryan Dick and James. And Virginia.

[Time: 01:20:52]

Ryan Dick: I'm Ryan Dick. I moved into the neighborhood in cactus and -- I'm 1115 Northwest 95th Street. My girls and I would typically ride down to the mustang area. I'm here specifically in the

response to the comment a couple of weeks ago. There weren't any residents that were here to voice their opinion about a recent development. As a resident, I used to take any neighbor to the facility where he had medical appointments. I would sit and wait for him. I noticed the facility become more run down. The paint was chipped. It was dirty.

Eventually the medical provider moved away. That's the sort of environment that we see today and it is continued under the new ownership. In May I took the picture of the downed tree in the facility. In July when we had a community meeting, I drew the attention of the people who were representing the owners to the issue. The trash, the unpainted pavements, the curing that was destroy, and the tree. No one was interested.

I did again at the St. Patrick church meeting. Money of the representing of the owners were interested in the fact there's a lot of trash and lack of maintenance and guy gene. I want to draw your attention this is not the only building like that. The paint is not chipped. Here is yet another downed tree. This picture was taken last week. They have not been good neighbor. I do not support.

Mayor Ortega: Thank you. James and Virginia. James?

Jim Haxby: Thank you. Congratulations, Linda. You'll enjoy retirement. I spent my last summer going to Honor Hill. I'm an expert at Shea Boulevard traffic. I saw not only your ambulance, but numerous ambulances stuck in traffic trying to get to the hospital. Rehab is two hours. I was leaving at 4:00. I would go to turn west on Shea. I would have to wait two or three cycles. It was bumper to bumper traffic. I decided to duck around on Mountainview. You look at 101. It was a parking lot trying to get off on Shea.

The traffic is terrible here. This owner says his project will generate less traffic than the office building. The office building is vacant. I was there. This is what's going on now. We're going to add more traffic. The other thing he says is the building is old and obsolete. As the previous speaker said, I go to my doctor down at Osborn and Scottsdale Road. I go into the duplicate to the building. It is mountain -- maintained. Why are we rewarding an owner that does not maintain his property. Why are we rewarding him with an upgrade? Is he going to do any better on the new property? I spent way too much time last year at Honor Health. I've yet to find a nurse that would say would discount on rent be a benefit to you? I have yet to get a yes.

Mayor Ortega: Thank you. Next we have Jenny.

[Time: 01:26:05]

Ginny Bertocino: Hi, Mayor. Thank you. A couple of my rebel rousers have conceded their time to me. I'm Virginia, I go by Ginny. I've been a resident since 1973 in the valley and resident of Scottsdale since 1986. I've been involved in the community for a number of years and served on several boards, including Faith House, which is supporting victims of domestic violence, and e-mails from the developer supporter call me a radical.

Don't let radicals prevent you from voting for a project in the best interest of the city. I'm just a resident who wants to protect my quality of life. Is the project in the best interest of the city? Most

certainly of the developer. The same developer earlier this year claims the situation undermines the quality. Here are the facts. The Shea Corridor is a nightmare. A high density apartment complex will add to the congestion day and night. People need easy access to the hospital, especially balances. Clogging it is a recipe for DOSser. It has sat vacant. Why would any hope owner experience?

Water is one of the biggest things hurting us. The simple act can save thousands of gallons of water. It doesn't matter how we could save millions of gallons by voting no on the high density apartment projects. Where has common sense bone? There are so many. Protecting the character and conserving water are top priority and save tax dollars. Today's council is aligned with residents. Unquote. Look around the room right now. Look at number of people who don't agree with you Councilwomen. We're not aligned. We're not on the same page. I also heard back from Betty Janik who responded I voted no on 92nd and I would others. You see construction from the city council of approves. Water is a major concern. Today's vote is not on lane. It is on you.

As for the water issue. It uses water more efficiently due to the need for swimming pools. If you were to vote in favor, you would see greatly reduced water usage.

Mayor Ortega: Thank you.

Ginny Bertocino: May I finish? It is time for the city council to start walking the talk. We tax-paying residents of Scottsdale elected you to protect us and not the special interest of the developer. It is time for you to save Scottsdale. For crying out loud, do the right thing.

Mayor Ortega: Next we have Stanley and Fred.

Stanley Horowitz: Thank you for the opportunity to speak. I'm a retired doctor, Stanley Horowitz. Never did I show up or e-mail the council. This time the issue is of utmost importance to me and my family. I don't want to rehash the traffic issues on Shea Boulevard or how many traffic lights it takes you to make a left and go west. What happens if you exit the complex and go south? There's a continuous transition from 92nd on to mountain view road. No traffic light and no stop sign.

It is only a matter of time before people avoid Shea by going down 92nd to Mountainview and onward. The next is about the height. It should not exceed the height to reduce Virginia -- visibility. It doesn't mean the rest of the mountain won't be built up. Why can't they put single family homes? Park owe homes with desert landscaping and town homes that are only a story or two? Lastly I find it offensive they choice to remove the 94th Street adjacent project today. It is purely an attempt to give the impression we're not talking about 500, we're talking about 273 reduced to 263. It is a ploy to alter perception rather than the issue at hand.

Mayor Ortega: Thank you, doctor. Next, we have Fred and Barbara. Please consider the time.

[Time: 01:32:56]

Fred Crowden: Good evening. I'm Fred. I've been a resident of Scottsdale since 1996. My daughter's graduated from Desert subpoena mountain High school. After graduation, both left Scottsdale and move to other cities in the valley where housing is more affordable. In 2013, my wife and I sold our

family home and moved from Scottsdale Ranch to Scottsdale Mission. That's a conundrum -- condominium community north of Shea. We have 38 buildings. It was one of four communities in the area that have multi-story buildings. I support the vision shared by the developer Caliber to target members of the health community.

I've listened at a previous meeting to a nurse. She explained how it would improve her life. I believe adding traffic stoplight is critical and has merit beyond this project. I see health care workers crossing their every day. I comment the city for addressing issues at the project level. It is more important the older we get. The city needs to consider the various needs of all people. Not just the seniors or people no longer in the work force. It is an opportunity to address the needs of the young working cuts and build a better future for upcoming generations in Scottsdale.

I will conclude by saying the head of universal facility will foster economic growth and revitalize area day and night that has several empty stories and positive impact on the amenities. I urge the council to approve.

Mayor Ortega: Next we have Barbara, Scott, and Chris. Barbara? Going one. Oh, wait. She's here. Scott should be up next.

Barbara Poggi: Good evening. I'm Barbara Poggi. Thank you for having us all. I'm the property manager for the Scottsdale and Shea -- sorry. Property that we know as the Chompies and Sprouts Shopping Center. We're in favor of the property and development. I'm here to support the project and believe it will help all of our tenants with the increased customer population. We also have a strong need for the traffic signal where they can safely exit. The area will be safer with a seven-day-a-week activity. Please support the project and the developer. Thank you.

Mayor Ortega: Thank you. Next we have Scott Celley. Please I'm finding the upper gallery -- do I have to repeat myself? Look over here. You keep clapping. Please stop. I ask everyone and you are included. Thank you. Scott, Chris.

[Time: 01:37:05]

Scott Celley: Mayor and council. I'm an investor in Caliber. I've invested because they are invested in the local communities. I'm aware of the areas and the projects they participate in and they are in places where we need investment and we need infrastructure. I also am the vice chairman of the Maricopa Board of Health. You are all aware of them. It is not unique to us. With the influx of visitors and residents that we have. It is a bigger issue for us on an ongoing basis. I'm in meetings every day. The number one concern they have about the ability to serve the community is about the staff. There's a lot of fears expressed tonight. I'll share some of mine.

27 years ago I brought a little girl home from Scottsdale hospital. Six months later he was back in the hospital with breathing difficulties. I think for any parent -- I say that was 27 years ago. For any parent your fear is you come into the emergency room with your child who is fingers blue and lips blue and there's not adequate staff to meet their needs. We were fortunate to have a very educated and attentive nurse that grabbed her and got her to a doctor.

Sunday night my granddaughter fell, cut her eye open and had to have stitches. We had to rush her into the emergency room. Once again we were grateful there was a nurse there that could take care of her. We would like to contribute to the prompt to make sure that going forward those nurses are able to have a place to live and can be close to the hospital it serves the community.

Mayor Ortega: Thank you.

Chris Schaffner: Hello. I'm an investor in Scottsdale, Chris. That's where my home is. That's where I've chosen to invest in the fine city. If apartments soft work force housing, why haven't they? We have built thousands and thousands of units. We talk about issue that we have in Scottsdale. We have stacked it full of apartments. Those apartments are not full of workers. They are people that want to live in Scottsdale. These apartments don't work and don't make it happen. If you build it, you'll get a handful of people in health care that will live there. There's 262 units.

The vast majority will not work there. They will work some place else they will drive. This will only exacerbate the problem. It will not help it. We know this. We have a pattern. We've done this with Scottsdale so far. Other things like water use. I respect the developers. Unless they are going to make it rain, they would not be bringing their own water. They can't make rain. They can do a lot of things. I would urge the council to read the room and city. You don't solve congestion with density. Work across America. Do not add to the problems. This is the most congested area of Scottsdale. It will degrade the quality of life, including the people that would move into there. I encourage you this evening to not approve the project. Thank you.

Mayor Ortega: Next we have Sonny and Amanda.

Sonnie Kirtley: Good evening. I'm Sonnie Kirtley. I'm here as a member of the greats Scottsdale board of directors. I'm here to reconfirm a majority of the members are opposed to the project. Thank you.

Mayor Ortega: Thank you. Up next, Amanda and Bob.

[Time: 01:42:35]

Amanda Marcisz: Hello. I'm Amanda and I'm a registered nurse. I'm here to express my support for the project. Nursing shifts can often last 12-14 hours. The opportunity to have a new, beautiful, multi-family housing complex within walking distance to one of Scottsdale great hospital campuses will be a huge support to nurses. Caliber is a local developer with local investors seeking to improve an area that's sat mostly vacant for a long time. I think they need a good balance of housing options. It would be a good and unique use for the area.

I'm grateful for the incentives offered to nurses. The first look to beat the market, discount on monthly rent, and long-term cap on rental rate increases creates a higher likelihood a nurse can find a sustainable home. I think providing this type of housing close could alleviate some of that. Please support the project.

Mayor Ortega: Thank you. Bob, Daniel, and John Nichols.

Bob Pejman: May I have three minutes?

Mayor Ortega: Who else is on your list? So I can cross them off?

Bob Pejman: Rick Gaston donated the time.

Mayor Ortega: Sorry. Thank you very much.

Bob Pejman: Thank you, Mayor Ortega. Bob Pejman. Address is on the record. I don't know of any other project in recent history which has had this much resident opposition. The city received around 700 e-mails and comments to date on the project, and including the older version which is the same. Doesn't matter if you knock a story off and use the water gimmick. The issue is traffic. Part of this rezoning you are asked to rezone 1.9 acres of the shopping center along with it if you rezone this tonight, the owner of the shopping center can go to DR and get another 100 apartments approved without the council. The entitlements given are 270. They are closer to 370.

How much lipstick are you going to put on the pig? Consider that adding 100 units to it. Okay. Here's an example of the I -- e-mail. I'll put that here. It is sent to you. It is interesting. It says are you out of your minds? Write no on the project. We voted you in to stop this type of redevelopment. It is amazing the statement is made in one sentence. There are hundreds of other e-mails that make that statement.

Right now on the council there are five council members, including the mayor who ran on the project, elect me so I'll listen to you and not the developers. Look at your inbox. How many hundreds of e-mails have you received complaining about the project? How many open houses do you need to witness to see how hundreds of people are opposed to this. The last one was a good one to witness. And the development side that will now say 700 e-mails, we have a voter base of 170,000. Well, if you want to go that route, let's look at last election.

The last election the three members, the three candidates who won -- ran on a platform of elect me so I can listen to you, and not the developers. In fact, Barry Graham beat the three pro-development candidates who had a huge, you know, funding. If that's not the referendum on what the voters are telling you, that they don't want you to use the apartments, I don't know what is. Those of you who ran on the platform, you can honor your promises or betray the voters.

Mayor Ortega: Next Daniel Court, John Nichols, Patty.

[Time: 01:47:28]

Danny Court: Good evening. I'm Danny Court. I'm a partner at the firm Elliot Depoll lack and Company. We employee financial professionals. We had the opportunity to calculate the benefits of the proposed project. Top-line benefits that would enhance \$8 million. If you were to develop it, you would expect \$119,000. This would give in nearly half a million. It is a far better and far more productive use of the land to have this project versus a medical office. We did note an attempt to potentially discredit our analysis. We rely on the 35-year track record of excellence and economic analysis. I was proud to note that councilwomen Milhaven proudly restated one of the analysis of the SkySong development. Which

we're proud of as well. We stand by our record and excellence in the economic analysis. We just wanted to convey that.

Mayor Ortega: Thank you. Patty and Ben and Gabrielle.

John Nichols: Thank you, Mayor. Thank you, City Council. I want to thank Solange, Kathy, Janik, and Tom Durham for supporting the citizens opposed to south bridge two. In supporting you clearly said you would listen to the citizens and support them as opposed to developing the community. You made that assurance. That's why you were elected. If you don't do that, you are failing to honor the -- what you said you would do. The citizen opposition to the project is enormous. I personally gathered 180 signatures. The opposition is far in excess of what led to the south bridge proposal. There were two areas affecting us. I gave you e-mails. I know the city clerk you said you received the e-mails. I incorporate those in the comment.

