

**SCOTTSDALE CITY COUNCIL  
REGULAR MEETING AND WORK STUDY SESSION MINUTES  
TUESDAY, JANUARY 23, 2024**



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

**CALL TO ORDER**

Mayor David D. Ortega called to order a Regular Meeting and Work Study Session of the Scottsdale City Council at 5:07 P.M. on Tuesday, January 23, 2024 in the City Hall Kiva Forum.

**ROLL CALL**

Present: Mayor David D. Ortega; Vice Mayor Solange Whitehead; and Councilmembers Tammy Caputi, Tom Durham, Barry Graham, Betty Janik, and Kathy Littlefield (Councilwoman Littlefield participated electronically)

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Councilmember Graham.

**MAYOR'S REPORT**

Mayor Ortega called attention to the ongoing wars in foreign countries as they fight to protect their democracy and freedom and asked for a moment of silent reflection for these war-torn countries.

Mayor Ortega announced Western Week would begin January 27, 2024 with various events around Scottsdale, such as exhibits at Western Spirit: Scottsdale's Museum of the West, the Gold Palette ArtWalk in the Arts District, Western Weekend at the Waterfront, and the 70th Annual Parada del Sol Parade, and the Arizona Indian Festival. City staff were encouraged to wear their best western outfits for the week.

Mayor Ortega commented that the Boards and Commissions application process is open and encouraged residents to apply. Applications are being accepted through January 26, 2024 for eight boards and commissions.

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

## **PUBLIC COMMENT**

French Thompson gave a PowerPoint presentation (attached) and commented on the Giants Stadium parking impacts to the Old Town area due to decreased parking options at the Stadium over the years since 2005 and stated the need for 2019 Bond Project funding for additional parking.

Bob Pejman commented on the history of the P-3 parking program, improvement districts that created additional parking, and the need for 2019 Bond Project funding for additional parking.

Brent Bieser commented on an ongoing parking issue at an S-R zoned property located at Scottsdale Road and Vista Drive and recommended zoning ordinance changes to identify parking to match the zoning land use, shared parking to be equal or less intense than the current zoning, and for all S-R projects to go to the Development Review Board.

## **MINUTES**

**Request:** Approve the following Council meeting minutes from December 2023:

- a. **Regular Meeting and Work Study Session Minutes of December 5, 2023**
- b. **Special Meeting Minutes of December 6, 2023**
- c. Executive Session Minutes of December 6, 2023

## **MOTION AND VOTE – MINUTES**

Councilwoman Janik made a motion to approve the Regular Meeting and Work Study Session Minutes of December 5, 2023; Special Meeting Minutes of December 6, 2023; and Executive Session Minutes of December 6, 2023. Vice Mayor Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

## **CONSENT AGENDA**

1. **Postino Highland Liquor License (83-LL-2023)**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.  
**Location:** 4821 N. Scottsdale Road, Suite 103  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
2. **Pinnacle Brewing Company Conditional Use Permit (8-UP-2023)**  
**Request:** Find that the conditional use permit criteria have been met and adopt **Resolution No. 13002** approving a conditional use permit for a bar use (Pinnacle Brewing Company) in a ±4,333 square foot suite with ±1,636 square feet of outdoor patio space with Highway Commercial (C-3) zoning.  
**Location:** 15111 N. Hayden Road, Suite 100  
**Staff Contact(s):** Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, [eperreault@scottsdaleaz.gov](mailto:eperreault@scottsdaleaz.gov)

**3. Ritter Abandonment (5-AB-2023)**

**Request:** Adopt **Resolution No. 13003** authorizing the abandonment of 8 feet of public street right-of-way of a 40-foot half street, subject to conditions and reservations.

**Location:** Southeast corner of E. Oak Street and 74<sup>th</sup> Way (2259 N. 74<sup>th</sup> Way; adjacent to Parcel No. 131-20-091)

**Staff Contact(s):** Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, [eperreault@scottsdaleaz.gov](mailto:eperreault@scottsdaleaz.gov)

**4. Cozy Estates (aka Hanella Estates) Final Plat (3-PP-2018)**

**Request:** Approve the final plat for a 4-lot residential subdivision with Single-Family Residential Environmentally Sensitive Lands (R1-43 ESL) zoning on a ±4.5-acre site.

