
This document was created from the closed caption transcript of the June 22, 2021 City Council Work Study 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/current-agendas-minutes/2021-agendas/06-22-21-regular-and-work-study-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/2021-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: 02:23:30]

Mayor Ortega: I call to order the June 22nd, 2021, city council work session to order. City clerk Ben Lane, please conduct the roll call.

ROLL CALL

[Time: 02:23:42]

Clerk Ben Lane: Mayor David Ortega.

Mayor Ortega: Present.

Clerk Ben Lane: Vice Mayor Betty Janik.

Vice Mayor Janik: Present.

Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilmember Caputi: Here.

Clerk Ben Lane: Tom Durham.

Councilmember Durham: Here.

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: Thank you. Our work study for a less formal setting for the mayor and the city council to discuss topics with each other and city staff and provide city staff with the opportunity to receive direction from the council.

[Time: 02:24:28]

We will not be voting on anything, but we will be discussing and listening to public comment with regard to the subject, which is the old town character area plan. We will begin the work study by receiving public comment is limited to five people who may speak in the topic. We have two by telephone and

two in person. So I will ask staff to bring the telephone participant, them first. Bastien Andrewette.

Shane Stone: You should be able to press star six on your telephone and begin your public comment. Thank you.

Bastien Andrewette: Hello. Can you hear me?

Mayor Ortega: Yes.

Bastien Andrewette: Great. Mayor Ortega and members, my name is Bastien Andrewette. I'm speaking on behalf of the Arizona Multi-housing Association, regarding the old town clerk plan. The AMA represents 300,000 of rental housing units across state Arizona and cautions the council against reverting the city back to 1980 style zoning relation.

This reducing density and height alliances and reversing the more recent reforms in 2010 and 2018 to the city zoning code will exacerbate the housing shortages. The Arizona legislature took the first steps in addressing the local zoning matters.

[Time: 02:26:28]

Feel free to reference senate bill 1409, zoning ordinances, property rights and costs. This new law was passed in response to the zoning regulations that have added to the cost of housing construction and contributed to the state's more recent housing affordability issues. Before adopting any zoning ordinance or zoning ordinance text amendment of general applicability, legislative bodies of municipalities shall consider the probable impact of the proposed zoning ordinance on the cost of housing construction or rent.

Senate bill 1409 is that the state is actively looking at barriers and prepared to pay for these actions. At the federal level, three administrations have inserted themselves into the local administration. And President Obama noted over the past three decades local barriers to housing development have intensified, particularly in the high-growth metropolitan areas fueling the national economy.

The accumulation of such barriers include zoning other land use regulations and lengthy development approval processes has reduced the ability of housing market demands. Similarly, President Trump stated in the 2019 executive order of 13878 these regulatory barriers increase the costs associated with development and as a result drag down the cost of affordable housing.

In many of the markets with the most severe shortages in affordable housing have the most restrictive state and local regulatory development. Finally, President Biden identified incentive for those who have exclusionary zoning law the president and his staff says it can enact barriers which all else equal, translates into an equilibrium with more expensive housing and fewer homes being built.

These recent observations by very distinct presidential administrations indicate that local policymakers should be considering ways to reduce barriers rather than create new ones. It is for these reasons that

we caution the city against moving forward with changes to the old town character area plan and should you have any questions reach out at any time. Thank you very much for your time this evening.

Mayor Ortega: The next speaker, Michael Norton, again, telephonically.

Shane Stone: And Mr. Norton you should be able to press star six on your device and begin your public comment. Thank you.

Mr. Norton, for our end of the software, you are unmuted, but please press star six. We cannot hear you yet. Mr. Norton, you are still unmuted. If you press star six on your device, you should be unmuted to begin your public comment.

Mayor Ortega, if you like, we can put Mr. Norton's comment on hold while other commenters go in person, I can attempt to call him directly to see if we can figure out his issue.

Mayor Ortega: Very good. Our next person in-person speaker will be French Thompson and then Bob Pejman.

[Time: 02:30:36]

French Thompson: Can we get something on the -- Wow! Look at that. I always come up with something good! At least I can hear what I'm saying and I'm not on the phone. I sure hope I didn't sound that bad last time when I called in. My name is French Thompson.

I'm a business owner in downtown Scottsdale. You know, I usually talk to you very contemporaneously, but I have a few things I want to say with this downtown overlay, who is it that wants all of this added height and density in downtown. I mean, who is it that wants that? Is it the citizens?

If the citizens want that, you should put it to a vote, put it in an election and say, hey, citizens of Scottsdale, do you want this? In the downtown or is this somebody else that's coming in and saying we want it but we don't want anybody else to know that we are going to be doing.

It in the previous character map, it had pink and blue and all of these other things all the heights were hidden in the bottom in fine print, which the attorneys like to do. They put it in fine print because they don't think anyone will do. Another that Scottsdale needs 70, 90, 120-foot buildings in the downtown. I see buildings over the whole entire valley that are much lower than that. They are building them, and people are living there. I don't think that the citizens the Scottsdale want that.

The referendum this last fall indicated that they didn't want the south bridge. That was a density height question. I think this past election is the same thing that they voted in people that were saying that they didn't want to see height and density in the downtown either. So the south ridge people, the company, they are developers. They want to build. I understand that, but back in the -- I don't know, two decades ago, there was another one and it actually went to a public vote about that project. And the citizens said no.

This last time, there was a referendum. The developer decided to pull it before it went to a public vote. Wise move on their part. This character plan is going to be inside the general plan. It's being referenced in the general plan. I really would like to see the general plan pass. We need one in the city of Scottsdale.

I'm very afraid that when the citizens find out that those heights are still in that, it's going to have a negative impact on the people who are voting for the general plan. So I would really like to see this council take back the great downtown giveaway and make the heights more reasonable for what is there.

We don't need the building heights. We can build quality development and apartments and businesses down there without it. So thank you.

[Time: 02:33:51]

Mayor Ortega: Thank you. Next in person, Bob Pejman.

Bob Pejman: Thank you, Mayor Ortega, councilmembers. My name is Bob Pejman. My address is on the record. So with or without the downtown plan, or an old town character plan, there is existing zoning for every piece of land, every parcel.

And the developer commits an aggressive -- submits an aggressive plan, they can get four plus council votes, the land can be up zoned for taller buildings. That's how the waterfront got approved. Despite lower zoning, four plus councilmembers agreed it was a good project and approved it.

But it wasn't approved because there was -- it was a character plan or anything like that that made it happen. My point is that four plus votes can approve or upzone anything. Now, I read that 2018 downtown character plan and when it was passed the underlying zoning did not change it.

Remained as it was but the character plan designated four areas with specific heights but all of that is aspirational or suggested. It's not zoning. If you look on page 15, those heights are written -- I don't think it's possible smaller font that they could have put it in. Maybe there is but I don't think it gets printed. And so it's almost like they were putting that small font so that no would read it or that it would not make it major.

Also the outreach that was performed back then in my opinion was very supervision. There was very little attention given to the height, and in the meeting where the plan was passed -- and I was there -- they asked -- the question was asked, what's the difference here? And the answer is there's no difference.

It will make it -- it will add more agility, I think that's what Randy grant said that. It would add more agility and that's fine, but it still doesn't change the zoning. So the question is: What's all the fuss about this character plan?

And my answer is this, it gives the answer that the taller heights are zoning when they are not. It gives cover to council to approve the taller heights despite the lower underlying zoning because they can claim that the general plan made them powerless. But it's not zoning.

Also in reference to prop 207, there's no devaluation of a property since it can still be upzoned if there are four votes. So I go back to what French said. The general plan references the character plan. As we know height and density have not been proper items. Evidenced by the general plan and the three people sitting on council.