We have an issue of traffic on Shea which is a disaster. The city built cutouts that made the problem much worse. Now there are traffic waves of traffic that come down to 92nd and Shea at multiple times a day blocking traffic. We have a water shortage that's enormous. The city -- the developer indicated they have a deal. They don't have a deal. We by federal law cannot use the water outside of the service area. That's the law. With the developer has said is not the fact. 96% of our water in Scottsdale comes from the cap. We are at the stable of having our water cut off in Scottsdale. Where are we going to get the water from? You can't make water. Thank you.

Mayor Ortega: Thank you. Patty and then Ms. Hitchcock.

Patty Badenoch: Good evening. Patty, 47-year resident here in Scottsdale. All we want is a simple majority to reflect the majority of citizens. Instead of relying and saying this is the best you can do, you should be evaluating why this is so iron glad the project and other can't be turned down. I would like to see votes made to reflect outcomes that represent what is special, unique, quaint, the historic character that we value most about Scottsdale. We want you to value to keep Scottsdale as a tourist destination. This is what many of us heard from the majority of you when running for office. This is why there's so much disappointment. I would like to put on the video number one please.

Gee. It looks like traffic.

Audio from Video: Difficult to say the least.

We understand that there's traffic congestion as you get closer to Scottsdale Road or Shea Boulevard. The roadway network has ample capacity and I think directional flow works well with this project.

It shows the level of traffic in the morning is D as in David. In school that was fail. Level of service D as in David is the goal. That's the standard.

It was mentioned that traffic volume has decreased both at the intersection of Scottsdale and Mountainview and Scottsdale and Shea. They are nowhere near capacity. It is just hard to understand the fear of an overwhelming amount of traffic, because the numbers don't show us that.

I do want to talk about the traffic across the street there. That's legitimate. I just don't believe this project impacts that.

When you compare the approved use at site to this year they show 1,200 fewer trips per day. By putting this use in place by the use that's allowed there today.

If they don't stop approving more high density projects, our city will look more like Los Angeles with traffic gridlock and solution. It is time to send a message to the city council to stop the urbanization of Scottsdale.

[Time: 01:54:50]

Mayor Ortega: Thank you. Next we're going on to Andre and Kurt. Andrew, Kurt, Kameron Steiner.

Andrew Podore: Apologies for not being ready to go. It is tough to hear in the back. I'm Andrew Podore. I live at 5816 east Camelback. I'm the managing director of multi-family investment with Mark Taylor. It is a manager of over 2,000 apartment units in the greater Phoenix area. I'm here to support the project. There's not been any buildings build within a five-mile radius of the project. The area is completely under served. For Scottsdale to thrive, we need to be a place where workers can live.

The developer has offered discount community benefits that is far and away the best discount program that I've ever seen in my 15 years working in multi-family Real Estate. It is a unique program. I applaud the developer for doing that. The people who live and work at Honor Health and serve the residence of the community deserve the opportunity to live near where they work. They can't do so right now. Many of them can't.

We have an affordability problem that's well publicized. Rents are up. The second highest increase of any metro area. Good people are being priced out. I believe the only way to help the high costs is build more housing. They have a long-standing vacant building that doesn't have another use. It is fair to worry if it doesn't justify rezoning, none will. I hope we can avoid that outcome. I support the proposal. Thank you for your time.

Mayor Ortega: Thank you. Next is Curt. I may have missed Gabrielle Hitchcock.

Gabrielle Hitchcock: I gave up my time.

Mayor Ortega: Thanks for your honesty. Thanks for letting us know.

[Time: 01:57:30]

Curt Bowe: I'm Curt. I live at 9713 East Celtic Drive which is just north of the location. I've lived there since 1994. I've followed the development from the beginning. I'm a consultant for the nursing industry. I thought having apartments close to Honor Health would be a great benefit and good place for seniors and possibly down the road my wife and I would look like living at a place like this. The design is spectacular. There's huge housing need in the area. I see I'm getting a huge thumbs down. I attended a open house at the church. There was behavior that was rude.



I also followed the statement and the rancor is similar to anyone that doesn't support. The developer seems to have made changes. The development is self serving and focused on being against apartments with no thought to what will happen if apartments are not approved. It will not be a park. Instead of 500, there will be 1,200 parking places. It is easy to get everybody riled up. That's the motive to stop the project without thoughts to what alternative development will be put in the location. Which is going to be a four-story medical office building. Personal attacks and members of the city council need to stop. I would ask you to consider voting yes on the project. Because I think it is the right thing to do for the area of Scottsdale and the project will have long-term benefits to the area. Thank you.

Mayor Ortega: Thank you. Cameron Steiner and Michael Hurt.

Cameron Steiner: I'm Cameron Steiner. You've probably seen me up here the last two or three hearings in support of the project. I don't need to go on too much further about why I support the project. I've done it a few times. My question to you folks is the opposition group hadn't showed up to a single one except tonight or given decent reasons as to why they are opposed. They are disrespecting the health care workers by holding the thumbs down when those are the people that are putting our lives at risk to protect them who will be the people living at the project.

They are holding up the signs that say protect Scottsdale when the building has been known for homeless people. Do you want them to protect Scottsdale? Is it up to you folks to make this a recent project for the future generations of Scottsdale which is myself a young professional. I don't think there's a single person here on the opposition team of my age that will be the future of the city. Thank you.

Mayor Ortega: Next we have Michael Hurt and Margie Creedon.

[Time: 02:01:06]

Michael Hurt: I'm Michael Hurt. Thank you for the service to the community and opportunity to speak. I'm a physician. I work in and around multiple office buildings and facilities around the project. I can tell you there's tremendous buzz about the project. I'm in support of it. So are they. The opportunity for them to be able to commute to work by foot is -- can't get much greener than that. They are excited about it. They are excited about the opportunity to have discounted housing after the shift to be able to crawl home and not be able to get in the car. I thank you for your support and all you do for us.

Mayor Ortega: Thank you. We have a Margie Creedon and Gary Naquin.

Margie Creedon: Good evening. We have a video that we want to show. The common theme seems to be that we're going to be supporting lower income folks. There's apartments that are coming that can hopefully alleviate some of that problem. For right now we have a video.

Audio from Video: The city council will be voting on the 92nd Street rezoning. The proposal would rezone part of the Supreme courts Shopping Center. Our neighbors live in suburban developments including McCormick Ranch, Scottsdale Ranch, and Cactus Acres. We chose to live here because of the

beautiful lifestyle and green parks and mountain views. There's no place like Scottsdale. The city is trying to rezone and redevelop the area into the next urban center like they did in the air park and downtown. Thanks to the small group of local residents, the community has been notified. People are motivated. The city council has received hundreds of e-mails with the project. More are pouring in every day. Here are some of the neighbors comments.

Hi. I'm Barbara. Please don't ruin it with more apartments. We don't need them.

I'm Mike. There's too much traffic. I've experienced that all summer long.

They think GenZ and millennials don't drive. They will drive and traffic will get worse.

I've seen thousands of partners being built. When is enough, enough?

How dare the city council even think about trying to turn our quiet, beautiful neighborhood into the next urban center?

We'll find out which council members honor their campaign promises, protect the residents, or who will join the developers.

Mayor Ortega: Thank you. Perfect timing. Next, we go to Michael Montelone. After Michael, Jason Alexander.

City Clerk Lane: Mayor, I think you missed Gary Naquin.

Mayor Ortega: Oh. Excuse me. Gary was on the previous page. Please. Come forward. Okay. We'll reverse. You go ahead. Michael and then Gary. Apologies.

[Time: 02:04:48]

Michael Montelone: Thank you. I'm Michael. I grew up half a mile away from here. I support the project. I think building apartments will help. I have employees who would love to have a place to live. If there's land in Scottsdale, it's going to get built on. It doesn't matter. There's been plenty of places they said they wouldn't and built on it. I would rather see apartment than medical complexes that are going to bring more traffic from outside of the Scottsdale to what I agree Shea and the 101 has been a traffic nightmare. Going all the way back to when they built the 101. It's always been a problem. I think building apartments to look nice and update the area to an area that hasn't been updated since they put the Chipotle in in 2004 already nice. It will hopefully spur some growth and updates and get the area nicer without totally doing with giant buildings and stuff like that. It is still contract around the hospital and people that want to live in the neighborhood. That's my hope. I support the project. Thank you.

Mayor Ortega: Thank you. Gary is next. After Gary, we have Jason Alexander and Jason Phillips.

Gary Naquin: Thank you. I'm Gary. Address 5102 north 99th Street Scottsdale. How did we get here? It is interesting. Instead of restating all of the well made point about growth and water reallocation and

traffic, I would like to focus on perspective and try to, you know, why did we choose to live in Scottsdale? Livability, quality of life, mobility. I've had the good fortunate to travel quite a bit in my lifetime. I serve on quite a few non-for-profit boards. I've never once heard anyone say that they come to Scottsdale because of the apartments. It is sort of tongue and cheek.

I think of the character of the neighborhood, the quality, the caliber of the projects. Those words matter to a lot of long-term residents. I think this vote tonight is more than just about a single project. It is about where we've been, are the contemporary channels that we raise as a community, and when you vote really think about what are you saying to the community? What are you saying to yourself? And what legacy will we leave for those who follow? Once again I think Scottsdale is a wonderful place. Green belts. Spring training. Mountain preserves. Please don't take that for granted. Let's protect Scottsdale and I emergencies employer you to please vote no on the project. Thank you.

Mayor Ortega: Thank you. Next we have Jason Alexander, Jason Phillips, and Diane Gray. Jason Alexander.

Jason Alexander: Hi, can I get the overhead turned on here please? From day one the opposition to the project has taken a position to stop the apartments. They are basing on the existential dislike of apartments rather than the project. My hat is off for the campaign they've run. I want to break it down for you in detail. They have four separate next-door groups. Two Facebook pages, three YouTube channels, a meet-up group and backed by a professional videography studio.

This is a complain of manufactured opposition. It has followed the worst possible dog whistles. By closing the apartments, and adding thousands to flip Scottsdale blue. The campaign threatened. They didn't threaten, they created such an atmosphere to the threats to the toxicity of the volunteer. They needed security for a volunteer position. I thought this was the worst aspects of the campaign. Until just recently videos came out. Finally yesterday and today. They sent with e-mails. Followed by myself and opposition. Under our leadership there were a lot of bad things. We have the opportunity that we will now make decisions. Feedback is good. Manufactured opposition is not good. Thank you.

Mayor Ortega: Jason Phillips and Diane Gray. Please address your place of residence.

[Time: 02:12:00]

Jason Phillips: I'm Jason Phillips. I live at 6921. I stand here. I was born and raised in Scottsdale. I went to school there. I went to high school there. I worked at the hospital as I mention the previous time I spoke up here. What really drew me in. They would be able to sign up. That's what attracts me. As much as I love living with three or four people, being able to be closer to where I live and work is people like myself. People want to stay in Scottsdale. They are asking for affordable housing and good options to be able to live at. Thank you.

Mayor Ortega: Diane, Kaitlyn, and Dr. Bob Saeger. Closer. Get closer. Or pull it down.

Diane Gray: I'm Diane Gray. I've lived in Scottsdale since 1974. I'm a designer. I wanted to see what the project looked like. I was the one because I'm a speaker on the subject of domestic violence. It was abusive. It was abusive to all of us. Very poor drawings. I can't see what it is going to look like. Now

tonight I saw one little blip. Okay. Yeah. That's going to be one of the white buildings with the gray, you know, trim around the front and when you look at that shopping center it is beautiful. Because it's got brick and it kind of winds around and it kind of fits into the landscaping.

In Italy we had a saying that when you were going to build a house, you first must live -- you must look at property and say what would I like to be looking at while I'm here? This looks like they designed it and they are plopping it. It is obvious they have no intention of keeping sprouts. The other one got torn down at Paradise Valley Mall. Everyone thought it would be there forever. It is down. This is just a little stepping stone they are taking to get the area.

Once they get it, they are going to go on and go on. And I love the brick buildings on the property. I think using nurses they are almost grooming the nurses and telling them that, hey, if you support us, we'll give you a place to live. No, you won't. You won't be able to afford it. Who are you kidding? That's offensive to me.

Mayor Ortega: Next we have Kaitlyn and Bob. I have a gentleman named Ken. I don't have the last name. Come ahead, Kaitlyn.

Kaitlyn Sutor: Hello, mayor and city council members. Since I've been here tonight that I should go find somewhere else to live, I'm stupid, if I can think I could afford to live there. I'm a nurse with HGA health care. I've recently applied for several contract jobs and tracking jobs as they open. This would be the perfect location for me and my co-workers to live. My time is valuable. I often get stuck driving to and from work. The location like this would give me and my colleagues to opportunity to live closer and simplify our lifestyles. It is nice to see the community that supports front line workers by offering generous discounts and programs for nurses. Currently I don't receive any kind of benefits from where I'm living and this would be an amazing opportunity to have a place to live. Thank you for your time.

Mayor Ortega: Thank you. Bob and a gentleman named Ken. Do we have more information on that one?

[Time: 02:17:30]

Bob Saeger: I've moved to Scottsdale in the last few months. I'm aware of all of the changes going on. I respect a lot of people. I get around a lot. The bottom line here people don't want apartments anymore. We are sick and tired of the apartments. Enough is enough. When you are going to wake up? I mean a lot of this is from the previous administration up here Mayor Lane and Cordy and Clap and Milhaven. I was up here speaking. I'm glad both projects got passed. They were venting about, oh, it is going to save water. They have Olympic-sized pools on top of all of the buildings. It is just a joke.