**Location:** 12481 E. Shea Boulevard

**Staff Contact(s):** Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, [eperreault@scottsdaleaz.gov](mailto:eperreault@scottsdaleaz.gov)

**5. Geotechnical Engineering Services Contract for Thomas Road: 56<sup>th</sup> Street to 73<sup>rd</sup> Street**

**Request:** Adopt **Resolution No. 13029** authorizing Agreement No. 2024-035-COS with Ninyo & Moore Geotechnical & Environmental Sciences Consultants, in the amount of \$45,000, for geotechnical engineering services for the Thomas Road: 56<sup>th</sup> Street to 73<sup>rd</sup> Street (SG03) project.

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

**6. Belleview I Properties Independent Entity Services Intergovernmental Agreement (IGA)**

**Request:** Adopt **Resolution No. 13013** to authorize:

1. IGA No. 2024-016-COS with the Housing Authority of Maricopa County for the provision of independent entity services for Belleview I Properties Project-Based Vouchers (PBV) units to perform inspections and rent reasonableness determinations.
2. The Human Services Director, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

**Location:** 7220 and 7224 E. Belleview Street

**Staff Contact(s):** Judy Doyle, Community Services Assistant Executive Director, 480-312-2691, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)

(Moved to Regular Agenda, see page 5)

**7. Reappointment of Pro Tem Judges for City Court**

**Request:** Adopt **Resolution No. 13015** to authorize:

1. The following reappointments of Pro Tem Judges for a four-year term for the period of February 14, 2024 through February 13, 2028: Scott Chapman, Jerry Landau, Tamika Wooten, and Elizabeth Finn.
2. The affirmation that for Fiscal Year 2023/24, all judges pro tempore shall be paid at a rate of \$74.84 per hour when they serve and that the rate for future years will be established through the annual city budget process.

**Staff Contact(s):** Marianne Bayardi, Presiding Judge, 480-312-2775, c/o [cphelps@scottsdaleaz.gov](mailto:cphelps@scottsdaleaz.gov)

**8. City Court Public Defender Professional Services Contracts**

**Request:** Adopt **Resolution No. 13039** authorizing the following professional services contracts to provide criminal defense representation in City Court:

1. Contract No. 2024-008-COS with the Angulo Law Firm, PLLC
2. Contract No. 2024-009-COS with the Benikov Law Firm
3. Contract No. 2024-010-COS with the Law Office of Adithya Bala, PLLC
4. Contract No. 2024-012-COS with the Law Office of Michelle Bell, PLLC
5. Contract No. 2024-013-COS with the Law Office of Chad D. Niven

**Staff Contact(s):** Marianne Bayardi, Presiding Judge, 480-312-2775, c/o [cphelps@scottsdaleaz.gov](mailto:cphelps@scottsdaleaz.gov)

**9. Scottsdale Arabian Horse Show Event Funding**

**Request:** Adopt **Resolution No. 13014** to authorize:

1. Funding, not to exceed \$60,000, from the portion of the Fiscal Year 2023/24 Tourism Development Fund that is allocated toward event retention and development for the Scottsdale Arabian Horse Show.
2. New Event Funding Agreement No. 2024-017-COS with the Arabian Horse Association of Arizona.

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

**10. Water Conservation Grant Fund Agreement**

**Request:** Adopt **Resolution No. 13038** to authorize:

1. Water Conservation Grant Fund Agreement No. 2024-039-COS with the Water Infrastructure Finance Authority of Arizona, accepting a grant in the amount of \$250,000, to expand the City's grass removal landscape conversion rebate program.
2. The Water Resources Executive Director to accept and electronically sign the Water Conservation Grant Fund Agreement.
3. A Fiscal Year 2023/24 Water Operating Contingency Appropriation Transfer of up to \$250,000 to a newly created cost center to record the grant activity.
4. The Water Resources Executive Director, and designees, to perform all acts necessary to give effect of this Resolution.