I hope the general plan passes but I hope it doesn't reference the character plan with the higher heights which in my opinion should be removed since it will make no zoning difference. Thank you.

Mayor Ortega: Thank you. I will now go remote again, relying on staff to see if Mr. Norton is coming through.

Shane Stone: Thank you, Mayor Ortega and Mr. Norton. It looks like we actually just had him drop off the call. So unfortunately, that public comment will not be available. Thank you.

[Time: 02:37:50]

Mayor Ortega: Well, at this point I would ask for the staff presentation, and I'm hopeful we can get through the presentation without stopping and come back with our -- any questions we may have.

ITEM 1 – OLD TOWN CHARACTER AREA PLAN

[Time: 02:38:09]

Adam Yaron: Thank you, my name is Adam Yaron. I'm one of two presenters this evening, discussing the old town Scottsdale character area plan. This is a follow-up request to city council request for this work study session item made on May 4th to review and discuss the old town area character plan, buffering traffic and infrastructure, our current is old town character plan.

It shapes the physical form of development within the community and it consists of five chapters that are presented on the screen. Now, although that's our existing character area plan, this part of the community has had a longstanding association with having a character area plan which started in 1984 with the downtown plan.

The purpose of that plan was to attract specific land uses specific to office, residential and resort uses, and it created the couplet, and it expects high quality design having a pedestrian focus. In terms of pattern and development types first established with this plan as you see on the screen, those locations are shown as green as the type one low-scale development, was to be surrounded by the type two medium to high-scale development shown in blue.

Associated with the establishment of that downtown plan, was the downtown D zoning district first established in 1986 which established public improvements and bonuses to attract those specified land uses desired by the community at that time. It was through increased floor area ratio and increased building height and the P.B.D. or the planned block development which encouraged land assembly to encourage revitalization.

Following the 1984 plan, in 2009, the plan was updated to reflect a change in the community's vision and values as well as demographics and also incorporated -- and updated rather the implementation items of that original 1984 plan with new items -- plan with new items desired by the community at the time.

In terms of pattern of development, it continued the type one and type two development types that were part of that 1984 plan to guide development but also expanded type two in certain areas of community, and so you will see on the screen, those portions that are shown with the gray cross-hatching were previously shown as type one and converted as type two with the downtown update.

The downtown d zoning asked for 150-foot building heights in specific areas of the community. Those areas including the downtown regional area, at the canal, as well as the medical campus associated with the Honor Health campus as we know it today. That ability to ask for 150 feet was the precursor to the development type that I will show on the next slide.

[Time: 02:41:31]

With respect to the next anything update was the 2018 Old Town character plan. The purpose of that plan as we have it today is our existing plan is to align with the tourism and the branding, and marketing initiatives which repurpose the name of downtown from downtown to old town, as well as to implement 2.0 tourism study which again encourages having the old town area that had a tourism focus. In terms of pattern of development expressed within that 2018 plan it continued the type one and type two development types shown in green and blue and introduces the type 2.5 development type to support revitalization of a specific location in the community.

It acknowledged the medical and regional areas as type three. As you recall, those areas previously shown as blue north of the Arizona canal and the areas of Honor Health campus were a type three development typology and it expanded type three near public open spaces that were identified as the 2.0 amenities for the community.

And those expansions of type three it includes areas the north of Fifth Avenue and east of the drink water curve, as well as that portion west of Scottsdale Road, north of the Goldwater curve as part of the museum square as we know it today. In terms of companion, it includes the D.O., and the PBD district which incorporated the IGCC and the international green construction code and the PBD application. It also consolidated bonus development standards in height, F.A.R. and density and included minor updates to the cultural and the improvement program.

It also allow the ability to ask for 150 feet in the type three PBD in those expanded areas. Again this was an ability for developers to ask for 150 feet, and we'll cover that more in detail on next series of slides. Here's just a quick slide that shows the evolution of the development types maps expressed through the decades that they revisited the plan.

Again, you will see here in the 2009 as compared to the 1984 original plan the change in the type two and that location north of Fifth Avenue and east of historic old town and then the formalization of not only the 2.5 but also the type three development types as shown on the screen. Now, to dove tail with the old town area character plan.

The purposes is to provide direction on design of development. It has a number of objectives to protect unique character of the downtown core, promote continuity of character and old town districts and strengthen pedestrian character to just name a few of those objectives. In terms of those design guidelines there's a series that are intended to community how development types are supposed to be realized within this type of community this graphic on screen creates buffering at the downtown boundary.

If you were to orient yourself, you see a single family home that's intended to be shown as a property that's not within the downtown boundary or old town area character plan as compared to the properties that are adjacent to it at the left side portions of screen, which show how developments is intended to both respond to setback and step backs adjacent to areas. In order to achieve a maximum of 150 feet the setbacks would have to be 350 feet away from the old town boundary edge.

[Time: 02:45:37]

This illustration presents transitions between development types through building design. And so this is an example of how those transitions are to occur within the old town boundary so as to provide transitions from one development type to another. And the graphic that is provided, it's not intended to show any specific one location in the community other than to show setbacks and step backs that are supposed to be sensitive to the differences in development types.

This encourages, reuses a parent building size for all development to visually reduce building size and mass, that includes horizontal subdivision, to include the pedestrian receive that this plan and these guidelines encourage. Whether you are type one or type two and a half to three development types each development is expected to provide architectural a base, middle and top with an expanded area for pedestrian amenities. At this point in time, I will turn it over to Brad Carr to discuss the zoning and I will see you back shortly.

Brad Carr: Thank you, Mayor Ortega and the city council, it's good to see you. Brad Carr with the planning department. We have a policy document for the city's vision and guidance on the old town area of our city and that companion document for the old town design guidelines work in tandem.

The city's main regulatory document to implement that vision is the zoning ordinance. And within the city zoning ordinance, there's three zoning districts that implement that within our old town area. Those

are shown on the screen here. The downtown district which is shown in the latter color orange or the yellowish color there.

That's the main district that the city utilizes to have properties zoned within the downtown area to utilize the district and work with our urban design and architectural guidelines. The downtown overlay which is shown in gray are is an overlay that was applied over the entire district and those properties are shown here in green -- or gray because they have not made the transition from their underlying zoning district, which would be a C1 or C2 or C3 zoning district that would have been applied early on in the history of the city, '50s, '60s and '70s time span.

And there's the hatch pattern that is the planned block development overlay and that promotes flexibility within properties that are over a certain size in this case 20,000 square feet in order to qualify to utilize that district. That land use, again, promotes the use of more public amenities in exchange for flexibility and setbacks and step backs for those properties. And so when we talk about height, those height within the downtown district is designed mostly by whether or not you are within a D district or within the downtown overlay.

The downtown overlay is utilizing the underlying districts for maximum height allowance and so with regards to those properties that are within that area, c1, c2, c3, the underlying zoning district would allow a maximum height of 36 feet. There are no bonuses available with the downtown overlay. So those are capped in those areas in gray at a maximum height of 36 feet. Now moving up to type one in the downtown district. You have a maximum height of 40 feet in the historic Old Town area which is shown in yellow and black and green outside of that area. And then moving up, you have type two and a half that shares the 66 feet, and the type three at 84, and these are the districts that qualify for a bonus if you have the PBD overlay applied on there as well.

[Time: 02:49:56]

And then, we when we talk about the bonus provisions in the downtown, there's the planned block development that is able to utilize it. You need to have the minimum 20,000 square feet for the planned block development and there's a graduated scale depending on the area that you have accumulated for a project site, as far as what height you can ultimately achieve and that's thrown on the lower portion of the screen with that three character area types two and a half and three.