If you people think you are going to suck into all of the gimmicks get a life. That's what they are. My poor nurses. I have nurses in my family. I have medical people in my family. They commute long distance all the time. They don't complain about it to me. This is just a gimmick. How many nurses are going to be in the unit that's proposed here? It is discrimination. Any construction worker has as much as any other service person. I say I strongly oppose this project. I want to stop the apartments. You are ruin -- this -- consult in the past has been ruining Scottsdale. Let the apartments that are in the pipeline build. Okay. Thank you.

Mayor Ortega: Next we have Ken. Please state your full name and place of residence. Then we have Michael Morton and Rick.

Ken Hoelder: Sorry -- when I checked -- I live on 71st and Greenway Scottsdale. I support the project. We sent support letters to folks weeks ago after we attended an open house. I need to let you know I was deeply offended this morning. I felt almost threatened. My wife received an e-mail from Susan Wood. If you want to see it, I have copies here. It didn't seem appropriate. I don't know if the letter was sent to other people. It didn't seem right. I'm going to report to the police tomorrow. I urge you to not support her agenda. You'll always empower her to further threaten and bully us.

Mayor Ortega: Okay. Next we have Michael Morton and Rick then Lisa Crawford. Michael. Michael Morton going one. We'll proceed with Rick Gaston and Lisa Marie Crawford. Last call for Rick. We have stand-by boarding. Oh, wait. There he is.

Rick Gaston: Good evening. Rick. I had yielded my time to Bob. As long as I'm here, I'll just state my opposition to these projects here. We have enough high rise, high-density stuff in Scottsdale already. Kierland area, Scottsdale Quarter, Sky Song, the Entertainment Department, north Scottsdale Road, the corridor. Where does it end? It is not just this one project. If they get this, maybe they will take out the shopping center at 90th Street where the Fries up by the local grocery store. I can walk there.

They would make a lot more money if they can put in high density, mid-rise projects. None of those mid-rise projects are attractive. I hate to break the news. The four or five story. They are big boxes. What happened to the garden apartments that Mark Taylor built? They were nice. They were situated around green areas and pools. They fit in. The other stuff does not fit in. Keep it at two story. Nothing more than two stories.

Mayor Ortega: Thanks. Lisa Marie Crawford. Lisa Marie Crawford? Nick Deregis? William Stevens? State your name and place of residence. Thank you.

[Time: 02:23:34]

Nicholas Deregis: How are you guys? I'm Nicholas. 429 North 74th Street. This is the second time I've spoke up here. It is different than the time before. I'm going to pull up some of the things that touch close to my heart. First of all, it fires me up there's this many people here. I grew up in 129 north 22nd Street. This is my home. To see this many people come and support. It gets me excited. I used to be called the mayor. I'm speaking to the mayor room. Some people in the room can attest to that. Familiar places. I walked in and saw one of the commissioners.

I guy I've seen at gym the last eight years. This gets me excited. Which is unfortunately to see all hostile environment. It is very hostile in here. I love this community. It fires me up. It is crazy. I don't know what's happened or transpired. I'm kind of ignorant. It is insane to see this. I love this community. I like to think back to when we were growing up a lot of the points that I heard was traffic. Things like that. We used to enjoy the traffic. SRP used to have traffic. We are grateful and blessed to live in Scottsdale, Arizona.

From the room right now, that's not what I sense. Let's think back to early 2000 and back to the crash. That was the greatest time to live here. What happened? All of the family and friends somewhat disappeared. I would like it to get back there. I would love to live back towards this direction. I spoke to the football team this year. Let me wrap this up. I could be up here all day.

Mayor Ortega: No. It is time. I'm sorry. Okay. Just to give you a test. 30 seconds.

Nicholas Deregis: No worries. I can go back and forth. I'm all over this stuff. At end of the day --

Mayor Ortega: Continue.

Nicholas Deregis: At the end of the day, I think about our neighbors. I was talking to people outside. It is about the money. No, no, no, no. We're missing it. It is about the community. That's the perspective shift I don't see here. It is about the community. We say our neighbors. We talk about our neighbors. When we invite them, do we bring them anything? Where did that go? That's how I grew up in the town.

Mayor Ortega: Thank you, sir.

Nicholas Deregis: It is a lot of hate.

Mayor Ortega: Thank you, sir. We get your point.

Nicholas Deregis: Thank you.

Mayor Ortega: Next we'll go with Dana and Steven.

[Time: 02:27:23]

Dana Breitbach: Mr. Mayor and City Council, thank you for listening to everyone and me tonight. I don't really have anything written down. I'm here to support my neighbors. I do oppose this rezoning basically is what I oppose. One of the things that I noticed while I was standing here is the really beautiful picture. That you guys have up here. Respecting the city of Scottsdale. That's disappearing. And I think a lot of us are concerned about that. Briefly I would like to speak to something I would not expecting to speak to. That's the contentious discussions that occur next door. I've heard that some of the neighbors are rude. I've heard some of them be rude.

I've also heard and red a lot of the tax on the residents of Scottsdale, the people that live here, the people that are directly impacted by the project. It becomes more contentious because of that. It gives you a black eye. Every time one of the representatives defend you guys, it makes you look like -- that you are in alignment with them. I just want to say that. Because it is eroding the trust in the city council. That's basically really all you have to say. I love this city. I've lived here since 1978. My husband grew up here. I worked outside of Scottsdale. My husband is a painter. He works everywhere. It is a nice dream to live and work in the same city. It doesn't always work that way.

Mayor Ortega: Thank you. Steven and Laurie.

Stephen Murkowitz: Good evening, council. I'm here to say the no to this. The people that we elected to vote on our behalf. They need to do the job tonight and listen to the planning commission. They need to go with their own gut feeling on this. I agree 100% with Dr. Seager that was here earlier. He was more a bankruptcy and direct with exactly how he called everybody out. Milhaven, Korte, and all of the apartments built. Whatever property it was. Now there's car dealership and apartments as high as you can see. You can't see the mountains anymore. Are we going to do that with North Scottsdale too? We've done it in a lot of other areas. Now we have a developer for the second time. He's been thrown out twice.

Mayor Ortega: Next we have Laurie and then Ted.

Laurie Kagiya: Good evening. I'm Laurie. My family has lived in Arizona over 100 years. Trust me I've seen a lot of changes. My father and my dad used to take a horse drawn wagon on a ferry to take produce to a market in Phoenix. I've seen changes. Change is inevitable. This is the fifth largest city in the United States. They are going to come whether it is apartments or not. They are going to come. There's land that needs to be used. It is within the footprint of the watershed and usability. Not only that, but this developer I have followed this developer the last five years.

I've also followed Lincoln Property and Pollack. I really respect Chris and Jennifer. They are local, they develop from the ground up, and they are very conscious, they are transparent, and work with the council. This project will do wonders. The hospital is there with traffic is going to come to the hospital people. You are not going to move the hospital. Let's make it advantageous for the workers and the staff and bring diversity that's needed in the footprint. These people will be able to go and work in the area. It will revitalize it. It is much needed. I approve this project. Thank you for your time.

Mayor Ortega: Thank you. Ted is next.

[Time: 02:32:47]

Ted Aust: Hello. Ted. 10223 East Karen Street in Scottsdale Ranch. My parents live in the same house. I used to play football and basketball at the boys and girls include. This is my first time in the building since a second grade field trip. I also happen to work at Caliber. I live in the neighborhood. At this point as you can see there's not a lot of people that are my age. I think it is time to bring some new housing and open it up to more people.

Mayor Ortega: Thank you. I'll mention that concludes public comment. However I didn't -- please note that several written comments were submitted. They are on record and handled by the clerk's office. They reference the case number and so forth and position, pro or against the project. At this point we'll allow the applicant to respond to some of the concerns. And then any questions from the council ourselves, either to the applicant or staff.

Did I miss somebody? What's your name? I don't know. Oh, wait. I don't know that I have your name. I may have missed something. What was your name again, sir? He's here.

City Attorney Scott: He's on the list, Mayor.

Mayor Ortega: Excuse me. Mike. Thank you. For standing up here. We only had 48.

Michael Crooker: Everybody has been talking. I'm going to say this. Go back to fundamentals. The city was built on hard-working, law-abiding people who saved and invested and moved here. Like myself and others. And they worked all of their life to come here. Now we're going to water down the area with apartment after apartment after apartment. Everybody wants -- this is one of the top places that people want to move to and buy. 69 homes. All of them went for sale in the last year, year and a half. Ten of them didn't stay on the market for more than 14 days.

Okay. If we're going to improve Scottsdale, we want to bring in people from all over that are going to buy and have ownership. Okay. In the city. Okay. So they follow rules, law, and morning that, they will take care of their area. Okay. The urbanization and all of the other major cities right now doesn't work. Can anyone name one where it is really working right now? Okay. All right. The last two years we've done this we've been pushed aside and bullied. It wasn't too pleasant. We have fought the fight. We are going to continue tonight. We want to get listened to. You people up there and all of the council members work for us. We elected you. Not for the developers. Tonight we've heard a lot of people talking about how they were in favor of the development. None of them live in the area. They all have some kind of interest in being there. Okay. We built the apartments downtown. They were for the first responders and the teachers. Then we go to the hospital. Great idea. For the hospital workers. Then we move over to the gold bust. All of the sudden it is for the children. Okay? Not to -- it is unbelievable. Just tonight alone, I looked at the traffic. It was backed up six blocks going down the Indian school to the 101.

Now what I want to do is I want to turn into the council here. And Tom Durham when you were being interviewed, they asked what was your success to becoming elected. You said above all Scottsdale voters should get to determine the future of their city. I don't think that's been happening. After talking to hundreds of voters, the message I heard was the voters are tired of over development and developers failure to pay the additional cost of infrastructure. And with the projects. As a result, the council's refusal to listen, they led revolts against the discovery center which showed the council was completely out of touch.

Mayor Ortega: Thank you, sir. You are right at 2:00. I appreciate your message.

Michael Crooker: I've gotten someone else's three minutes. I would like to finish this.

Mayor Ortega: You were given three minutes.

Michael Crooker: And she gave me her three minutes. All right. If you don't want me to talk and sensor. She gave me her three minutes too.

Mayor Ortega: No. No, you only get one extra minute. It is useful. That's the way we've been running it all night. Thank you so much, sir. Next we'll continue and close out -- sorry I missed you. You were given three minutes. Next we'll have the applicant respond to some of the concern and any questions that the council may have before we have a motion.



Chris Loeffler: Mayor and council, thank you very much for the time. I think, you know, one thing that I want to say globally is I think our city needed a moment. We're having a moment. Whether or not it was our intent to provide a moment for the city, hopefully we're having a moment together here. I took as many notes that I could, so I could hit all of the points. Hopefully if I don't, council can answer the questions I might have missed. Caliber is not the old owner. We invested in the project a year and a half ago and immediately started on the redevelopment of the project. We acquired the project through three different parcels out of bankruptcy.

We have nothing to do with prior attempts. There was a lot of misconception around that. I want to make sure it is clear. We took over from the prior developer who failed to deliver a project that met the concerns of the council and residents that we heard. I heard the wrong apartment count. We have 262 units. I understand the concern about density. Last week two projects were approved that were twice as dense as ours. What we're trying to bring to the table is a new standard of density that's significantly lower than what has been approved in the past and a project that's mostly a three-story project at 36-foot high with only 38 units on the fourth floor that's 48-foot high. I just want to make sure that's clear.

We're acquiring the water necessary for the project. To the last gentleman's point to bringing any infrastructure to the table. We're acquiring the water. We have the legal right to do so. We've provided that stipulation to the city to ensure that occurs before the building permit is received. In addition to that, we're paying for the signalized light, change in the traffic pattern, and paying for many different changes that will allow a reduction on traffic and hopefully a change in the way that you access both facilities in the retail centers. The alternative uses are not viable. Otherwise we wouldn't have been acquiring the project out of bankruptcy. The average nurse makes \$85,000. A one and two bedroom are priced reasonably, including the discounts in all of the average nurses could afford that price. The height of the project is addressed already. Apartments solve for that.

[Time: 02:41:45]

People keep moving here, so it is congested. Also we talked about making and keeping Scottsdale a tourist destination. Part of the ability for us to continue to be a great tourist destination is we need to have a place for workers to live the serve the tourist. Sprouts and Chompies have signed a new ten-year lease. The ongoing thought that it is going to get taken out is not factual. Someone said we're using nurses. My wife is a nurse. That's how we got the project. We were sitting around talking about the problem. Less than a week later the prior developer walked in the office asking for money. If I'm using nurses, I'm going to end up divorced. What you don't know about Caliber is we also own ten hotels. During the pandemic they were losing money left and right. We lost \$15 million in the last two years to keep them alive and sustain them.

One of the things we did is we offered Operation Sleep Safe. It came from a Facebook posting about how people were deathly afraid in March, April, and May to go home to their families and elderly family members who might be living with them and bring home COVID after their worked on a COVID floor for 14 hours on the shift. We allowed nurses, doctors, and all kinds of all essential workers to do is stay at the hotel for free for multiple months while we lost millions of dollars. We are not using nurses. We are trying to provide a real public benefit.

The letter from Susan Wood, I didn't bring it up during my presentation. It was ridiculous. She said -- maybe you didn't mean -- I know where you live. Maybe you didn't mean to support the project. That's not character in the city. I implore the council to make a statement. I implore you to lead and show us that this type of behavior is not acceptable in our city. I think I'll conclude here. I have 15 seconds. We are doing the best that we can to fill a need in an empty area that we think is real. I know there's anger about apartments. I don't disagree with some of the anger. I agree with some of the anger. That's why we never invested. Our project is different. Let's set a new standard. Let's create something that's balanced for the city. Thank you.