**Staff Contact(s):** Brian Biesemeyer, Water Resources Executive Director, 480-312-5683, [bbiesemeyer@scottsdaleaz.gov](mailto:bbiesemeyer@scottsdaleaz.gov)

**11. Alarm/Security Systems Code Amendment**

**Request:** Adopt **Ordinance No. 4624** amending Scottsdale Revised Code, Chapter 3, Alarm/Security Systems to allow users to apply for an alarm permit online, receive email notifications, and remove no longer applicable information.

**Staff Contact(s):** Whitney Pitt, Business Services Director, 480-312-5925, [wpitt@scottsdaleaz.gov](mailto:wpitt@scottsdaleaz.gov)

**12. Local Transaction Privilege Tax Administration Intergovernmental Agreement (IGA)**

**Request:** Adopt **Resolution No. 13036** to authorize:

1. Agreement No. 2024-038-COS with the Arizona Department of Revenue regarding administration, collection, audit and/or licensing of the City's transaction privilege tax, use tax, severance tax, jet fuel excise and use taxes, and rental occupancy taxes.
2. That Agreement No. 2024-038-COS supersedes Agreement No. 2019-093-COS.
3. The Business Services Director, or designee, to implement and execute provisions of the IGA and to execute all other documents and take such other actions as may be necessary to carry out the intent of this Resolution.



**Staff Contact(s):** Whitney Pitt, Business Services Director, 480-312-5925,  
[wpitt@scottsdaleaz.gov](mailto:wpitt@scottsdaleaz.gov)

**13. Fiscal Year (FY) 2023/24 Capital Improvement Plan (CIP) Budget Adjustments and Cash Transfers**

**Request:** Adopt **Resolution No. 13028** authorizing FY 2023/24 CIP budget adjustments and cash transfers.

**Staff Contact(s):** Ana Lia Johnson, Interim Budget Director, 480-312-7893,  
[anjohnson@scottsdaleaz.gov](mailto:anjohnson@scottsdaleaz.gov)

(Withdrawn by city staff)

**14. Monthly Financial Report**

**Request:** Accept the Fiscal Year 2022/23 Monthly Financial Report as of June 2023 (fiscal year-end).

**Staff Contact(s):** Ana Lia Johnson, Interim Budget Director, 480-312-7893,  
[anjohnson@scottsdaleaz.gov](mailto:anjohnson@scottsdaleaz.gov)

**15. Monthly Financial Report**

**Request:** Accept the Fiscal Year 2023/24 Monthly Financial Report as of November 2023.

**Staff Contact(s):** Ana Lia Johnson, Interim Budget Director, 480-312-7893,  
[anjohnson@scottsdaleaz.gov](mailto:anjohnson@scottsdaleaz.gov)

**MOTION AND VOTE – CONSENT AGENDA**

There was no public comment on the Consent Agenda items.

Vice Mayor Whitehead made a motion to approve Consent Agenda Items 1 through 15, except Item 6 [Bellevue I Properties Independent Entity Services Intergovernmental Agreement] which was moved to the Regular Agenda and Item 13 [Fiscal Year 2023/24 Capital Improvement Plan Budget Adjustments and Cash Transfers] which was withdrawn from the agenda by city staff. Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

**REGULAR AGENDA**

**6. Bellevue I Properties Independent Entity Services Intergovernmental Agreement (IGA)**

**Request:** Adopt **Resolution No. 13013** to authorize:

1. IGA No. 2024-016-COS with the Housing Authority of Maricopa County for the provision of independent entity services for Bellevue I Properties Project-Based Vouchers (PBV) units to perform inspections and rent reasonableness determinations.
2. The Human Services Director, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

**Location:** 7220 and 7224 E. Bellevue Street

**Staff Contact(s):** Judy Doyle, Community Services Assistant Executive Director, 480-312-2691, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)

Community Assistance Manager Mary Witkofski and Police Chief Jeff Walther gave a presentation on the proposed Intergovernmental Agreement with the Housing Authority of Maricopa County.