Again, I want to note that if you have the strait d zoning, if you don't have any PBD overlay, there's no bonus height allowed, similar with the downtown overlay. If you do have a site that has a mass over 20,000 square feet. Could you ask council for additional bonus height. And to qualify, you have to provide several public benefits. You the public art, as well as the requirement to construct to the international agreed construction code or I.G.C.C., and then as you can see, the more intensive area of our old town, which would qualify for 150 feet if you have a site that's over 200,000 square feet in size. And so this graphic is intended to show the properties that would qualify tore that 200,000 square feet or more.

There's not many of those properties and a couple have been to the council for approvals.

The museum square. And the fashion square, and the pink portion at the Honor Health site. That's our existing and then that area in the middle of the sight, which is the site of the Unckers property and several others that would qualify. But to clarify there's not many that have the amount of space to even qualify for the 150 feet ask.

And, again, that's not to say that the properties couldn't accumulate and do, that but the landownership in the downtown, especially more small parcels is very fractional right now. If you look at the bonus standard requirements within the PBD, there's a lot of discretion of where they utilize the funds that are proposed as part of the public improvement to utilize bonus height or density, and it includes major infrastructure to public open spaces and pedestrian amenities.

Most often recently, projects that have proposed cultural improvement that are above and beyond the 1% that we would require for the PBD project. We want to emphasize council has full discretion of how the funds are used and any project that proposes those public benefits. Right now those rates, are about \$13 per extra fair foot and a little over 13,000. And we also wanted to emphasize the city staff's review for any proposal in the downtown when it comes to old town infrastructure.

Any proposal that comes in whether it be within the city's old town or the entire city's jurisdiction receives scrutiny under the city's requirements for impact analysis in our systems and that includes transportation, water and sewer and stormwater systems.

[Time: 02:53:44]

City engineers will analyze proposals based on infrastructure plans that are prepared and reports that are prepared by these applicants and they will do that through traffic impact modal assessment, or TIMA, and stormwater studies on the stormwater side. And any impacts that are identified during that review process, those are required to be addressed as conditions of an approval of zoning.

That could include upsizing lines in the area, water sewer lines or stormwater lines or adding additional stormwater lines and infrastructure like roadways to add additional lanes or right turn to decel lanes or acceleration lanes. With that, I will turn it back over to Adam who will talk about some models that the long-range folks have done for you.

Adam Yaron: Thank you, Brad. Mayor and council, it will respond to city council's request to model portions of old town and the methodology that has been applied as to represent these models within a Google earth format to show development and context.

These models depict buildings that have yet to be displayed. The entire properties that have yet to be built or shown as either white, as being DRB approved or gray being zoning approved. These buildings were all modeled per zoning and case approvals. Notably these models are elevated due to distortion at the ground level and the format in which Google earth presents and so with respect to not only that disclaimer, and really the disclaimer of all the great developments we see in Scottsdale. Our models certainly are missing details in terms.

Quality building materials, building articulation and shading and so what is presented on the top side of the screen, is an example of what's been provided at DRB, with respect to the Honor Health neuroscience building that's been built and largely represents what has been submitted at the DRB as opposed to what is modeled at the lower side of the screen, which is the height and building massing with respect to the construction envelope of that site.

So to start, we can look at the northwest of Osborn and drink water boulevard to a location that has long had height associated with it. That is the Honor Health tower, standing at 90 feet in height. This has been an asset to the community, since the mid'70s and since folks done largely associate this with height, this is one of the larger buildings within our old town area. As presented on the left-hand side, you will see the Honor Health science building standing at 83 feet in height. Here is another example where height has existed in the hole town area.

The Amtrust building has stood at 150 feet in height, when you compare that to the Sonoran Village at Camelback at 129 feet in height. Further is the Scottsdale waterfront at 150 feet in height. Here is an example of how development responds to transitions of setback and step back to areas that are not within the old town character area. If you orient yourself to the right side portion of your screen, you will see a single family.

So as to represent that that -- that part of the community is not within the old town boundary and you will see a series of very purposeful and significant setbacks and ten backs that respond to massing and height that move as way from the singing family neighborhood that hits south of. It you see a step back increase from 35 feet to 65 feet and finally 229 feet at the north portion of the site adjacent to Camelback Road.

[Time: 02:57:45]

Here's another example where height has been associated within the old town area, that is at the fashion square office building, which was built in the late '80s standing at 95 feet in height. Juxtapose to the Scottsdale waterfront at 150 feet in height. Further in view is the collection at 150 feet in height a type three development and the additional at 90 feet as a type two development. Further is the blue sky development, which is 133 feet in height.

Closer in view, you see the collection as a type three development at 150 feet in height and then the addition on the north side of Camelback Road as a type two development shown as a transition in height of 90 feet working down to the water view development which has approves at 50 feet in height showing adjacency in setback and step back to an area not within the old town boundary and adjacent to a single family neighborhood.

Here is a representation of what was approved for the edition hotel. This was a DRB approval. And here's a graphic depiction used for the zoning approval. This was not DRB for the collection at city center a site located at the southeast corner of camelback and Scottsdale Roads. With respect to this slide if we are orienting and looking westerly, you see the D.C. hotel standing at 85 feet in height, as a type two development type.

You see both a meaningful step back and setback plain associated to again an area not within the old town boundary, and then you see the Scottsdale collection and the bottom portion responds to the building heights. You see the building in view at 150 feet in height at the intersection of Scottsdale and Camelback Road shown here.

The maya at Indian plaza and buckport trail and then this portion of the selection also is a type three development shown as 90 feet in height. Here is an example of what was submitted at the DC hotel. A site that's largely built today. The maya hotel, a DRB submitted rendering.

Now as we move north to south, looking southerly, this is a good example of where we have type three development shown largely in what is presented on the screen. What is notable is not all type three development is associated with the 150 feet of development height. You see camel view optima developed at 75 feet height and blue sky at 133 feet in height and then Gramercy, which is largely built today at 75 feet in height.

[Time: 03:00:52]

As we move further south along Scottsdale Road coming to the camelback intersection, you see the collection and the marquee sites at 150 feet in height, juxtapose to the Scottsdale waterfront at 150 feet height and fashion square office building 150 feet in height.

Coming into view, the character area plan as well as design guidelines encourage, again providing an environment that is pedestrian focused and amenities that respond to that demand and both pedestrian and building massing and so you see here at the intersection of camelback and Scottsdale Road on the south side, modeled before you is a Scottsdale collection with its continuation of pedestrian connection that carries through and along the Arizona canal and the open space that's been provided along the Scottsdale waterfront frontage, its location.

Now as you go to the southern edge, we start at a type two development type which brings into view the griffin and the Carter apartment complexes at 60 feet and 65 feet in height respectfully and then you see the Honor Health neuroscience building at 83 feet in height and then further into view, 150 feet height of museum square.

What is presented here on the screen is to show that the driven was a development for setbacks and step backs which was encouraged before the guidelines were asked for. You can see what was provided here along Scottsdale Road, presented on the screen which provides again a large expansive, not only building setback, but landscaping and pedestrian amenities of widened landscape separated sidewalk. As we move further north along Scottsdale Road, again, we're coming into view of -- at the right side portion of the screen.

The Honor Health campus, which again shows largely this area as being a type three development type. Which based on the parcel size and the ownership could request up to 150 feet in height but we have yet to see that all typologies that are type three be either built or request 150 feet in height. At the

intersection Goldwater and bishop lanes where we have more fragmented ownership, could at some point in the future amass singular ownership that could make such a request. This would be a request for council to consider in the future.