Mayor Ortega: Thank you. Next again we reserve any questions from council.

Councilwoman Janik: It is not questions. It is comments. Should I wait?

Mayor Ortega: If there's any other question about what's been brought forward at the earlier this morning I received a stipulation and regarding water -- it is pretty inadequate. If you can see -- I see supervisor Galvin is here. I would like to call you forward for a few questions about water and our concerns. As you know we're officially entering the tier two A on midnight of December 31st. How are your considerations of water in your related to this case?

Tom Galvin: Yes, mayor. Thank you. Here on behalf of the applicant in the capacity continue. I think what you've seen tonight from the applicant is an effort in good face to address a concern that people have in the city of Scottsdale. We have to under pin in the City of Scottsdale, it would be beneficial to have people living across the street in the new application.

Mayor Ortega: We're in tier one right now. We will be in tier two A or B by June. When water is scarce up stream and downstream. It is a serious matter. Not a game or tennis ball. Were you the party that put together the stipulation a few hours ago?

Tom Galvin: I'm a member of the law firm working with them to find a creative solution. If you are worried about 525-acre feet, we're going to have to think about other potential projects that you might think are worthwhile that may not be meeting. I think the applicant was trying to address the concerns about water and be creative to provide at the same time to address other situations including economic development, transportation, and housing.

Mayor Ortega: Again I'm speaking to -- not to supervisor Galvin, but attorney Galvin. You know, we received a development agreement regarding water. It is not a stipulation. I don't find a one pager adequate for any action. The protections of the development agreement on another case was backed up with a performance and other aspect of the specific performance in the DA that we don't have tonight.

Tom Galvin: Mr. Mayor, I want to address your concerns about the adequacy which was given today. I want to ask for the members to speak to that specifically.

[Time: 02:48:53]

Brian Schneider: Mayor and council, Brian Schneider with Caliber. I was the one that worked on putting the water agreement together with the program and worked with the city's water resources development to make sure that it was the appropriate structure and worked with the city attorney to development the stipulation. I don't know if that answer your question.

Mayor Ortega: It is one thing to see what the water demand will be based on the density. But another one to have it in good form to act on it as a body. I don't find that. I see some intent. Essentially tonight if we grant up zoning, there's no protections for specific performance in the stipulation. I don't want to get too lose with that. Because there was a lot of work put too the whole subject.

Again, water needs and whether or not water could be used. Knowing the contribution is different than having it form. I wanted to mention that. Water was subject. I have not. We have not accepted the one pager stipulation. Nor do I feel we should without, you know, at this late hour. But that's my observation. I can move on to Vice Mayor Durham and Councilwoman Janik. Did you have another insight?

Brian Schneider: Yeah. I think we're stipulating that going to provide this. We can't pull a building permit until we do.

Mayor Ortega: The zoning is immediate. That's why the IDEA is the standard. Vice Mayor, thank you. Councilwoman Janik.

Vice Mayor Durham: I wanted to call on Mr. Leffler and Mr. Barnes for some questions. It's been suggested by one of the witnessed that you let the property deteriorate into the current state? Can you explain if that's accurate and if not why?

Chris Loeffler: We acquired the property in the current state, notwithstanding the downed tree, thank you for pointing that out. When we acquired the property, we had two choices. Try to renovate the project and fix it. Which meant that we had to take a building and try to renovate it. It's been a long time. If it had any occupancy, it lost it. It was in bankruptcy. That's the key to the center. That's why we acquired it out of bankruptcy.

Vice Mayor Durham: Thank you. That's all of my questions for you. Can I ask Mr. Barnes to come up? First I wanted to ask does the re-zoning include Chompies or Spouts?

Jeff Barnes: It does not. The limit only include row of buildings. I have my slides here. I can probably jump back to that.

Vice Mayor Durham: Is there any possibly by approving this tonight that the applicant would be able to demolish Sprouts or Chompies?

Jeff Barnes: The scope of the application is limited to the boundaries of the application shown here. Any expansion request to change the zoning would have to come back in the same process to you all as the case has done.

[Time: 02:54:12]

Vice Mayor Durham: Thank you. The point was raised that the commercial area there at the northwest corner is included in the rezoning. The commercial strip.

Jeff Barnes: That I'm pointing to?

Vice Mayor Durham: Yes. Would this rezoning allow the applicant to destroy that and put up apartments?

Jeff Barnes: The plan with this request specified the commercial area remaining. Also, I believe I did hear a comment about adding additional 100 units on top of that. Also, in our stipulations that we've presented for you is a maximum unit count that does specify the requested number of units and would not allow for increasing that without coming back to you.

Vice Mayor Durham: To the council?

Jeff Barnes: Correct.

Vice Mayor Durham: Not through DRB couldn't approve that?

Jeff Barnes: Correct.

Vice Mayor Durham: All right. Thank you.

Mayor Ortega: Councilwoman Janik?

[Time: 02:55:33]

Councilwoman Janik: Thank you. First of all I want you to think about what you've said that causes dissension in the community and country. We need to stop it. I've been threatened. I call the police. I've gotten a ton of nasty e-mails. I don't look at social media anymore. I ask all of you and beg all of you to think about what your words do. They provoke violence. We don't need any more of that.

That's my first comment. My second comment is I had a whole page of things I can respond to. It is too late for that. What I will say is when we move into the neighborhood, we investigate the zoning that surrounds us. And it is a promise to the community to stick with that zoning.

And in this instance, I believe that we need to stick with that zoning. The other comment that I have to make is these hospitals that are under served, because they can't get the nursing staff. It is time for those hospitals to step up. Even though they are not profit. They make a lot of profit. When you can bid 40 million over the beginning of options for property, you've got the money to provide housing for the nurses that serve the community, the staff, and for the doctors. I don't think it is the responsibility of our community to provide that. This is a challenge to the hospital. I know many of them can't do it. They don't operate at capacity, because they don't have the staff. They have the power and money to change that. For me, I will not be supporting the project for those reasons. Thank you.

Mayor Ortega: Councilwoman Whitehead.

Councilwoman Whitehead: Thank you, everybody for coming. Democracy is a loud, messy, ruckus process. In Scottsdale, it is core to the value. The citizens do get it right. There's no such thing with everybody agreeing on everything. There's nothing that we can do to unprove zoning that was approved by another city council. It is something that we have to take very, very seriously. I want to say I've so enjoyed working with Caliber. The bottom line is in the case when you changed the zoning, the value of the land is completely different the next day.

The idea of zoning changes, most of you live in the house that some city council at some point changed the zoning. The point of changing the zoning is to make sure the value that's given to the apply adapt to the land owner and developer is returned in value to the community. So, I strongly believe that we are not there yet on this project. We've got to balance community need, community get with benefit to the applicant. Then I want to talk about community need as well. It is heartbreaking. When I moved here 26 years ago, my neighborhood was filled with nurses, teachers, police, doctors, I get it. There's a community need. There are a lot of reasons. I've happened to have been in Real Estate my whole life. There's a lot of reasons that we have had a housing shortage and continue to struggle. I'm not going to go into that. I can tell you it is cyclical. Housing prices and availability is cyclical.

[Time: 02:59:58]

I think we're headed in the right direction. Every year or so I call a bunch of apartments. Some of the people recognize who I am. I admit. I can and ask about where are you? What is your occupancy? I can tell you that just last week I called on ten or 12 apartment complexes in the area of this development. I'm glad to say that a couple of things. Occupancy is down. And I had apartment managers tell me they didn't raise the rent this year. Yay! I don't either. They! They didn't raise the rent, because they want to make sure their residents don't move. We're not -- we can't tell people where to live.

I think we have housing needs. I'm just not convinced it is the housing that we need the number of apartments and it is worth it to change the character of the area. There are a lot of firsts with this community, this proposal that are good and there are a lot of firsts that will set a precedent that we don't want. And the third item I always look for when I decide on the zones case is resident support. Anybody in the development community can laugh about that.

The bottom line is every project I've approved has earned support. Has earned support from those immediately in the area. I would say we're not there on this one yet. I have tremendous respect for what the developer has done during COVID. It is about the zoning. I'm not going to support the case. I appreciate all of the people that spoke in favor and in opposition to the project. Thank you.

Mayor Ortega: I see Councilwoman Littlefield and Vice Mayor Durham.

Councilwoman Littlefield: I have a couple of question. I'm not trying to be rude here. I want to know the answers. I read in -- on my computer. It was from get the edge. A little news blurb thing. They said in here that the eligibility requirements for a nurse or nurse practitioner or someone like that to get an apartment here and to get the discount that you are offering, individuals with a permanent resident

within one mile radius of the project and full or part-time employees of any business located within one mile radius of the project for so long as such individual is employed at the business location or other businesses located within a one-mile radius. In order for a nurse that works at the hospital blocks away from the project to be eligible for the reduced rent, he or she must already live within one mile of the apartment location. Is that true?

Chris Loeffler: Councilwoman Littlefield, no, ma'am. We initially recorded the document where they pulled that information from. Because of their reporting, we said, that doesn't read right. We rerecorded a new document to make sure it is saying what it is that we're trying to do. So there's a couple of qualification. One is anybody who works within a mile no matter their profession can get the discount. Anyone who is an essential worker no matter where they live can get the discount.

We can house nurses here who work at Scottsdale or who work in other places throughout the entire city. The offer that we're giving to nurses, doctors, fireman, front line workers, teachers, you know, my daughters will hopefully go to Cochise soon. Teachers is important for the city of Scottsdale. That offer is for all of them. It is not just the discount. It is the opportunity to be first in line to lease. They can beat the market. On top of that we offer for ten years no rental increases above 5%. They are capped. Nobody is going to get priced out. Brought in for a year and kicked to the curb. I don't know if that answers your question fully. I hope it does.

[Time: 03:04:57]

Councilwoman Littlefield: Okay. Thank you. I also have a bit of a problem that the city owes its employees of not only the city but who live in the city that they owe them the ability to be within a mile of their work area. You know, when I was first at work after I graduated from college, I got in the car every day and drove to work. I didn't think anything about it. I didn't think anybody owed me something. I drove down Washington Boulevard to downtown Phoenix and went to work. I worked and got in my car and came home again.

It never crossed my mind that anybody owed me anything for that. That's what you do when you get a job and you accept the job. When you accept that job, you know where the job is. You know where you live. That has to be something you can do that's appropriate and agreeable. If it is not, you don't take the job. You find something else. I really have a problem with giving that as a reason why we should change the zoning in Scottsdale so somebody doesn't have to drive to work. I understand it is different today. I'm old. It was less costly to do that then. I still have a problem with that concept.

Chris Loeffler: Can I address that? I started bagging at a military grocery store. I've worked my whole life. We have a vacant site with a bankrupt building. We tried to figure out the best possible use. We saw the obvious need for housing. I don't think we're trying to claim that anyone is owed anything. Mayor to the extent that the work that we did to get the water stipulation done is not sufficient. We understand that. We didn't even know we could buy water and bring it to our project without education. We learned that. That was a really are innovative way to address the water issues. I think it should be the standard in the future. We did the best that we could in the time that we had. If it is not sufficient for you to feel comfortable, I would ask that you continue our case to do a development agreement and make sure we lock in that requirement.

Mayor Ortega: Any other questions?

Councilwoman Littlefield: Yeah.

Mayor Ortega: You have the floor.

Councilwoman Littlefield: Thank you. I also have a problem. I'm familiar with the area. I don't live far from it. I'm familiar with most of Scottsdale. Old, middle, and new. Whatever you want to call it. I do believe the particular shopping center is popular. The popular is full. I do think it has been allowed to depreciate. There are things that we all know should have been done a long time ago that hasn't been done. The bridge across the entrance to the back alley. You have an obligation to keep the property maintained and usable and in good shape. That's what you do. When you have a house, you do that with your house. When you have a property that you rent out to other people, you do it with that too. I have an issue with that.

[Time: 03:09:13]

Regardless of any of this, this is not wanted by the Scottsdale citizens. Some of them showed up tonight. By listening to the citizens to want, they are against this with a pretty large margin. I truly believe that we, ourselves, as council are the arm of the local government that represents the citizens. There are other parts of areas. I don't think there's an answer. Anybody that's read our e-mails, knows exactly where they stand. The congestion, noise and traffic that will be increased. You don't have anything there now. You build the apartment complexes. This is a huge issue for all of Arizona.

We're going down in the -- very soon in the water allotment. Anything that we do from the dais to increase water usage is not desire. This is not desired from the citizen. They have asked us loud and clear. Increased traffic is a problem. If you are increasing apartment, there's going to be increased traffic. That's why you have to have garages and park spaces for their cars which aren't there now. I have to take that into account also. This is one of the busiest areas and intersections in Scottsdale for traffic for cars. And we're going to put more traffic on it, if we do this. That's a big concern for all of us. Shea Boulevard, you can't expand it or widen it. There's no place. Unless you want to do two tiers. Which is not realistic. That's an issue that isn't being adequately addressed. If we do this and the next project comes behind you, then we do that, you are just adding more and more and more to the already bad situation.

I really -- you know, I don't see any real compelling reason to say yes on this. When we approve, that's just for you in the audience too. When we approve the PUD and change to that, any part of the land that is in that PUD, it can get additional apartments without a vote of the council, because it's already been approved. They are not a part. It is going to come back to us. It has to go through DR. The design needs to be approved. The council won't have a say on it. That's something you need to realize. I don't think it's ready. I don't think it's been approved by the citizen. I would like to make a motion to deny this application.