There was no public comment on Item 6.

## **MOTION AND VOTE – ITEM 6**

Vice Mayor Whitehead made a motion to adopt Resolution No. 13013 authorizing:

1. IGA No. 2024-016-COS with the Housing Authority of Maricopa County for the provision of independent entity services for Belleview I Properties Project-Based Vouchers (PBV) units to perform inspections and rent reasonableness determinations.
2. The Human Services Director, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

Councilwoman Littlefield seconded the motion, which carried 6/1, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Janik, and Littlefield voting in the affirmative and Councilmember Graham dissenting.

### **16. Headwaters Residential Healthcare Facility Rezoning (16-ZN-2022)**

**Request:** At the request of the applicant, continue to the February 6, 2024 City Council meeting.

**Staff Contact(s):** Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, [eperreault@scottsdaleaz.gov](mailto:eperreault@scottsdaleaz.gov)

Mayor Ortega announced the item was being continued to the February 6, 2024 City Council meeting date per the applicant's request, which was received by the City Clerk at least two days prior to the Council meeting. He noted the continuance request was the first continuance for the case and was granted as a matter of right per the Council's Rules of Procedure.

### **17. Expenditure Limitation Review Policy**

**Requests:**

1. Presentation, discussion, and possible direction to staff related to past and current expenditure limitation practices and concerns; and the creation of a possible policy moving forward.
2. Adopt **Resolution No. 13034** to authorize:
  - a. Establishing an Expenditure Limitation Review Policy.
  - b. Amending Fiscal Year 2023/24 Financial Policies adopted through Resolution No. 12755 to include a new policy 1.06, Expenditure Limitation Review, as set forth in Exhibit A and renumbering existing financial policies 1.06 through 1.13 as financial policies 1.07 through 1.14, respectively, to accommodate the new policy 1.06.

**Presenter(s):** Sonia Andrews, City Treasurer

**Staff Contact(s):** Anna Henthorn, Accounting Director, 480-312-7805, [ahenthorn@scottsdaleaz.gov](mailto:ahenthorn@scottsdaleaz.gov)

City Treasurer Sonia Andrews gave a PowerPoint presentation (attached) on the proposed Expenditure Limitation Review Policy.

Mayor Ortega opened public comment on this item.

Austin Fairbanks commented on the proposed policy and expressed concerns regarding raising the expenditure limitation and fiscal responsibility.

Mayor Ortega closed public comment on this item.

## **MOTION AND VOTE – ITEM 17**

Mayor Ortega made a motion to adopt Resolution No. 13034 authorizing:

- a. Establishing an Expenditure Limitation Review Policy.
- b. Amending Fiscal Year 2023/24 Financial Policies adopted through Resolution No. 12755 to include a new policy 1.06, Expenditure Limitation Review, as set forth in Exhibit A and renumbering existing financial policies 1.06 through 1.13 as financial policies 1.07 through 1.14, respectively, to accommodate the new policy 1.06.

Vice Mayor Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

## **PUBLIC COMMENT**

No public comments were received.

## **CITIZEN PETITIONS**

### **18. Receipt of Citizen Petitions**

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

**Staff Contact(s):** Ben Lane, City Clerk, 480-312-2411, [blane@scottsdaleaz.gov](mailto:blane@scottsdaleaz.gov)

No citizen petitions were received.

## **WORK STUDY SESSION**

### **PUBLIC COMMENT**

Mayor Ortega opened public comment on the Work Study Session item.

Sonnie Kirtley, representing the Coalition of Greater Scottsdale, spoke in support of the Special Noise Violation Ordinance and requested the ordinance apply citywide, that the "A" scale noise meters be replaced with "dBC" scale noise meters, and roof top patio bars not have speakers. She also requested an update on the construction noise mitigation ordinance.

Mayor Ortega closed public comment on the Work Study Session item.