What is presented on the screen now is a representation of how type one responds to the type three development type and when you see closest in view here, is the main street mixed use developed -- I should say has approval at the southeast corner of marshal at 48 feet in height adjacent to the built canopy Hilton of 72 feet in height.

[Time: 03:04:14]

That graphic that is printed on the right side portion of the screen is to remind you of the illustration that we presented earlier on in the presentation which again responds to how the architectural guidelines are expected to promote, again a meaningful transition between development types. Further on the right-hand side is the museum which is on the east side of Marshall Way. And we'll come into view and talk more about museum square now on the next series of slides.

What has been presented on screen here is to show an example of previous zoning approvals associated with what is known as the museum square site this was the previous type two zoning approval for the Loma redevelopment project. Which had CC & Rs was limited in height. There was building massing, setbacks and height and what you notice is the site is really missing a lot of public open space and setbacks and step backs.

Here's just an example of what was provided again at the council approval in terms of their elevation. We didn't have a rendering at the time. This is a 20-year-old case but just wanted to show again what that building form looked like. And we acknowledge that if you were to only look at the building step backs per the zoning code, we still acknowledge the CC & R restricts of 60 feet associated with the portion of the site on the north side of second street and the south side but we allowed for the type three to be maximized at this portion east of Marshall Way at 84 feet in height.

And more contemporary times here, you see the site that was pursued by the museum square shelter showing what they could have been maximized to with the bonus provisions in place showing the building setbacks and step backs which would shown the 150 feet in height on those two portions of the site west of Marshall Way and the 90 feet in height east of Marshall Way. Now closest in view and what we are presenting on screen is the type three zoning approval with bonus provisions that were approved by city council.

What is presented on the right side corner of the screen is to show the number of properties that had to be amassed in order for the developer to make the request for 150 feet and for council to consider and through the council approval, although it's shown here, a parking lot, there were meaningful open spaces that will soon be -- that will eventually be developed in these locations between the building and you see again here closest in view now, open space adjacent to the Goldwater boulevard and the preservation of the sagebrush theater, community open space that is between the Museum of the West and the museum square site here approved at 150 feet in height and the museum square approved east

of marshal way at 75 feet in height.

Here is what was provided at the zoning approval for the museum square site. Again now looking southwest so here you see the location of the community open space between -- just south of the Museum of the West. Now as we go into another look at where development transitions. Here's an example of type one development type adjacent to the type two development type, which you see presented on the screen here as the Winfield hotel modeled at 90 feet with its approval, the cadre as a type one development at 36 feet in height, and now the Kimsey, which we are all recently familiar at 76 feet in height.

What is modeled is maximum type two, in the developer had maximized the building envelopes with the building that would have been supported within the plan, the site could have developed in the mapper as presented on the screen, however, through the public outreach process, and through council discussion the zoning approval sought only showed and requested a bonus provision from 66 feet in height, to the 76 feet in height as shown on the screen.

Here is what is provided, with the greater articulation. Here's the Indian school frontage, modeled at 90 feet in height. With the bonus provisions. Again, showing if the developer would have maximized the building envelope for setbacks and step backs, this is what could have happened. The 76-foot Kimsey was approved with a 10-foot bonus provision above the base maximum of 66 feet and preserving the Ralph Haver building. Here's the example of that rendering provided on the screen.

And that concludes staff's presentation, and we'll leave these items on the screen so you have that continued dialogue as to what you would like to do moving forward. If you have any questions, staff is available to answer those questions.

[Time: 03:10:30]

Mayor Ortega: I would like to open with some comments and if you could turn to slide seven, I believe. So thank you for your presentation. We're considering and reconsidering that one right there. At some point there were two areas, one and two, and then after that point, there ended up being four. Part of the discussion that we are dealing with today is really a two-part discussion. The first part had to do with parking. And the parking element was discussed and passed as an ordinance measure, by our council earlier this month.

Now, we're looking at the building aspect and where there are incongruences with the narrative and what has been approved in the 2018 old town character plan. So by reviewing the parking element, there's yet to be a determination as to the impact on the 2018 old town character area plan. But it's important to just air that discussion and see where we are going. If you refer to the 2018 plan one of the problems that is occurring is that the type one is placed against -- directly against the type two sorry three. Type one and three are placed against each other.

If you look at along Fifth Avenue, you will see a strip there that's about maybe 48 feet wide. And how and why a mapping could have been evolved that way and be approved that way is an obvious flaw in

the system. If you look, this is south of main street, we have a type one against a type three.

So that is a -- you see the massing there, where main street and that area is again, against a type three. And when, in fact, the concept is that there should be a transitional to a type two, that you started to call out. So several of these mapping problems where you have a zoning area that is less than 250 feet such as up near Fifth Avenue or obvious areas that need to be corrected in my opinion and that's where we will be providing some direction.

If you go to slide ten, I believe, so in this case, you are talking about transitions between development types within the old town character area plan. Where the type one -- it's a type one, directly against the type three. It's not a valid illustration for the type of buildings that are shown or potentially shown in the mapping. And in my opinion, it is another very serious flaw in how we are -- and the public is understanding these spaces.

If we are going to go back to the number seven again, you will see again an area which was type two towards camelback and Scottsdale Road and that area magically in that triangle area was then converted to the potential for 150 feet again right in the face of type one. And that is a serious flaw in my opinion.

[Time: 03:51:03]

Now, where our natural boundaries are probably the canal or the street itself, Camelback Road. If you look towards the quadrant where the collection is and along camelback, then you have a street transition there that's, I guess, fairly wide, but to have a transition again in the Fifth Avenue area where there's no differentiation is to me -- requires some change. Now the other thing I point out is the honor health area around brown, and that sort of book ends with fashion square.

So that quadrant you pointed out, it still has the downtown zoning in honor health area. And even though you have shown it as a character area plan, the previous -- and you have showed the fashion square as the PBD, we understand that and yet Honor Health as the underlying downtown district never really hit the 150 limit and didn't really rezone. They kept the underlying zoning from what you have just shown, you showed some hatching and we can probably confirm that. So as we reexamine this, we have got to look at what is basically at risk.

And I will point out to the commentators who are suggesting that that seems to be a fear factor that's being brought up by I think the multi-housing people. That's not the subject of our discussion tonight. And I think well-informed people would know that and then a zoning text amount. So I want you to go to slide 14.

The base heights as shown and then the other one had the comparison with the -- the possible upsizing of those properties. It could have been the last one. There it says from 90 to 120 to 150 feet. The type 2.5 seemed to be a favored client case. That's the only exception for a particular property owner, which seems to be rather irrelevant. And once in the face of a type one.

So you have one abutting 120-foot height with a an area that is restricted to 48. So there are numerous places where I believe a remapping is in order. The other -- leaving this lied on, when -- slide on, when the original zoning or the underlying zoning is at 36 feet, and I believe that case was back to slide 14. Who you look at the original zoning or underlying zoning, and this is the projected or potential based maximum that in type two is projected at 66 feet. It's not -- again, this is not a zoning document.

This is a -- just an outline of colors and textures and whatever else, but it's not really delineating a -- a zoning. But if you look at 36 feet as a basic vested height, and you compare that with the other slide, I guess was -- showed up to 150 feet, that is a 410% increase in height. So the previous one, I think, Kelly -- well, there again, that's a good example. So originally, the type three would have 36 feet and for some reason, the new coloring system and the hold town character plan allowed over 400% -- 400% more height in potential height with an ask of bonuses or whatever.

So that is the context that we are dealing with here and the larger question I have is that it appears as though the old town character area plan did not address four basic areas. One is the transportation element that is they do mention modality, whether you can walk from this sector to that sector or whether you can have a bike or bike here or there. But it doesn't speak to any additional streets when that transition was made from 36 feet potentially to 150 feet. So you have 400% increase in height and associated density, with a zero% increase in roads.