Councilwoman Janik: Second.

Mayor Ortega: Okay. We have a motion and second. We still have an open floor for discussion. I always try to ask council members who have not spoken yet to speak. I know he's spoken already. I just mentioned that now. I see only Vice Mayor Durham right now. Please go ahead.

Vice Mayor Durham: Thank you, Mayor. I would like to respond to a couple of comments that Councilmember Littlefield made. The "Scottsdale Edge" article was wrong. It did not properly state the provisions. I brought that to the attention of Caliber. They quickly amended the provisions. To reflect. It is not true a nurse needs to live within a mile in order to get in the apartment. That was a misstatement. It wasn't true.

You talked about the deterioration of the project. He explained the deterioration did not take place in the Caliber ownership. It was deteriorated inform 2021 when they bought the property. They did not allow the property to deteriorate. They bought it in the condition it is in today. They are trying to make the best of it. I don't understand your concern about owes somebody a place to live. When you started driving and found your job, you added to the traffic and congestion and pollution that we're all worried about.

If Caliber is willing to make people a living space across the street from their employment, I think that's an amazing idea. They are not going to be on the street. They are going to be able to shop at Sprouts. Walk across the street. That's a fabulous idea to get people out of their cars. As for adding more apartments, I specifically asked Mr. Barnes whether that was possible. He told me it is not. No more apartments can be added. That's our planning staff. We've shut it down.

Councilwoman Littlefield: It would be an amendment.

Mayor Ortega: Excuse me. Do you have a couple more points? Because -- I understand your point of view. She expressed her point of view. Now -- you know.

Vice Mayor Durham: Mr. Barnes told us the facts. It is not a point of view. It is the facts.

Mayor Ortega: Okay. I understand, sir. It is still subject to the coming back for site plan change.

Vice Mayor Durham: As Mr. Barnes said, it would have to come back to the council.

Mayor Ortega: I heard that as well.

Vice Mayor Durham: Okay.

[Time: 03:16:45]

Mayor Ortega: I'm not differing with you. Was there another point or counterpoint? There's a couple others --

Vice Mayor Durham: No. I wanted to. I wanted to explain the merits of this. Mr. Haxby put my campaign statement up on the board. I thought he was going to ask me about it. I wish he would have. It is a fair question to ask me about that statement. When I was running for the council, this council had



regularly approved 15-story buildings. That was the reason I decided to run. Council member Whitehead said we've raised the bar in Scottsdale. When I ran, we were talking about 15-story buildings. Now we are talking about 3-story buildings. Buildings that present three stories to the street. That's what I meant by a start development. No more 15-story buildings. No one has dared to present one.

We have changed the development field in the council. As I said in the past, I always start by thinking about the location. Some of our e-mails described this as a beautiful neighborhood. If anybody's been there, it is anything but. It is empty as a fault with abandoned buildings. Citizens who appeared before the planning commission said there was crime and vandalism taking place in the area. Which is not a surprise. One of our witnesses worried about crime. It is taking place there right now. It is an empty space. There are no houses in the area. I believe there are hundred within 1,600 feet. There are no views from residences to be blocked. From 92nd Street, it is a two or three story building. Now currently this area is the definition of a heat island. We learned that when we held one of our open houses there. It was miserable. That's because it is empty, black, asphalt. Now keeping the property as is not a very good idea.

[Time: 03:19:29]

Commissioner Caminsky pointed out there were previous attempts to redevelop the property. They didn't go through. It would have been nice if they did. But they didn't. So we are where we are. Caliber has stepped in with what I think is a very good proposal. The failure of those prior projects indicates to me they were not technically or financially feasible. This we've talked about the zoning in keeping the zoning for the property. So the zoning for the property is a four-story medical office building. Now the experiments tell us that a four story medical office building would create substantially more traffic. If you are worried about traffic, anybody is worried about traffic. The alternative is a four-story building. One gentleman talked about let's find an alternative. We have an alternative. It is baked in. A four-story medical office building which would cause more traffic and more water consumption than the apartment would. And the medical office building would create more height and more traffic and more water than the current proposal.

So the Mercado is not an upzoning. It is actually -- it will be lower in height than the medical office building, which is the alternative. It doesn't need our approval. If this is denied, Caliber can start building that tomorrow. This property is very valuable. Maybe the medical office building won't be built tomorrow or next year. It is going to be built. You don't let this piece of property set empty. They have the absolute right to fill it with a four-story medical office building. Now some of our e-mails have said that medical office buildings would create less traffic on weekend and at night. That's true. It would create a lot more traffic during the day? Will the medical office building be built? I don't know. I can't predict the future. The owners will want to make productive use of the property and commissioner Kaminsky pointed out there's a market for the medical office buildings.

So on the traffic -- I know the traffic is tough around the area. I've driven there many times. I get it. From a traffic perspective, our worst-case scenario is a nurse that lives in Gilbert and Chandler that drives to Honor Health every day. You can't get more of a traffic problem than that. The best-case scenario for traffic is a nurse that lives across the street. Now a lot of people have told me nurses aren't going to want to do that. Nurses aren't going to want to walk across the street. Why not? We've heard

from many of them today would love to do that. It would be a fabulous thing for traffic and air pollutions. I previously voted against because the developer made a lot of promises and didn't back them up in writing. Now they have. Will the concessions for nurses and essential workers work? I don't know. I can't predict the future. It seems to me it is a very valuable exercise to see whether this type of zoning would work in congestion with the property.

On the traffic the experts have proven in my view that the medical office building would be worse than the apartments. And the apartments would have a minimal effect on traffic. There an effect on traffic, but it would be minimal. The additional traffic light would help. In the subject of the water, one of the opponents of the project objected to the prior claim that multi-family projects use less water. That's not my opinion. Those are the facts from our water department. They have given us facts and figures that prove that multi-family developments use less water. And one final issue, which is concerning to me, which was brought up, the developers of the project are claiming a PUD status which means they are combining the acreage of the commercial property with the apartment. Before the planning commission objected to the treatment. I have some similar concerned. PUD is usually integrated with commercial and other mixed-use area. The level of integration with commercial area here is relatively minimal.

But I think there's -- but my biggest concern is that the designation of the PUD allows the unit density to be spread across the commercial area. I have a problem with that, so I have tried to compute the density by reference solely by the land occupied by the apartments. I believe that it is under 50. It is generally consistent with other projects that the council has passed. I'm in favor of the project. There's a division in the community. We've received many project call comments on why this would be good for the community. In terms of housing and using the dilapidated area. Instead of the medical office building. I'm strongly in favor of the project.

Finally I think I would like to say it is outrageous that some people are receiving mail for supporting the project. It doesn't help your cause to send nasty e-mails to people who disagree with you. You know who did it. I think it is -- I frankly think it is outrageous. It is not in keeping with Scottsdale community. It really ought to stop. Thank you, Mr. Mayor.

[Time: 03:26:45]

Mayor Ortega: Thank you. I have a queue here. I don't see Councilwoman Caputi or Milhaven on this.

Councilmember Milhaven: Are you planning to comment?

Mayor Ortega: I'm asking you if you would like to comment. I saw you blink up a couple of times.

Councilmember Milhaven: Well, I was deferring --

Mayor Ortega: Please go ahead.

Councilmember Milhaven: I was deferring to my colleagues.

Mayor Ortega: This is your wonderful last meeting. I'm providing you good courtesy. I saw you blink on and off.

Councilmember Milhaven: I just can't thank you enough.

Mayor Ortega: Thank you.

[Time: 03:27:25]

Councilmember Milhaven: I think Vice Mayor Durham makes a lot of really, really good points. Let me start with this is my neighborhood. I live less than a mile. I shopped when it was Safeway and Rite aid. You have an idea of how long it's been. It's been over 30 years. I turned left to get to Mountainview to get back to my house. I would welcome the street light. The light. One of the speakers made a point about if not this then what? I think that's a really important question for us to answer. If not this, then what? There's two options. We continue to have a vacant building and vacant lot. I personally know this has been vacant for a long time. When you get a property out of bankruptcy, the person wasn't trying to run down the property. Wouldn't you rather have a tenant than lose it? It tells me the property wasn't practical or feasible from the market perspective. It is not likely today the property is going to be practical or worth investing.

They are going to leave it vacant or knock it down and we'll have a vacant lot. Or we some day maybe not today get a four-story office building. Those are the choices if we deny this case. Sometimes it is the lesser of all evils. Anything that happens here is going to generate more traffic than a vacant lot. Some day something is going to happen. If you are worried about traffic, the residential use is the least -- creating the fewest number of car trips, including the currently allowed office and if it were retail it would create more traffic. If you think about the thousands of carpets. They would need more customers than that. I know there's a lot of traffic.

My point is if you are worried about traffic this is the best possible use for the property. I've heard people say too tall and too long. It is not as tall as what is allowed. We're not granting any additional height. Too dense it has twice the open space. It is less dense. Having said all of that, I do hear concerns. The mayor is concerned. They have talked about water and the use of water. I think this is a great -- we have a stipulation that says prior to the issuance of any building tempter they would need to demonstrate to the water resources that they've required the right to withdraw 525 acre feet of water. They could not build anything until they demonstrated they have the water. The mayor is concerned this might not be adequate. Perhaps it needs additional work.

I also heard the Mayor's concern that said if we approve the zoning it is in place. If it is not being able to meet the stipulation, if they don't demonstrate in a certain amount of time they have adequate water, the zoning would reverse back to what it is today. I've also heard Mr. Crocker. He had concerns about the rental unit. They felt the ownership unit would be preferable to the rental unit. Several of the speakers said we need to continue to work on this and restructure it. We need to go back to the drawing board. In the interest of getting more clarity around the water, perhaps considering a trigger, potentially looking at changing it to an ownership project and not a rental and address some of the other concerns of the residents, I'll make a motion to continue the item to continue -- the developer can continue to work on this project to see if we can address some of these concerns.

Councilwoman Caputi: I'll second that.

Councilwoman Whitehead: Mayor?

Mayor Ortega: There's a motion and second. Would you like to speak to that? This can be voted on. Then we can move to the main motion. It is a possibility of a continuance. 48 people came here tonight to testify. I think that was a strong message rather than bringing them back another time. Do you want to speak to your second?

Councilwoman Caputi: Just briefly. 48 people came. That's compelling. We have read so many comments. I know there were people who felt we didn't see the first of the initial pushback and believe me we have all read the hundreds of comments from the first project to this project. We've all watch it get better and better. I think Vice Mayor Durham very aptly and carefully went through all of the issues. I certainly couldn't have done it any better. I was prepared to take the three issues that were most irritating to people, the traffic, water, the fact it might not be the best and most appropriate use for the space. I wanted to sort of, you know, give the facts and the reasons that have been presented well here tonight. Of course the argument of if not this then what?

[Time: 03:34:09]

But we do all listen to the residents. We all listen to the residents. We read the hundreds of e-mails and the phone calls. Good and bad. So we do have to -- I think, take a pause. Although it is hard to tell a developer who has worked so long and hard and diligently and spent so much money that he's got to go back and, you know, spend even longer again. Something we talk about on this council all the time is the need to provide affordable housing in the community. Every time we pull the residents, it is overwhelming that's what they want. Every time we're up here with a project that checks the boxes and provides affordable housing, I've said this almost every one of the last few meetings, we come up with all of the reasons that we can't do it. Then we make it even more expensive to provide that affordable housing. It doesn't maying any sense.

We hear all of the concerns from everyone in the community. I think that we are almost going to be obligated to try to go back and making sure that people understand. Maybe we pause and see if we can't get more approval from the residents.

Mayor Ortega: Thank you. Part of the etiquette is allowing all of us to speak. There was a question of the continuance. I can speak to the continuance first and I can speak to the main motion as well. I will speak to both. Two or four times a week I do something. I either cut a ribbon or do a ground breaking. One of them was right behind Ajo Al's. One of them was 102 unit apartment complex. It broke ground about seven months ago. In parking there, there was a construction fence and another 200 units that were built. I'm going to the project. I checked to see if they had a rezoning case. They were not a zone. They were according to the land use plan of the city. That probably constituted 220 units within walking distance of the hospital. When I find this case and other cases I still measure on three basic things. The question of density, the question of mixed use.

Traffic and the overriding issues of water. I'm not talking about council people. All of us heard about the four key issues. The personal findings in the area when I see 102 under construction right now and another probably 200 that's built and open. They are two story by the way. They are two story units. They have garages. They are attractive. They have a pool that's not 60 feet in the air on top of the garage. They seem to be on the ground. They look and feel like Scottsdale. The concern that I see here is happening over and over again. A distressed property -- by the way the distressed -- a property is more sellable if it is empty. If there's still couple stores and they have leases and so forth. If it is run down and people are run out of there, it is more marketable for the property owner. I'm not saying this is the case. I'm not pointing any fingers. Obviously had somebody had a ten-year remaining, you would have to buy them out in order to redevelopment that property.

I cannot support a continuance. I find that the main questions of density, and I did meet with the applicant last week and I got one call in the last six months on the case. The same discussion would be based on the same four issues. I found that what's happening is they are paying -- they are looking at commercial property at commercial land prices and then trying to meet that elevated price of 2X, 3X, 4X density; right? That somehow gets justified on the paper. It comes to us. We have to unwind it.