### **1. Special Noise Violation Ordinance**

**Request:** Presentation, discussion, and possible direction to staff regarding a Special Noise Violation Ordinance.

**Presenter(s):** Brent Stockwell, Assistant City Manager

**Staff Contact(s):** Brent Stockwell, Assistant City Manager, 480-312-7288, [bstockwell@scottsdaleaz.gov](mailto:bstockwell@scottsdaleaz.gov)

Assistant City Manager Brent Stockwell, McKellips District Police Commander Jeromie O'Meara, Community Involvement Manager Joy Racine, and Management Associate to the City Manager Stephanie Zamora gave a PowerPoint presentation (attached) on the Special Noise Violation Ordinance.

There was Council consensus on the following items:

- Find a balance between the rights of the property owners and the business community, as well as looking at the health impacts of loud sounds, while still allowing for a festive environment.
- Continue enforcement of the existing ordinance.
- Conduct further analysis of sound in Scottsdale.
- Identify best practices for sound enforcement.
- Draft ordinance amendments based on Council direction.
- Gain public feedback on the draft ordinance.

Councilmembers made the following observations and suggestions:

- Continue to provide education and outreach with business owners to achieve voluntary compliance.
- Consider a distinction between city-sponsored events and private events as city-sponsored events are typically larger.
- Review requirements of rooftop bars to mitigate sound.
- Many Homeowner Associations have additional noise guidelines.
- Provide neighbors with advanced notification of special events to mitigate complaints.
- Bass levels should be addressed in the ordinance.
- The ordinance should be applied citywide.
- The ordinance should be applied only in specific areas of the City.
- Determine how the Special Noise Violation Ordinance can be applied to short term rentals.

#### **MOTION AND VOTE – ADJOURNMENT**

Councilwoman Janik made a motion to adjourn the Regular Meeting and Work Study Session. Councilmember Durham seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

#### **ADJOURNMENT**

Mayor Ortega adjourned the Regular Meeting and Work Study Session at 7:33 P.M.

**SUBMITTED BY:**



**Ben Lane, City Clerk**


Officially approved by the City Council on February 20, 2024

## CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting and Work Study Session of the City Council of Scottsdale, Arizona, held on the 23<sup>rd</sup> day of January 2024.

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

**DATED** this 20<sup>th</sup> day of February 2024.



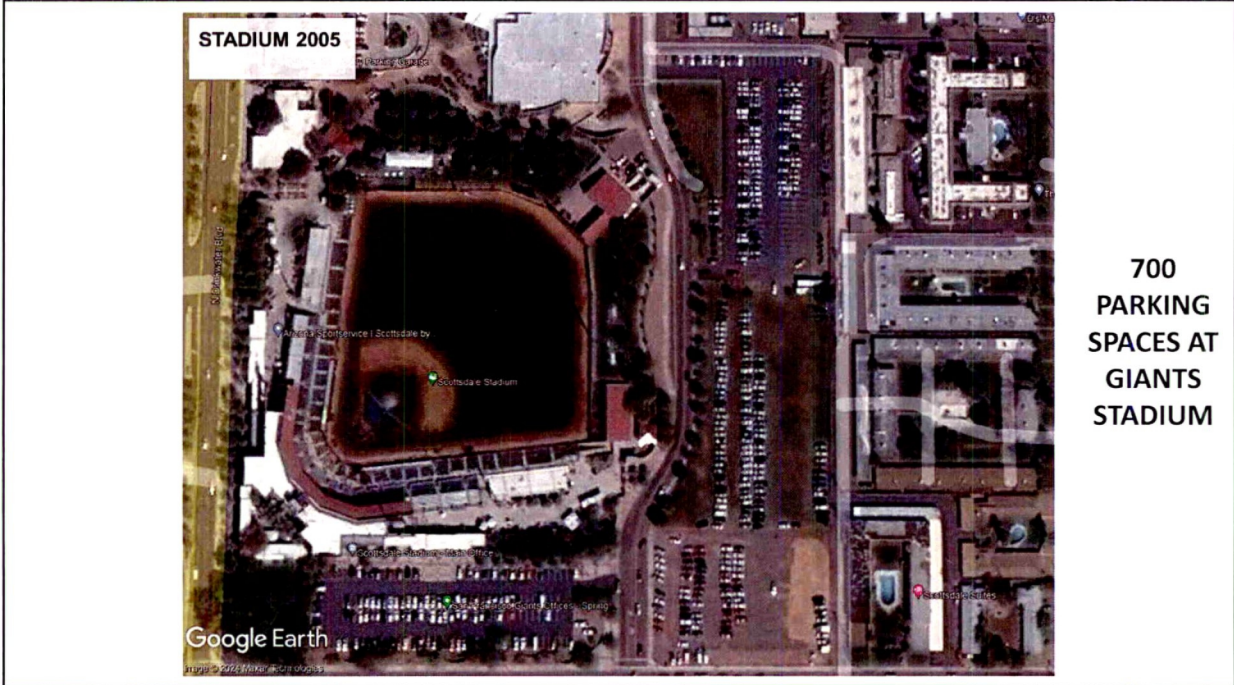
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**Ben Lane, City Clerk**