[Time: 03:20:57]

Actually, in many cases the alleys have been eliminated or would be eliminated. In other words, the pickup delivery of garbage and so forth, that would have been interior of a block, is one modality for service, that gets eliminated or would be eliminated by this method. So that creates more of a service requirement on the road system that's overtaxed by up to 400%. The other question had to do with -- so that's one the big ones, transportation. The second one is infrastructure.

Although you may have pointed out that very few properties have assembled, at this time, this opens the door for full assemblage which can happen, because that's mark driven but we haven't assessed the cumulative addition or stress on the system when you go from 100% from 36 feet to 150 feet, what is the cumulative effect and on infrastructure basically, I believe I counted it's about a 22 word stipulation that said developer shall pay for whatever it takes to get it done and each developer singularly just adds to the next guy's deficiency, and I do not see CFD, some sort of community facilities district that would even approach the kind of overbuilding potentially that's here.

Otherwise, staff has to carry each one at a time, and I believe what happened even with blue sky. So blue sky got approved ten years ago, went flat, went bust, whatever. They expected to have certain water and sewer available which may have been available 15 years ago or ten years ago and it's not. So their whole system has to comply with the stipulation but the question is how frequently and over and over again are our streets going to get torn up, hypothetically because the patch work and the pressure on infrastructure? I really question why we -- whether we have enough water and so forth as well.

Now, the third question is sustainability. And that is repeated within the -- both the architectural guidelines and it's listed in the old town character area plan, it talks about a heat island. So we're creating this -- this plan, this concept, would create tremendous heat islands. The pictures that you are showing from slides 19 through 20 -- oh, I think 27, if you wanted to flash through that, those are actual -- actually taken at the height of about 100 feet. So if you were a bird flying around, and this one is even higher, if you can see the top of 150-foot building like that one shown, you would have to be above 150 feet with a drone or something flying around.

So the massiveness of both opt Ma and these other projects is somewhat diminished visually. I understand we want to see some scale, but it's actually not to human scale. It's a good attempt and I appreciate you do that. Now you can flash through the next one, you will see once again if you are -- if you can see a roof of 150-foot building and that means you're at 160-foot flying around and you don't really have the perception of the heat island that you are going to get as a pedestrian walking around or feeling what's going on in old town.

This heat island is really essential to our sustainable downtown. And no matter how you look at it, when you start adding up all of this glass. Now one example with opt Ma here, maybe this was optima three or four, which went up to 150 feet. Well, opt Ma one was 60 feet as you mentioned.

And you mentioned that well, they didn't go to 150 feet, well, that was built some years ago when probably it doesn't make sense to dig down more to build higher and it makes even less economic sense today for any developer to be digging down and going up.

The final -- the big four that really has to be looked at here is the tourism component. Now, we are spending \$20 million on bed tax money. We are talking about attracting people to Scottsdale, Arizona, world-famous, internationally, and so forth, and putting type two and three in place for type one character that we have in our old town.

[Time: 03:26:16]

And where these numbers came from and how they are jeopardizing tourism which we already heard 25 minutes of that discussion, how number one it is for us -- people are not looking -- they are looking for an identity, one the things that is mentioned in the old town character plan is sense of place. Now, I agree with that. But you put that image in the plan as well and some people were confused about what sense of placement.

Well, we know what sense of place means. It's Scottsdale, Arizona. So as soon as it gets boarded up or blocked up, we lose a major element. Now, these four areas, transportation, infrastructure, sustainability, and tourism, of course, leads to economic vitality, but if you just squelch, what we've got and to -- and where transportation becomes gridlock, literally gridlock, we don't see an underground tram. We don't see an overhead tram.

The potential of gridlock is really -- is really huge and it's dangerous for our city. As we trace the evolution of how this came about and relating to parking again, there's a need to lack at the old town

character area plan because this council voted are 6-1 that mixed use -- now this was citywide, would at least have two uses out of four but at least the small -- the smallest use would be at least 20%. 20% is not reflected in a mixed use project that's 80% or -- sorry, 90 or 95% like canal side.

It would have to be used as a mixed use project that tries to regain a balance of street retail and what the identity is for Scottsdale. The piecemeal approach is -- and the position that we are in today, frankly, even if there were 100% -- 100% increase in downtown -- so going from 36 to 72, plus a little screen on the top, or whatever.

That's essentially what the Kimsey ended up being. It was on a major arterial but to think that you will go 175 feet. Now these are paper projects until somebody actually builds them. And they are getting less and less bankable and we have to be -- we are custodians of what? Transportation, sustainability, infrastructure, and tourism and we've got to make sure that it all doesn't get choked off and our economic vitality don't get destroyed in that.

It's not likely that there may be more -- or anyone may not build out to it. The potential is just way to extreme and that's why we are here today to review some of those details. These are areas that I think we need to give direction to council and that's the purpose of this work study, so that you take some of this to heart and also the influence of the new parking ordinance on those capacities. I don't believe that anything that -- I believe that probably the old town character plan, even though it's -- one can argue it may or may not have much potential of being built out 100%, you have shown one-tenth of what it could be built out at.

If the properties were assembled, we have only seen a few blocks here and there, right? scattered here and there, and potentially they could be assembled and approved and they could fall into this overall pattern and we would have, you know, a huge monster that would really overcome us.

With that I will open up for general discussion and any other direction that we can give. I thought again it's a good try. I appreciate the staff would try to model. I think it is important and I do know other people will be coming forward with modeling of that entire area showing some build-out and then we'll really be able to judge how that impact could happen. And I think it's a very -- very much overburdening those four areas. Do we -- councilwoman -- Vice Mayor Janik.

[Time: 03:31:10]

Vice Mayor Janik: I would like to direct staff to agendize an initiation to make changes to the old town character area plan at the August 24th meeting.

Mayor Ortega: Okay.

Vice Mayor Janik: Do we have general consensus for that idea?

Councilmember Whitehead: I will second the motion.

Mayor Ortega: Sure. What we will do as agenda'd and there will be a general motion that we -- the purpose of our meeting today is to give staff direction for amendments to the old town character area plan.

And the old town -- and direction for some amendments for that purpose. If that's ready by that date, which would be our return, I think we have a motion and a second but we really don't need a motion because we don't do motions in work study. But I hear what you are saying and I would agree with that and we could --

Vice Mayor Janik: Let's just look to make sure that the majority or hopefully everybody is okay with that. Do I hear objections?

Mayor Ortega: Okay. Councilwoman Milhaven.

Councilmember Milhaven: Are you suggesting that we provide changes to the downtown character area plan that would be adopted in August? Is that what you are suggesting.

[Time: 03:33:02]

Vice Mayor Janik: No. I believe what I'm suggesting based on my advice from legal is that at that point in time, we would open up the plan and offer suggestions for changes that could be made. Sherry, am I correct?

City Attorney Scott: Thank you. In the council is interested in amending the old town character plan, it's a two-step process, similar to that of a zoning ordinance.

The council can initiate that amendment, and if the council initiates that amendment which would require a separate action than what is on your agenda tonight, then the planning staff would take that initiation, and do open houses, generate some community input and feedback, before they brought any potential amendments forward to the planning commission and to the city council.

It would be after that process that the council could potentially vote on amendments to the downtown character area plan so the planners could tell you better than I how long that process typically is. But I think it's important for the council to understand it's a two-step process.

First the initiation that would be a different council action from what you are agenda'd for tonight, and then if the council did initiate that amendment, a second council action to actually adopt those amendments. Of course, as you did with your general plan, there could be work studies along the way, where the council could talk about what types of amendments are coming forward for the plan and what type the input into those amendments would be before they finally arrive for actual final action from the council.