Typically if -- I do not see this property as a mixed use property it is obviously -- I've encouraged them to put something on 92nd of commercial use. There's a market for good, rebuilt, medical office. There is. I know that. I've been told that. Both here, Osborne and Northwood. Broke the rule on density and terms of trying to speak in the adjourning property. I like the traffic light. Any building that gets built there is going to have to be provided with a traffic light. That can come through the DR and will be a safer situation. I think if the project had true mixed use, it wouldn't have a token bit of commercial area to it. So at this point, I think we've spoken. I would like to take a vote on the continuance. If anyone wants to speak about the continuance, please do.

[Time: 03:41:02]

Councilwoman Whitehead: Yeah. I just want to make a couple of comments. They suggested a fundamentally different project. They have many of the ideas that I shared with the development team years ago. I want to talk about the trigger. I love that sound. When I came on board, I had all kinds of ideas. I came into statutes. Arizona is a strong property rights state. That's a good thing. Any decision that we make on zoning we're pretty much stuck with. There's no such thing as automatically reversing zoning. I will say -- I also want to talk about this idea of affordability. It also pleases me that I was calling on the apartments and I confirmed.

Every apartment complex except for two said do you want to 1 bedroom, 2 bedroom, 3 bedroom? They did have plenty availability. Many of the units are under \$2,000. The idea of keeping blame on the city council for unaffordability is really inappropriate. We have 6,000 units in the pipeline. Why are they approving all of the entitlements and the developer is just sitting on them and not building? What I've done on council is I've included -- voluntary, I've had developers with performance guarantee. The reversal and zoning is not automatic. It would be a heck of a process to make it happen. If he wants the continuance, he wouldn't need to have the council vote, am I correct?

City Attorney Scott: Thank you. Our rules were changed recently. The council rules to require any continuance to be received two business days before the hearing. This applicant doesn't have a right to

a continuance tonight. The council can certainly vote to provide the applicant with a continuance tonight. I do just want to clarify that the motion as stated, staff is interpreting that to a date to be determined at a future time. Thank you. I'm glad to get that clarification on paper.

Councilwoman Whitehead: Thank you. We don't remember everything. Thank you for the clarification. I think the project that's being proposed is fund fundamentally different.

Chris Loeffler: Councilwoman Whitehead? Can I address one thing for you?

Mayor Ortega: Sure. I appreciate that. Because for a continuance the applicant is allowed to respond.

Chris Loeffler: Because of the recent rule changes. We had to make a difficult decision with a difficult case to bring forward the best possible presentation we could bring you tonight. Risk of denial, approval, or not approving a continuance for us. Certainly as it relates to addressing water issues and addressing ownership versus rental, very difficult decisions for any developer to try to work our way through. To the point that many of you have made, we've invested \$20 million more or less in the site.

[Time: 03:45:08]

We're going to own it long term. We are going to build something on the site. If you see a path forward, whether it is ownership or some other change that you think we should pursue, we would love to continue the case. If you don't see a path forward, I understand. Like I said in the presentation, we're submitting ourself to your leadership. But ultimately there are positives and negatives to both.

Ownership versus professionally managed apartments, ownership comes with air BnB and less management and other things like that. We came to the table with what we thought was best. Mayor Ortega, I totally understand your view. If you look at those developments that you are talking about, those are 55 and up community as I understand it. Doesn't serve the need we were trying to serve. Just in that particular case.

Mayor Ortega: Thank you for standing tall. Now you may take a seat. We're voting on the continuance of the case that was presented today.

Councilmember Milhaven: All right. Thank you. I wanted to clarify with the city attorney. I know in the past we've done zoning changes when we said if certain conditions were not met, it would trigger a reversion to the original zoning. Is that no longer a possibility?

City Attorney Scott: Mayor and Councilmember Milhaven is correct. We have done rezoning stipulations. Typically, we see them in development agreements. The development is it does require another hearing to remove the zoning designation. How we've done in the past five to ten years is to try the applicant, if the trigger doesn't occur, the applicant is required under the development agreement to bring forward a new zoning request for another zoning hearing to reverse the zoning back to the prior zoning designation.

We get a power of attorney if they don't fulfill that obligation the city can take on the obligation for them. It does require additional hearings. Other than nobody really knows what the zones designation

is once that trigger doesn't occur. We've already amended the zoning map. It creates a great deal of confusion.

Councilmember Milhaven: Thank you. It is possible. There's a process to do that. We could if we wanted to. The other is I do think some of the changes and maybe there's others that need to be made would be fairly substantial and change the project. It might change people's points of view. I think we can --, I would rather see us continue to see if we can modify what's there to start over from the beginning. Since they've made so many changes. I hope the council will give them every opportunity to respond to the concerns. Thank you.

Mayor Ortega: Thank you. I'll vote against the continuance. Again, in fact, the legal representation is to weak to continue on this property. Please vote whether or not to approve the continuance. The continuance failed. Therefore we'll move to the main motion. The main motion is to deny the case which is of record is it necessary to read out?

City Attorney Scott: Mayor, I believe the motion is sufficient.

Mayor Ortega: Thank you. Any other discussion on the main motion? Okay. Seeing none, please record your vote. Deny is a yes. Thank you. The motion passed. I believe that there's a pathway. I know there's a pathway. I think when we sat even last week when I talked about a possibility of a continuance which could have been granting we did discuss that very directly.

[Time: 03:50:03]

I think there are a multitude of needs that can be fulfilled the true mix use and not just capitulating to one use alone. Let's move on. Thank you very much. We'll ask people to please remain quiet. We'll resume the rest of our case. We have reminder that case number 20 was continued by right by the applicant. Next we'll move on to item number 21. Would you like a five-minute break? Okay. We'll take a five-minute break. We'll resume right up at 9:00. Thank you.

Okay. We are resuming.

**ITEM 21 – SCOTTSDALE 3200 NORTH REZONING (6-ZN-2022 AND 4-DA-2022)**

[Time: 03:51:08]

Mayor Ortega: Moving forward with item number 21. Scottsdale 3200 North Rezoning (6ZN-2022 and 4-DA-2022). Greg Bloemberg is here.

Greg Bloemberg: Thank you. Again Greg Bloemberg. I'll try to keep it brief.

Mayor Ortega: It doesn't have to be brief. You know, it is good. This is the last one. We want to stretch this one out a little bit.

Greg Bloemberg: Okay. I'll drag it on for a while then. Okay. The site is located north of Scottsdale Road. There's a multi-family of similar intensity and north of that is another development of similar intensity. It is currently occupied by a trailer park. They are on the verge of bankruptcy. To the west is a

three-story multi-family residential. The zoning on the site is C3, highway/commercial. If the request is approved, the rezoning would become D/DMU-2 PBD, planned block development downtown overlay. The site is designated as multiple use by the land use plan. The red dash line indicates the boundaries. It does abut the Old Town boundary.

[Time: 03:53:18]

We have a summary and background from this request. The request again for a new mixed use development consisting of 135 units and 4,000 square feet of commercial space. Development intensity has decreased from the original proposal. The applicant started off with a request for 62 adjoining units per acre. That's been reduced to 55.8 per acre. It is 135 versus 150. They are requesting the bonus density. The original height proposed was 71 feet. They've reduced that. That's inclusive of rooftop. No bonus is requested for height at this location. The request does include a request for the planned block development, PBD.

It does abut some public boundary to the west. We have received some public comment. In terms of development standards, there's two that are modified. This is one of them. Building location. The applicant seeks to strike the requirement to be at the building setback. The reason for that being they would like to have an opportunity to provide some more open space and enhanced street shape. As I previously mentioned, the other standard issue is density. The download ordinance allow and they are seeking 55.8 at this location. The request is the site plan. It is a very narrow site. It is a narrow building. Even with that in mind, they still manage to provide some open space on both sides of the building and landscaping. All of the parking the majority of the parking is the parking garage. I'll get to that in a moment. With the exception of the small lot here which is for tenants of the building.

This area here is where the commercial floor area would be located. From the landscape perspective, this is conceptual. Very general. There will be few trees on the site. From the circulation perspective, all access to the project with the exception of the small parking lot. It always happens with this mouse. All of the access and loading garage and it will occur off of the 71st Street. One of the features is the pedestrian connection here that runs along the south property line that provides the public connection from Scottsdale Road to 71st Street. That will be protected by the pedestrian easement. It will also be enhanced with some pedestrian-scale lighting. It is a positive feature for the project.

For a parking perspective, there are 217 spaces required and 276 are being provided. There's 50 additional parking spaces being provided. 216 spaces does include guest parking. All of the guest parking and commercial parking will be at the grade level in the parking garage. The rest of the parking will be for the residents. These are the original. They requested the six-story building. These are the elevations for the particular building. That has since changed to the five-story building. 61 feet now to the top of rooftop below the 66 feet that's allowed by ordinance. For my perspective, the building heights from six stories to five story. They were able to eliminate the encroachment. This does meet the requirement for all sides. There's a graphic from North Road. There's a graphic from northwest showing the step back.

Most importantly they are maintained at the hometown boundary. No amendment is requested there. Massing and height are moved back in response to being at the Old Town boundary. This is just a perspective. The original perspective. The same perspective looking west of the five story building.



Most of the amenity space is on top of the parking garage. This graphic shows that. From a massing perspective, the project is similar. The project to the south at the corner of Scottsdale hasn't been built up. It's been entitled. That's shown there would be context at that location as well.

Mayor Ortega: Greg, we have a question from Councilwoman.

Councilwoman Littlefield: Could you tell me on the project to the south how high is that building anticipated to be?

Greg Bloemberg: I think -- I believe they were approved at 65 feet if I recall correctly. I can confirm that for you. I believe it was 65.

Councilwoman Littlefield: Thank you.

Greg Bloemberg: This graphic was requested by the planning commission. It is a good one. I wanted to show you. The Griffin was 65 feet in height and 67.24 drawing units per acre. It was approved at 60 feet in height with 61.24 drawing units per gross acre. There's some compatibility with the proposal. We heard the case on October 20th and recommended approval. Planning commission heard the case on 11-9 and recommended approval with the vote of 6-2. Since you received the report there are a few revisions that I wanted to get on the record.

One of them is stipulation number nine has been revised to specify compliance with the 2021 ICGG. The previous specified compliance. They have agreed to go with what was adopted last night. They changed the date of the plan for the updated unit count, because the wrong unit count was on it. Page 18 was revised and page 12 had revision on short-term rentals. That concludes my presentation. Unless you have questions for me.

[Time: 04:01:30]

Mayor Ortega: I have one question for you. It is the hardest. What's the staff's definition of mixed use in Old Town character area. How is that case as far as a percentage or what is that definition of mixed use?

Tim Curtis: Good evening. As you've probably seen in other previous mixed use cases, with this project there's not a definition for the mixed use. It is at the discretion of the city council with the development plan that's being proposed. We'll get you the details as well as the applicant team on what their precise breakdown proposal in terms of their intention of providing mixed use.

Mayor Ortega: Thank you. That's one of the pillars of the discussion. Bring on the applicant. Thank you.

John Colter: Good evening. I'm John Colter. 618 West Crawford Street, Chandler, Arizona. I'm Vice President of the companies and director of development. We're excited to be here tonight. We're well aware especially after tonight that you've seen more than your fair share of multi-family projects. I'm going to be a little brief and just talk about what makes this very unique and very different from the other ones that you hear. First is its current use and location. As Greg showed you, thank you. This is a

project between an already built and to be built multi-family project. Its current use is RV Park. Not necessarily trailer. RV Park those with wheels and steering wheels, just to be clear. That's the current use.

It also has two very small commercial uses up in front. Both of those pre-date the Scottsdale road. Those are the buildings that stick out into the sidewalk near Scottsdale Road. The other thing that is unique and different about this project is the intent. We heard that that tonight in various cases. We saw that was missing and under represented was quality, obtainable housing for our essential workers. I know you've heard that multiple times. But it is real important to say we need that quality, obtainable option downtown. Why isn't there more of that? It is very financially driven. This project costs more to build than large units.

[Time: 04:05:09]

Almost every project that's been has the word luxury associated with it. Larger units. Why? Because they can garner larger rents. So our project is designed and contemplated to provide quality obtainable units for those essential workers that want to work and live in the downtown Scottsdale area. There's been a very collaborative project. Just a hint. We've met with neighbors. We did outreach. We did community meetings. We canvassed the neighbors as well. We received 32 signatures of support from our surrounding neighbors. We met with staff, DR Board and planning commission. We heard your concerns. There were concern about the overall density and height and landscaping. Some of you have mentioned water use and energy use and conservation. We've done that. We heard you on height and pedestrian access. We heard you on no short-term rentals. With that, I'm going to turn it over to the design partner and let him tell you the specifics about the project.

Mike Edwards: Thank you, John. I'm Mike Edwards. I'm with Davis app architects. 3033 North Central in Phoenix. I wanted to point out the site is a long-narrow site that's landlocked on the north and south. With only access right away access to Scottsdale road and narrow window of access and along 71st Street over here. We are on the boundary -- the western boundary of the downtown area along 71st Street which requires the fairly severe incline. Which we're meeting with our design. It requires us to step back the top three floors of the building an additional 71 feet which eliminating the massing along 71st Street to buffer it and allows to have the amenity deck. It is only two stories high.

We're stepping back along Scottsdale road. Coming up, you can see the massing is emulating what's happened here to the south at the time. Excuse me. Some aspects about the site. We have a significant amount of open space. It is 20,000 square feet. None are along the site. I'll put this up there. What the site allows us to do is John touched on it a little bit is allows us to continue the street frontage landscape down to the property to the south. These are the two buildings here that John is mentioning. That one was right up on the sidewalk front. This is an after image, if you will. Where we pushed our building back to match the setback to the north. It allowed us to create a nice pedestrian area and realm for the commercial space. We can discuss that later.

We have an overage of parking in the project in the blue area that opens to public parking would be. It would be gated and secure to help with the issues that we hear about today. Here are a list of some of our sustainable elements for the project. Probably the one that I like the most is the first one we're

providing residential for people that want to and need to work in the area. It mitigates the traffic coming out of the downtown area. With that, that concludes my comments.

Mayor Ortega: Okay. We'll move to public testimony. Then we'll come back. We reserve the right to answer any questions. We have Amy Warren and Alex McClaren. Go ahead. You have 3:00.  
Amy Warren. Thank you.

Alex McClaren: Mr. Mayor and members of the council, Alex McClaren. 7624 East Osborne Road. I live closer to this one than the other one. I'm interested in both of them. I support the project. I think it is going to be an investment in our Old Town. The buildings are compatible with the buildings to the north and also with the proposed building to the south. That's a huge benefit. For a piece of property, they've done well. The parking is creative and it is going to be underground and partially hidden. Cleaning up the frontage will be nice as well. I support the project.

[Time: 04:12:10]

Mayor Ortega: Thank you. There may be other comments of record. At this point I don't see Ms. Warren. I would close public comment. I have a couple of points to ask. Was there anyone else that you missed? It's okay. My concern is always those same four issues. Mixed use -- what is true mix use, what is the density, water, and traffic solutions.

As I see the mixed use question, I also see that you have basically some flex space. Can you explain a little bit more about that? I think there is -- I did read the plan. Is that commercial space or yoga for the tenants or what is the area?

Mike Edwards: Yeah. On the plans it probably said flex/office. It can be for any use. Art gallery. Whatever the market demands. I don't know if that answers your question.

Mayor Ortega: You said something about 17%. I find it much less than that of the floor plate.

Mike Edwards: It is 17% of the inhabitable or conditioned area.

Mayor Ortega: Understand. However you also have 20 extra parking spaces and you also have the living units, I guess, at that street level. I have a problem with the -- or I have a -- I believe part of the principles should have mix use. We're converting C3 to the much lesser use. I can say this. I've observed people walking out of the Ted and over to the Starbucks and trying to handle six coffees and then walking all the way back. That's one concern. That you are eating up too much commercial space with some token space there. I really think that's inadequate in terms of the mixed use. We're finding a definition for that. We have encountered other cases. That's one concern. The other concern is density. As you know the request or current density possible is 50. There you are exceeding that density. That's strike number two in terms of whether or not it starts to reign in some sort of sensibility. Our council is looking at those issues as we re-examine the Old Town character area plan. That has lagged. We opened it up to May of 2021. It won't be heard for two years. We're looking at project by project -- I am certainly.

[Time: 04:16:20]

The design studio as well look at Old Town and downtown areas of up to 60% of the floor play to remain commercial. So we have balance in a project. That's why every single case for the density. I like your traffic solution. The access from the backside. The interaction with the neighbors. I like the building. When you look at that next to the Ted, you see the property that was build, they must have gotten an exception on the backside. Which is one of the standards in the architecture guidelines and one of the exceptions that was granted by the previous council.

There's a glaring example of what you get when we have all of the amended standards that even break from the previous ark architecture consensus. I like that you handle that well. At the same time, I think, from the traffic and masting, it looks good. For the density and land use, I can't support the project for that reason. I know why when you are that close and that you have excess parking that you couldn't have, you know, more of a commercial use on very valuable C3 property. That's the preamble of our Old Town character area plan. Frankly you have a greater opportunity, because the others ignored any component. The Ted and the Carter or whatever they are -- Ted Carter -- Carter Ted -- they didn't put a stick of commercial in there. Okay. So that's an opportunity that I'm not going to let pass and keep passing.

The other thing this council is going to be looking at and the council has directed all of the discretion on the table. Part of it is before and after. Looks like you were allowing 30 spaces for guest parking. We amended for the apartments. Before it had zero. This council amended it to provide one per six. That's a good thing. You've allowed for that. However you still have another 20 spaces. You are eating up too much ground level plan. I say that, because in my opinion keeping a nice buffer without having people directly residing on the frontage -- I know they are not residing in the case. I still believe that, you know, everyone entering that site is going by park owe to park for a commercial use in front. Or coming in from the side. That's the aesthetic we're looking for. I think you are close. I can't support the density and the other matter without more mixed use. There's other comments. Councilwoman Caputi.

Councilwoman Caputi: Thank you. I got to see the project. I approved it on the development review board. I like it more today than when I approved on the DRB. We had a couple of comments about bringing the height and density. You adjusted those. I love to see that. What I don't agree with on the idea of mixed use is you used the word with the market is going to drive. I don't understand why we try to put commercial uses where they don't work.

This idea that we're just going to check a box and force an applicant to put a coffee shop or dry cleaners in their lobby, because that's what we say it should be and the market is not asking for it. I think that makes sure the project fail the. I don't understand how that would be good. It is not our job as a city to say which businesses will survive and fail. I think this is a good use for residential. I feel like you are trying to make it affordable. I feel repetitive. I try to get there. We never see it. This is a fantastic job of making units that are available. This is a end fail project.

This is certainly a more useful thing to do in the particular area. I love to see that you are voluntarily complying with our 2021 international green construction code. The market is working. You did it voluntarily. That's fantastic. Then I would like staff to actually talk a little bit about that. The idea of density in the area. Because I think -- I know a little bit confused.

I feel like sometimes we get confused up here. Maybe Mr. Bloemberg. When I read the definition of mixed use neighborhood, it says -- I printed from the general plan. It focused on human scale development and are located in areas with strong access to modes of transportation. These areas accommodate higher density housing and mixed use neighborhoods are most suitable near and within growth and activity areas. We're in the growth area. Then the definition that we came up with for highest density is a relative term. It may vary. Usually used to describe development in multi-family housing or mixed use in areas more than 25 dwelling units to an acre of land. Was that accurate? I literally printed them out of the 2035 plan.

[Time: 04:23:25]

Greg Bloemberg: I'm going to ask Adam Yaron to respond to that.

Adam Yaron: Thank you, council. To the extent of the definition of highest density the general plan references four categories of ranges of density. These are community-created that were adopted as part of the 2035 general plan. The lowest density aligns with the neighborhood zero to one dwelling unit or more for more acre in size. Moderate -- medium or moderate density being generally one to eight. High density which was defined in the glossary of being up to 25 and aligning with Urban neighborhoods and highest density being 25 or more aligning with the mixed-use neighborhood. They generally can be applied primarily within our three adopted growth areas being the corridor, Old can be town, and to a lesser extent the activity areas that you reference within the plan

Councilwoman Caputi: It is a relative term. It may vary on the context.

Adam Yaron: That's correct. That context is taken from the direct area. For Old Town is discretionary for council to see if they are appropriate. To see how they are applied in other areas of the community, urban neighborhoods are different. We definitely evaluate.

Councilwoman Caputi: I feel comfortable with this. It seems to be contextual. Which is what we said we wanted. I think I remember there was something in the packet about the way they arrived at the density. Something about -- the amount of one bathrooms or three bedrooms that actually made. It was deceiving. I couldn't quite follow that.

John Coulter: You are right. The plan was to build clean units on the smaller scale, the one bedroom or two bedroom. That's what the essential workers when they were married or spouse -- they were looking for the unit. It would be more cost effective to build 123 one-bedroom units. That doesn't satisfy the need in the area. It takes away from when the concept is. We all know that 103 bedroom units will provide than the 135 mostly one-bedroom and a few two bedroom we're pushing for.

Councilwoman Caputi: Less people. You've done that. Again you are trying to get an affordable product. That's how you get it. You build a little smaller. We all know the reason we can't build affordable is because the land is expensive. The material is expensive. You have to have open space and parking. You've got to make an affordable product. I think you've gone a good job. I'm in support of the project. Thank you.

Mayor Ortega: Councilwoman Whitehead and then Councilwoman Littlefield.

Councilwoman Whitehead: Thank you. I want to thank you for reaching out. Between you reaching and my COVID, it didn't work out. Apparently, you got some of the clues based on the changes. One of the things you heard loud and clear tonight is the idea of density creep. The word on the street is every apartment complex that comes to us is taller and more defense. I think they are in the 40s in terms of units. Is that correct; Greg?

Greg Bloomberg: Mayor Ortega and Councilwoman Whitehead, the Agave to the north only has 41.24 dwelling units per acre.

Councilwoman Whitehead: Okay. I'm looking at the -- just north -- what am I looking -- yeah. Right there. I thought that was the newly approved --

Greg Bloomberg: This is the site here.

Councilwoman Whitehead: Oh. Okay. I'm looking -- I must be looking. Okay. Thank you.

Mayor Ortega: Councilwoman Littlefield.

[Time: 04:29:26]

Councilwoman Littlefield: Thank you very much. I wanted to ask you we had talked a little bit the other day about the residents that live in the trailer park basically. Could you tell us more about what's going to happen to those folks? I believe some of those are Scottsdale citizens.

John Coulter: Mayor and councilwoman, currently as we said are an RV Park. Which originally its intent was it had to have wheels and an engine and steering wheel. Over time like any project, this was built in the 1950's or 60's. There was a little bit of creep. We ended up with more traditional mobile homes in there as well. A couple of things that we've done there, every tenant in there is on a 30-day lease. So first of all, they've all known -- as we purchased the property -- we purchased this several years ago but don't bring it before you until we have solidified what we believe is a plan to be proud of in the area. We have informally let all of the folks know what is happening of our four mobile home residents, if you will, we had one unfortunately passed.

Her adult son we helped transition out of the park. We did have one that was responsible for a majority of the SWAT calls. We did go through an eviction process with them. We have one remaining mobile home tenant. We have worked with them. We've let them know -- we've given them all of the formal notices as well. We are working to transition them under the housing. Now we've treated our RV people just like they were full-time residents. We've notified them the same way and put together packages of where there are other RV parks and sort of a transition package. Sorry, it's been a long night. I don't know how you do it. I lose track. Plus after talking with the residents we had one in support of the project as the planning commission. The transition period will occur in the summer.

Right now it is beautiful and impossible to find an RV spot. We know the deals and vacancy comes about in the summer months. As we talk to the residents, that what would make it easier for them to transition and drive to the new home.

Councilwoman Littlefield: Thank you. I did have someone ask me about that. I wanted to bring that up.

Mayor Ortega: Councilwoman Janik.

[Time: 04:32:30]

Councilwoman Janik: Thank you. I think this is a really wonderful project. I think it fits the need. What I would like to see perhaps as a continuance, so I think we're almost all the way there, but we have a little bit more to go. If we could continue it and spend more time with the mayor to work out some of his questions and his differences. It would be nice if all of us agree on a project. I would like to make a motion for a continuance to a specific date.

Councilwoman Whitehead: I'll second that.

Councilwoman Janik: And I believe we have to specify the specific date.

Mayor Ortega: At this point, I did hear a second, I believe. So at this point the applicant can respond to the motion. The -- also the clerk looks at the calendar and when the case maybe heard again. There are some -- we can't necessarily put him on the spot immediately. It would be wise to find out. We can't say right now with respect to the motion. Do you have any response with motion to continue?

John Coulter: If I understand the primary issues are the density and the commercial space?

Councilwoman Janik: Yes.

John Coulter: The Mayor brought those up. I would like to take the opportunity to address both of those really quickly to see if the continuance would be necessary. There's a cup of things. Given no standard for what that commercial space could be, we picked what we felt was the most viable amount of commercial space. We're open to that discussion, Mayor. I'm expanding that. Some of the additional parking that we put in to help the neighborhood. That was what we heard from neighbors. There's a balance. The extra parking was there at their request.

We can work and come to a compromise if it looks like we need more of the commercial space. From the density standpoint, I want to point out something that may not be very possible here. This site is a very difficult site. It is unique in that it is extremely narrow and long. One is the property size and the other is the frontage. If I could take the piece of land and exact building I'm proposing and turn it sideways, the calculated density per all of the ordinances would be a little under 47. If you could go at 150 south. The number is deceiving on density.

Mayor Ortega: With the slide that's visible, look northward. They have a comparable width for the property. There's a commercial use that's very viable there. Look at where they are parking. It is not too narrow will be considered. We are setting the standards. You can imagine the business the US Egg

gets. That's why I support the continuance. It doesn't change the building. It would change the performance of and convenience of the occupants there. I would like to you. That's the reason for considering this. If the next guy on the corner puts in 100%, I'll be coming with the same kinds of criteria.

Can you break up one tall building after another tall building creating a wall up and down Scottsdale road when there's an opportunity for commercial. That's illustrated very well with the context exhibit. Is there more discussion on the -- the clerk is telling me that he can provide available dates when the applicant wants to come back if the continuance is requested.

We do have open dates to discuss with a motion on the continuance. The density question is again you have the adequate parking and surplus parking. If it is public parking in the back, it is also very usable for the commercial space in the front. It is -- you know, it creates a synergy without just blocking out the commercial element. I think you are close to getting it done. I think we have to -- I personally have to hold firm with the 50 units per acre for a reason. Although it maybe defined by the general plan that's the voice of the people. We do follow with ordinances that are also in effect -- on all of the general plan direction. I think you are very close to be successful. Do you want to share the dates of possible. We can amend the motion as far as a date. Perhaps the end of January or what dates do you foresee?

[Time: 04:39:03]

City Clerk Lane: Thank you, Mayor. We have council meetings dates on January 10th, January 24th, February 14th, and February 28th.

Mayor Ortega: I like Valentine's day. I think February 14th -- if that's acceptable to you. Or?