Vice Mayor Janik: Thank you.

Mayor Ortega: And in our discussion, we are giving some direction on what that process would be. The formal opening of the amendment would have to be agendaized approximately nine weeks from today and that would allow some opportunity for this public input, session by staff, so to speak.

So that's -- it is useful for any direction or discussion of the topic because we are just openly discussing it at this point and then you sort of jumped ahead to think, at the earliest opportunity is when we would like to get it on the agenda. And the council could do that or just as you agendaize anything. If we are in good shape to do that in August. So did you want to -- any other -- oh, sorry. If I were to just ask to continue with any ideas that would be of importance to you on this?

Vice Mayor Janik: I guess I will very briefly mention, I think one of the ideas is that we want to restrict, reduce or remove bonuses from consideration although, I think that's jumping ahead a couple of steps. Otherwise, it's pretty much just edits like what we accomplish with the general plan when we look at the character area plan. So.

Mayor Ortega: I see Councilmember Milhaven. Can we continue with your topic and Prince the bonus for height of whatever it was, 13,000 per foot. Is that per building? Or is that per -- because the project may have three buildings and are they just paying once for that extra height or shouldn't they pay for each building? That's a little detail. How is it set up now, for instance?

Brad Carr: Certainly, Mayor Ortega and members of the council, currently it's for the entire site. So you would pay an additional foot for and an entire foot.

[Time: 03:37:36]

Mayor Ortega: Wow, that's dirt cheap. If you have three buildings like south bridge, you paid for every extra foot of three or four buildings, you only paid 13,000, just -- that's one area touching on bonuses. Did you have something else?

Vice Mayor Janik: I was advised to go through this list. It's a little bit premature because we will have to go through it again at the August meeting if we get agreement if we want to proceed in the fashion that I just mentioned. So --

Mayor Ortega: Let me ask Councilmember Milhaven.

Councilwoman Milhaven: Since we heard quite a lot about your feelings about downtown. My family moved here in 1974. Fifth Avenue is a pretty swanky address. So we showed up in downtown in Phoenix, and Fifth Avenue, it was swanky address with nice stores and it was a defendant in addition shop for the region and a great place for tourists to go.

Los Arcos mall and Scottsdale, Fifth Avenue and downtown Scottsdale was the place to shop. So I went out in the world to seek my fortune and 20 years later, I came back to Scottsdale as a bank president managing the business bank and surveying and my office was in downtown Scottsdale.

And I served a lot of the businesses and property owners in downtown Scottsdale and in the early '90s, the galleria was coming out of the ground and fashion square was being built to connect to three department stores. And what we saw was the decline of downtown. And I was part of many studies and very -- many consultant reports and marketing plans, how do we -- how do we reverse the trend of the declining sales in our downtown.

And despite everybody's best efforts the answer always came back to we need more people to live and work downtown. In fact, the early '90th, I had to do a marketing plan as bankers do, and I had to look at census track data for income levels and population and things like that and in the census track that included downtown Scottsdale there were seven people who lived there. Right?

And I couldn't imagine where they lived. I'm thinking they must be living in the broom closets in the back rooms of some of these shops because there were no residential -- no residences in our downtown. Right?

[Time: 03:40:24]

So then Los Arcos mall goes out of business and we have lots of shopping alternatives all through the region and so we are no longer a destination and we see downtown start to struggle. So as we saw in the history here, so then we start looking at and recognizing that redevelopment costs more than building on bear desert and that perhaps we need to allow some height and density in order to have more people live and work downtown to support the local businesses. And we have been wildly successful.

So when I think about 20 years ago when I was a banker here in town, and where we are now and I go down there on the weekend and I see people pushing strollers and walking dogs and having breakfast on the patios, I'm very proud of the ill pact redevelopment has had on downtown but I don't think we're done yet.

If we go back to the downtown 2.0 study, that study showed us that even if we built everything that had been approved up until then, there were not enough people downtown to sustain our downtown. That we needed to continue to add more people to live and work. I believe we need to do it with quality. I think we need to do it thoughtfully.

I think Kimsey is a good example of a quality project, but I believe that we need to continue to provide opportunities for folks to request the city council things that will help us with economic development. I want to touch on some of the other things that the mayor talked about. He talked about transportation infrastructure, sustainability and tourism.

And what we heard from staff was in terms of transportation, we look at the impact on streets and whether or not streets need to be widened. In terms of infrastructure, yeah, they have to. We heard from staff, folks have to invest in that and then after they have paid to expand the capacity if it's needed, they become rent payers and taxpayers and they pay for the maintenance and the replacement of the things that they have helped to use.

We talked about sustainability, you know, ironically, it's a better use of water when you have multifamily housing because you don't have a yard and you don't have a pool, and the connection from one unit to another is much shorter than the connection from one home to another on acre sites and so in some respects sustainability is better with more dense development.

In fact, if we do this right, we can create shade and more open space and add more trees and add more -- more vegetation that would help to reduce the heat island. Interesting too, people talk about development threatens our tourism. So my office is downtown Scottsdale. I go out for lunch. I run into a couple. They are tourists and they ask me for directions. And interestingly enough, we wound up walking in the same direction.

[Time: 03:43:28]

I walked with them for a little bit. They said, where is everybody? That they had come to downtown Scottsdale in the hope of sort of checking things out and there was nobody there. And so I think we know tourists like to go where people are. I think that -- I don't see that tourism is jeopardized by having a lot of going on' a lot of vibrancy. I will suggest that the thing we need to worry about is urban blight.

I think about through the '70s and '80s, we awe people go to the outskirts of the community and it creates a big black hole in the middle of our downtowns and we wrung our hands to say how is this to go happen? Will we have one big park in the middle of where our downtown was because everybody has escaped?

Who would have imagined that folks are coming back to the middle and saying I want to live in the urban setting and I want a walkable opportunity? I think the risk to us here is if we put too many barriers and increase the cost of redevelopment too substantially, we are going to wind up with a very tired downtown with not enough people and I think at the end of the day, the real risk is that is going to erode our sales tax revenue and so it's going to threaten our lower tax rate and threaten our property values.

The interesting thing to note is I know people -- we hear from folks about oh, my God, you have approved too many apartments and you are ruining south Scottsdale. What I would like to point out to folks is I think we have done something right because the home values in south Scottsdale are appreciating faster than anywhere else in the region.

So anywhere else in the city and certainly anywhere else in the region so we are doing something right in terms of redeveloping our community and having more people come here. So I don't see the risks that some of my colleagues see. I think the risk is if we -- if we don't continue to promote redevelopment in our downtown, I think it will be a sad day.

It will threaten our low tax rates and threaten our property values at the end of the day. So that's my perspective on downtown.

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

Councilmember Durham: Thank you, mayor. I have a number of comments that are somewhat random and disconnected. I would like to thank the staff for all the work that they have done with the maps and the illustrations this they have shown and showing the maps and the different downtown overlays are really helpful in conceptualizing what's going on or what might be going on in downtown. And I'm still working through those. So it's a lot to absorb. It's complicated and difficult to sort out. Mill thoughts in thinking this over is I know at one point, we called this the downtown and then we decided to call it hold town, and I know here on the council, there's confusion among us when you call something downtown or old town or whatever, and also I think in map three of the old town character area plan, we have ten different districts within the old town, with what is now called old town.

So it can be very confusing and I'm not sure we want to create a new name or try to rebrand the hold name or what we should do about that, but I think it's a subject that is worth thinking about because it can be confusing. Councilmember Milhaven referred to the downtown 2.0 plan. And I'm still wading my way through that.