John Coulter: I need to confer with the President of our company. I have one question, Mayor, if you'll indulge me. On the Agave I see that on the exhibit. That's Agave/Carter? Am I looking at the right thing there?

Mayor Ortega: Yeah. That's what I see as well. Again I'm pointing out there's absolutely no commercial viability on whatever is there. Is that correct?

John Coulter: Their density can't be that.

Mayor Ortega: 424 dwelling units per guests. 570 parking spaces. In particular I would rather look at the U.S. egg property and how it can be -- with the ground level and commercial use.

John Coulter: I just want to make sure I understand. It makes no sense for us to try to do something. We're talking about that uncolored square in the middle?

Mayor Ortega: Yeah. It has C3 zoning. It is viable and really feeding three apartment complexes there. It has -- having such a small amount of commercial is not a good mix use. That's the illustration that we're looking at right there. It illustrates my point.



John Coulter: The point on the commercial space not on the density. We know the Carter has density closer to 69. It was confusing to me.

[Time: 04:41:26]

Mayor Ortega: I was relating to the value of true mix use. We're in the position of defining that. We will be enacting ordinances, because right now it is -- it is not acceptable to have 100% apartments especially on Scottsdale road. That's why we can't examine it closer. If you need to look at the date to be determined in January, I would suggest the second day. Was that the 21st?

City Clerk Lane: The second meeting in January is January 24th.

Mayor Ortega: Is that acceptable to you?

Councilwoman Janik: It need to be acceptable to the applicant as well. I think the 24th would be better than February, yes. I think the differences are minimal. I don't want to lose this project. It is a good project.

Mayor Ortega: Okay. Councilmember Milhaven, while they are looking into it and consulting.

Councilmember Milhaven: I want to agree with the comments made by Councilwoman Caputi. If there's a market store front it is sad we are going over the details here when we might have had a opportunity to negotiate for. What are you looking for in terms of how much commercial space? If you have a number in mind, it may not be necessary to continue the case.

Mayor Ortega: There are two points on density. And the other. I don't want to sound like we're making these decisions on the fly. The principle is true mix use. You are asking me that question. It is based on the 25 spaces.

Dan Smith: May? I'm Dan Smith. I'm President and owner of the company. It is not someone else's investment. It is mine. It is not people investing. I've lived here my whole life. I've worked in Scottsdale all my working life. I want everyone to be happy. I don't want to go on and on and on. I'll agree to double it. I have to find a use. I'm not sure what that would be. If it is another Good Egg, I'll have to park at five per thousand. They don't live in the three per thousand. We're going to use not the 25 but the 50 we were trying to give to the community. I'm willing to do that.

I'll stipulate to increase that 8,000 and be doubling it and then on the density, just so I can -- I want to make sure to clarify the density. We're asking for that 55.8 which translates to 135 units. The other number that you are concerned about would translate to 121 units. I know every time I compromise the units and the height, it takes away my ability -- I have to do little bigger units. I can do that. I can make up the ground. I want to say if we agree to that tonight. The property on both sides. And true acreages. I want to bring this up. I guess I want to offer it to you. I would stipulate to both of those things. Tonight to be done with it.

I also want to compare and show you what we are doing. We are -- we do have more parking. More than we have to have and can accommodate. The property to the north if you do it on true acreage,

enough of the funny calculations. 67 units. If you use that on our, what number would we have? 160 units or something like that? I'm willing to stipulate. I prefer just to vote on it.

I know this is a good project. We're building it better than our neighbors. It is a better project than the one to the north. It is better materials and better project. I'll even compromise it further. But I've got to get to work. I can't keep doing this. I'm not using other people's money. I'm prepared to build the best project this type in Scottsdale. Not down on Shea. I live up there too.

Mayor Ortega: What's your first name?

Dan Smith: Dan Smith. I'm owner of the company and President of the company. I have authority to do what we need here. I will build the best 121 unit project.

[Time: 04:47:57]

Mayor Ortega: Just so you know, I use the same list of the four principles up on Shea. I had the same principles that I based my decision on. Up at Shea.

Dan Smith: Sure. Sure.

Mayor Ortega: Density, mixed use, traffic, and water. The other was amended standards as I said I compliment the job. I think what -- I've been in Old Town for 40 years. I'm saying the ground level and in the context I would say that as you substitute more ground level, maybe just your manager lives on the ground level. There may be more units at the ground level. I believe that keeping it as you eat up more space in the back for commercial. Because it is valuable. It is going to be a good service for your occupant. That's the whole theory. That's why we have it.

Dan Smith: Our projects in Scottsdale. Historically have been low density residential. Those projects I'm so proud of. And the retail. I've been specialty retail. And our commercial have been class A buildings. Apartments has the wrong feel to me too. Except I know I'm going to build good quality. I'm going to serve a real need here. I'm going to do it better than the neighbor. Just look at this and compare to the Griffith. That's a big, ugly box. It has virtually no commercial as you say. I'll agree to double the commercial and I'll agree to live within the 121 units to go on and build a good project.

Mayor Ortega: That sounds good.

Councilmember Milhaven: Then I had the floor.

Mayor Ortega: I see Councilwoman Whitehead.

Councilmember Milhaven: I had the floor. I got interrupted. I would like to continue. No. I'm just requesting to get the floor back. What I hear you saying is 8,000 square feet, 121 movements, I would make a motion to approve it. Except that we have a motion on the floor to continue. That takes priority over the motion. If my colleagues wanted to consider that, they would have to withdraw the motion to continue.

Councilwoman Janik: I would like to withdraw my motion.

Councilwoman Whitehead: I withdraw the second. I appreciate the explanation on density sir.

[Time: 04:50:50]

Councilmember Milhaven: I'll make a motion. I'll make a motion to adopt ordinance 4974 and adopt resolution 12652, and adopt resolution 12653, the changes that 8,000 square feet will be designated as commercial and the density will be not more than 121 units.

Councilmember Milhaven: I would like to second a friendly amendment to that.

Mayor Ortega: Excuse me. I appreciate that one. I'm getting a call in to city attorney as to form and complications. Let's get that straight.

City Attorney Scott: Thank you, Mayor. I do not want to be a fly in the ointment. Especially at 10:00 p.m. But this case is not only in ordinance with multiple stipulations and development agreement and development plan. I would request a short break before we vote on this motion, so that I can confer with staff. I think they are over there trying to recalculate density right now.

The -- I appreciate what the council is trying to do and the speed in which it is trying to do it. But it is just a little bit more complicated than that motion. If I can have a moment to confer with planning staff, we can see if we can figure out exactly --

Councilwoman Whitehead: Mayor --

City Attorney Scott: How to clarify the motion to make it work tonight.

Councilwoman Whitehead: Mayor and city attorney, I would like to continue with my friendly amendment. I don't want to change the density.

Councilmember Milhaven: Oh.

Councilwoman Whitehead: So I think that's nice about the added space, the added commercial space for the -- for the Mayor's request, but I think as was stated that the density is not a straightforward calculation. I think that we're better off with the original density which included more one bedrooms.

Councilmember Whitehead: I'm agreement to that.

Mayor Ortega: We have a motion and second on the amendment to a potential motion. All of those in -- is there any discussion on the amendment?

Councilmember Milhaven: Let's wait for them.

Mayor Ortega: The final -- the final format this was a friendly amendment. So that -- oh, you agreed with it. Okay. So the amendment alters -- Okay -- um -- and as to form, the amendment needs to be

voted on. It is just part of the motion. Okay. Would -- let's just stay in session. It may be ten minutes or so.

I won't support the density change that's being proposed. The owner is ready, willing, and able to make it work. So, the motion will not be favorable with that increased density higher than what's on the ordinance today.

Councilwoman Whitehead: Mayor, I would like -- can you repeat the two numbers. I think it was a pretty close -- and it is an interesting point that the gentleman makes about how density is calculated. We went from -- two numbers are 121 and 135. Yeah. I mean that's just not a significant number. Thank you. I would like flexibility. That's what I'm really looking for.

Mayor Ortega: Okay. And are you? At this point --

Councilwoman Whitehead: I think with the development agreement perhaps the staff wants to answer. I think the two bedroom is very valuable. The one bedroom is very valuable. That would be a decision that's made. We see that. That should be based on the needs right then and there.

[Time: 04:55:34]

Mayor Ortega: Okay. I still see -- thank you. Do you yield the floor? The city finds -- we had a discussion with the applicant and consensus based on what was agreed upon, now we have a switch that would affect the continuance again. The numbers can be flexible. The request is pretty clear on our matrix here. They have 13 units more than what our -- either going to start holding to our numbers as, I believe, they stand, or these get bent and twisted. I think we are getting close here. I don't think I'm ready to give up on the density question. City attorney.

City Attorney Scott: So I would just like to make clear that we'll have to go back through the documents after this motion. You know, I'm assuming that it passed to make all necessary updates to the development plan to the zoning ordinance and stipulations and any necessary revisions. I don't know what they are at the moment. We would have to go back through those after the motion passes and make those necessary revisions to meet the intent of the motion. I would like to make sure that's agreeable to the applicant.

John Coulter: Well, of course. Do I address the attorney the same way? Certainly we understand the motion on the floor and amendment, the good news is the bonus language and none of those things in the development change. Certainly we know if we provide more commercial space per the mayor's recommendation we're going to have to provide more parking in accordance with all of the rules, regulations, et cetera, I believe that's very simply worked out with the commitment that we will provide the space along with the code required parking for that space. It seems as simple as that.

Mayor Ortega: I believe it is -- I believe it also may be illustrated if you just bring the floor plan on. Because you can see -- but you might eliminate four units in order to increase.

John Coulter: It is very possible.

Mayor Ortega: It may only with a four-unit change. If you bring that five units. So that would be five units less. Not 13 or 26. It is a nominal change that can be illustrated in your drawings.

[Time: 04:58:55]

John Coulter: Right. I don't have control of bringing the floor plan up. If I hear you, by expanding the commercial, you are going to get rid of four or five units. The 135 is a max. Whether we get there or not as you know development better than anyone, we'll reevaluate that. We're certainly on board to satisfy the council's requirement of in additional commercial space and the parking required. We are familiar with the rules. We're happy to do that. We'll make that work. If we have to sacrifice one unit or two units, we'll do that at that time. Give us the flexibility to give you what you are asking for, knowing in this case the density number is at best a confused process.

Mayor Ortega: Well, and I will close my comments by saying I appreciate that. The intent that we have, I think you'll find we have a compatible project. People will be walking around the block looking for something to eat or do if we eat up all of the frontage or apartments. I think there will be a significant market for that. Councilwoman Whitehead?

Councilwoman Whitehead: I am fine. I'm ready to vote.

Mayor Ortega: I have a feeling that staff looks confused over there. I believe that that's what Christmas recess is for. Oh, wait. I see Sherry Scott raising her hand and then I'll yield to Councilwoman Janik to wish the client well and see if we can get this done.

City Attorney Scott: Mayor, I want the council to understand staff is more than willing to work with the applicant to do the work. But it is going to be significant changes throughout. We are going to have to work with the applicant to see exactly which parts get changed and how. That bonus payment is going to have to be recalculated. I see the council seems to be fine with that. I just don't want to get through that project and have a member of council be surprised or disappointed that something got changed that you were not aware that might be changed. It is significant changes to the document. We're happy to do the work and work with the applicant to get that done.

[Time: 05:01:33]

Mayor Ortega: So accordingly, we would proceed with that understanding. May I yield to Councilwoman Janik.

Councilwoman Janik: All right. I understand that we agree to all of this. I need the verbiage to make a motion that reflects this and perhaps -- okay. Could you repeat it?

Councilmember Milhaven: Yes. We're approving all of the ordinances and stuff. Okay. All of that stuff.

(Laughter)

With one change requiring the 8,000 square feet which is roughly twice of what's in the current document be dedicated to commercial use.

Mayor Ortega: And that the intent may be a reduction in density.

City Attorney: Absolutely. I heard --

Mayor Ortega: Four or five spaces were illustrated there.

City Attorney Scott: Four or five dwelling spaces need to be eliminated to account for that commercial space. Parking will need to be recalculated as a result of the density change. The bonus payment will need to be recalculated. There's quite a few changes in the development plan that will need to be amended and changed to reflect the changes as well. I just want to put that clarification on record.

Mayor Ortega: Thank you. As you look at this, I see four units or boxes right next to the retail. That to me visually it looks about 8,000 square feet.

Councilmember Milhaven: I just want to clarify. Yes. The parking that's required for the additional commercial. But we've left the number of units not to exceed 135. So, they can be flexible. It may or may not mean they change the number of units. We're not requiring they do that. But we're saying the 8,000 square foot in commercial and commensurate parking required and any recalculation of bonuses as a result of that.

Mayor Ortega: Well, I think everything is within the power of our discussion today. I think we can close the business of this year on this particular case.

Councilmember Milhaven: Please.

Mayor Ortega: I appreciate again several positives in the design aspect and we've all spoken. At this point I will ask for a vote. Okay. It is unanimous. Congratulations. Good luck with your project. But we'll wait and see when it is signed; right? We'll look forward to that.

John Coulter: Thank you, council.

Mayor Ortega: Next I re-open public comment. It is the opportunity to talk about any subject that's not on the agenda. That's close closed. Finally we ask for citizen petition. There being none. None registered. Therefore at this point I would ask for a motion to adjourn for the year.

Councilwoman Janik: So moved.

Councilwoman Caputi: Second.

Mayor Ortega: Moved and seconded. Please record your vote. Okay. It is unanimous. We are adjourned. Thank you.