But he found there's a lot of good ideas in there. And I don't think very many of them have been implemented. Some of them have been. Some of the things that talked about were the restrictions on events that have been put in place which is thousand disallowed and it's the current events ordinance and so I think that we should be looking at the events ordinance as part of revisions to the old -- the old town character plan.

I think a lot could be done with vents, shutting down streets possibly for periods of time, to have food festivals and outdoor restaurants and marks on different streets. I think things like that would be very good at bringing pedestrians back to the old town area. Another thing that downtown 2.0 mentioned is that we needed to be more pedestrian friendly with more shaded areas, more plantings, more flowers, et cetera.

[Time: 03:49:10]

And I think that's something really important to think about. Because I think sometimes the streets in the old town area are just not as pedestrian friendly as they ought to be. One thing that we saw several slides from the urban design and architectural guidelines and I read through these quite a few times and I think they are very, very good suggestions about what should be going on, but I have been concerned that we are not always following those because the UDAG guidelines show slender towers on top of wider platforms and there are specific pictures saying we don't want long rectangularly broad buildings, but we have several long rectangular broad buildings which have been improved recently.

I said before that I think those are inconsistent with the urban design and the architectural guidelines and those long broad walls of buildings I think contravene those guidelines. And so I think I would like to see much closer following of those guidelines. Finally on the bonus provisions, I don't think the bonus provisions have worked as intended. One project said that it would use improved trash cans for the bonus provisions and plant bigger trees and I think we ought to take better trash cans and better trees

as a beginning, that shouldn't be a bonus. That's what we ought to expect in Scottsdale.

So I don't think that the bonus system as it has been currently applied for the most part has properly reflected public benefits and I think that some of the projects I have seen that claim bonus provisions did not provide what I view as sufficient public benefits such as open space or other public amenities. So if we were to continue with the bonus provisions, I would want to see much greater and better defined public benefits.

And I had one other thought, but I lost it. Those were my comments. I will probably be thinking about more as I look more at those maps. Thank you for providing those maps. It helps in understanding our complicated system. And if they were ways to simplify the system, I would love to do that. It may be difficult but if there's a way to do it, I would like to try. Thank you.

Mayor Ortega: We have Councilwoman Whitehead and then Councilwoman Littlefield and then Caputi. Councilwoman Whitehead.

Councilmember Whitehead: Thank you, mayor. Thank you, staff. Great presentation. I think you are going to try to put that online so other people can see it. I think that's really helpful. Councilman Durham summed it up, the bonus heights did not work as advertised and I think the mayor summed up, there's just -- the transition from 2009 to the 2018 is just fraught with some unintended consequences and odd ball zoning that for me I can't figure out why it's there, the random 2.5.

[Time: 03:53:22]

So lots of room for improvement here. This idea that we are trying to put exclusionary zoning. I'm sorry, but I would ask for anybody who says that to go ahead and upzone their own neighborhood, because this -- there is no end if we say that any zoning is okay. How tall are we going to go downtown?

And developing a few square miles of our world famous downtown to any height that an association wants is not going to solve affordable housing. So I think there's a lot of room for improvement. Again, I refer to what councilman Durham said. We -- there are projects after project, and I won't list those, but where I asked for open space and I was told that it was the idea but it was not a requirement, we can improve there.

If, in fact, we're doing height for open space, we better get that open space and not have to grovel for it each time, I think that the loss of the easements as we saw with a certain recent project, we had an area where there was pedestrian flow and as it was -- that project was moving forward, we lost the alleys. We lost -- and I hadn't even thought of the mayor point is that those alleys not only is it a place where somebody can get off Scottsdale Road and cut through, it's also -- it also serves an important transportation for trash trucks. So less is more.

That is the famous architectural term. I think downtown should be dense and I should have density. I think the Kimsey was a great example of one of the few projects that they didn't max out on every bonus and use other tools to -- are to get rid of the transitions that -- such as infill incentive districts.

So I think the Kimsey showed we can do much better.

I think that this 2018 was a pretty dramatic jump with a lot of good ideas but it could be improved upon. I want to point out that Scottsdale fashion square killed Fifth Avenue not the heights. Fashion square is doing good and I'm looking forward at having a shot at making this better. That's what we do. Thank you.

Mayor Ortega: Thank you. Next Councilwoman Littlefield and then Councilwoman Caputi.

Councilmember Littlefield: Thank you, Mayor. You know, from what I can see we are supposed to agendized a discussion of whether we should change the character plans as desired by your citizens and as they have told us in no uncertain terms that they want.

I suggest that the plan we currently have in place do not reflect the values of our citizens. We are also -- we also need to look at the long-term viability of what we are doing in downtown. I think we need to ensure that the suggested character area plan meets the four aspirational goals that the mayor recommended.

[Time: 03:56:58]

I think those make a lot of sense as he described them. Transportation, infrastructure, sustainability, and tourism. One of the biggest problems I have with increased density and height is we are losing the long-term viability because we are not putting in place the infrastructure, the underlying parts that we need to make it viable. Our water supply.

Do we have any real plans on how we are going to keep supplying water to 150-foot buildings as we build them and build them and build them in on and our water supplies get cut and cut and cut. Brian Biesemeyer can only do so much. He does a good job but eventually it will come back and bite us. Also sustainability. Infrastructure. Our alleys. Why are we getting rid of these things that are part and parcel of how we can survive long term our downtown area?

I'm interested in the long term, not the short term and I think that's something that we really need to put in place. We put these huge big buildings in there. They are not going away any time soon. They are going to be there for a long, long time. We need to make sure that we have supplied the infrastructure, the water, the sewer, the electrical systems, all of those things that will be viable 20, 30 years from now. A lot of our underground infrastructure in old town is very old.

And possibly is already meeting maximum capacity. I don't know, but I don't think anybody has really taken a good hard look at what that capacity is, and at what point do we cross the line? It's already broken once, I know.

I think that a plan that we should look at or that the staff should be able to bring back to us should be wrapped around the aspirational goals of transportation, infrastructure, sustainability, and tourism. Those are the things that we want in our downtown. Those are the things we need to have. If the sewer

lines break, the tourists are not coming, I tell you.

The mayor listed the definition of those things and they are good definitions. They are what we are need to look at. Those are the four issues I see. I also see a fifth issue and that is that our citizens are not happy with high, tall, dense buildings backed one against another as far as the eye can see. And that's the direction that we are going. I don't think that's what they want for us as a city and I don't think that's what they want from us as council. So those are the kinds of issues that I'm looking at.

I think that we can work to make the whole downtown issue better and I think we can work to make the downtown work better, especially old town, not only for ourselves but for our visitors and for our future, our posterity. Thank you.

Mayor Ortega: Councilmember Caputi and Councilmember Janik.

Councilmember Caputi: It's fun listening to everyone's opinion up here, because it makes us awesome. I agree with certain ideas and I don't agree with others but this point that has been made just now that the people don't want this, and that's always what we seem to disagree with. We are all listening to different people.

[Time: 04:00:51]

This community is made up of hundreds of thousands of people and we all have different opinions. From my point of view, I don't see people complaining about it. You know, everything is too tall. I tend to agree more that we need to grow as a city.

So first of all, I'm not sure why we are rushing this conversation. In that sense, I agree with Vice Mayor Janik. Maybe this whole conversation would have been more appropriate after we had the general plan out and had it back and understood, you know that we had an approved vision for the future that the voters actually gave us the go ahead for.

But having said that, here we are having this conversation. I actually like the current old town character plan. I think it's 30 years in the making. We have extensive community outreach and planning. It's been regularly updated. It's community based. It's incredibly flexible and remember, that the council always has the last word.

So whatever it says in the plan, it always comes to us and we have great flexibility for sending yes, no, maybe. And it was a city council unanimously adopted plan as well. So for some reason, we are now talking about removing flexibility and reversing our course and I don't quite understand that. Per the general plan, the downtown is one of three growth areas in the city. Mayor, I understand that it's only one but certainly I'm not suggesting that we cram everything into the one spot.

But there are just a few square blocks in our downtown and they have to generate revenue for the rest of the city. I will take this for the thousandth time. Scottsdale is successful because we have high amenities and very strong property values and very low property taxes. And the reason that that

formula works is because of this ability to build in a few small areas and generate the sales tax revenue.

So the city is one of the those areas that needs to provide for the rest -- for the effort of Scottsdale. The reason we make our downtown a little bit more dense is so that we can preserve our neighborhoods in a lower intensity elsewhere. Heightened densities in a downtown area makes sense. We have a very unique downtown where we are trying to keep the inside low, but that's -- I mean, I can't think of another city, honestly where we have nothing in the middle and then more intensity outwards.

It's a little bit backwards from what you usually see. I'm hearing this call from going back to 1980-type zoning. I think this is based on fear and misinformation. Infrastructure grows as the city grows, otherwise none of us would be here today, right? People would say we don't have enough infrastructure to grow and we would look like we did in 1980. That's not the case.

We have a downtown couplet that was designed to provide more capacity lanes around. It's still far under capacity if you have seen the traffic engineering report, the traffic volume report from 2018, we have a great deal of capacity still. We have done master plans for water, for sewage, for drainage, for traffic and they were designed to accommodate a growing city.

I don't think we sat down and made plans that would only look 2 feet ahead. I have seen most of them and I'm quite sure we have a long-term planning department. We are looking ahead and making sure that our infrastructure grows as we do. Our city surveys, I want to remind people show that most people actually do love our city and think we are doing really well on our path. Most of the economic reports show that we need more residents and commerce in downtown. Reversing direction on the old town plan would have the opposite effect. And I'm sure the other cities will be happy to take our business away.

[Time: 04:04:45]

I don't think the plan to go backwards would bring economic vitality into our city. And I want to remind us all that we just looked at a report talking about our property values have gone up so high, we are actually able to adjust our property tax rate. That's awesome!

Property values are going up in Scottsdale and we are clearly doing a great job with our current plan. I also want to remind everyone we just spent months and months looking over our general plan and we said, we want a thriving year-round walkable downtown, live, work play options, we want a pro business environment, we want a variety of lifestyle choices and attainable housing.

I'm just going to ask rhetorically, were they just empty words? I would like to see plans that will allow us to put those values in place. And I am going to use the word exclusionary zoning because I think it applies. Exclusionary zoning does interfere with the free market. Without some degree of heightened density we will not have affordable housing, it's just dollars and cents. We seem to be pushing forward with all of these ideas about interfering with the mark and the private property rights. We need to look that we are opening ourselves up to lawsuits.

It's not a zoning document per se, but this does seem to keep happening up here on the council. Sp-14 has been signed into law. The state is pursuing reform to preempt the city and they are absolutely targeting Scottsdale right now. I heard this from a lot of people who lobby at the legislature. The state is looking at our city -- at city zoning in general, very aggressively for the first time in a long time and they are punishing cities for restrictions that add to construction costs particularly in housing, which is what we are suggesting happens if we decrease density in our city. Especially in the core of our city.

And as was pointed out by one of the speakers, the -- all the way up to the presidential administration, they are doing. This federal funds are going to be kept from cities that don't relax overly restrictive zoning that drives up our pricing. So we're inviting litigation. The state will step in just like with short-term rentals and land use and they will limit what we can control. And I just don't think that's a good move for Scottsdale's future. I support that moving forward with our current old town character area plan, and I certainly would never advocate to go backwards.

I know we are going to end up having this conversation in August which is fine, but I want to put my own thoughts out there. A great job to staff. Really nice to see visuals. I think at street level each building looks tall and I think you have to give it perspective. I have the architectural guidelines there's a lot of rhetoric being thrown around that oh, my gosh, we will have 150-foot buildings everywhere and the city will be call and we can't support it.

[Time: 04:08:12]

This is a very small area that we are dealing with. It's a few city square blocks. We are not talking about 150-foot buildings all over Scottsdale. We are not talking about creating corridors and heat islands and I think it was even mentioned that you have to accumulate what it hundred thousand square feet to even ask for the higher heights and you are talking about a couple the parcels. This is not whole city. This is very targeted and appropriate where we have it laid out. I want to go forward. I like the plan.

Being, every plan can be made better and we should look at the places where we can maybe it better. I like some of the suggestions by council woman Whitehead. It's working. Why do we go backwards. Thank you.

Mayor Ortega: Thank you. Vice Mayor Janik.

Vice Mayor Janik: I will make it short and sweet because it's getting late. We spent a lot of time on the general plan. We had a 7-0 vote and we did a really good job. Now we have the opportunity to do it with the character area plan for downtown Scottsdale. I believe if we review it, we can make it better and more coherent or cohesive.

My biggest problem is that I think we look at each development without looking at the whole picture. It's like taking one puzzle piece and trying to fit it in without looking at the whole picture that ware trying to accomplish. And I think when we do that, it's too easy to make errors in judgment as to, oh, we have enough water. Oh, our sewers can handle it, et cetera. Our streets can handle it.

And I think we need to do a better job looking at the whole picture as we put all the little puzzle pieces in place. I think by reviewing the plan, we can make it much better and I think we can grab the extremes, bring 'em to the middle and I think at the end of the day, we will all be very happy with the outcome. Thank you.

Mayor Ortega: Thank you. I see no other council requesting to comment. I thank everyone for our input. And I would ask for a motion to adjourn our work study -- oh, wait. I see someone standing up there. Go ahead. Do you see have a compilation.

Randy Grant: Randy Grant, of course, planning and economic development and tourism director. I would -- this slide was left at the end of the presentation for a reason, and we recognize that we don't set policy. We implement policy.

[Time: 04:11:25]

So when you give us directions, we want to bring you back something that you want to get to go. The issues related to the downtown character plan can state an intent, but if we don't get into the zoning issues we're going to leave you very unsatisfied, I think. And if someone were to come in with a project that meets the zoning requirements but is in conflict with the general plan, we will have a difficult time telling them they can't come forward to the council.

And the last thing we want is to bring you something that you have expressly intended not to see. So I would advise as we move forward that we be clear about what it is we want to achieve so we can deliver it to you.

If what we want to do in August is look at the character area plan, we can do that. We will bring that back and we can incorporate a lot of the comments that we have heard here this even, great comments. If you want to limit height, we have to get into the zoning ordinance. I wanted to make that clear. I didn't want to disappoint you by coming back with something that won't get you where you want to go. Thank you.

Mayor Ortega: Thank you very much. And we still have two meetings left before we adjourn for summer. Vice Mayor Janik.

Vice Mayor Janik: I wanted to make sure that we had consensus that it was okay in August to proceed to open up the character area plan and make suggestions and review it. How many of you object? It looks like two. It looks like we are okay, 5-2, that the majority is fine with proceeding.

Mayor Ortega: So we're looking for amendments to the old town character plan as a subject to be agendized in August. I believe that's the general direction that we have found in this as a result of this discussion. Was there any other closing? Okay.

ADJOURNMENT

[Time: 04:13:43]

Accordingly, I would ask -- I would move for adjournment. Anyone want to second? Thank you. We have a motion and a second. All in favor say aye.

[Chorus of ayes]

Mayor Ortega: Thank you.