# IMAGINE MY SURPRISE & GIANTS STADIUM PARKING

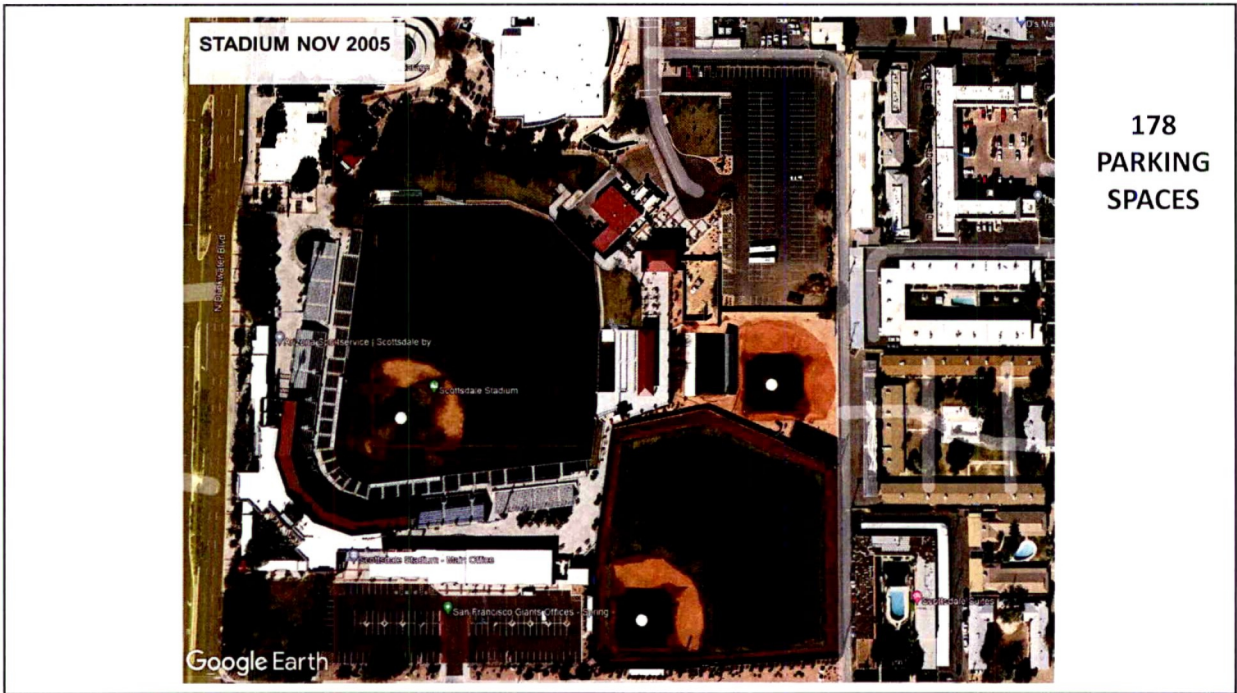
1972 TO PRESENT DAY

1

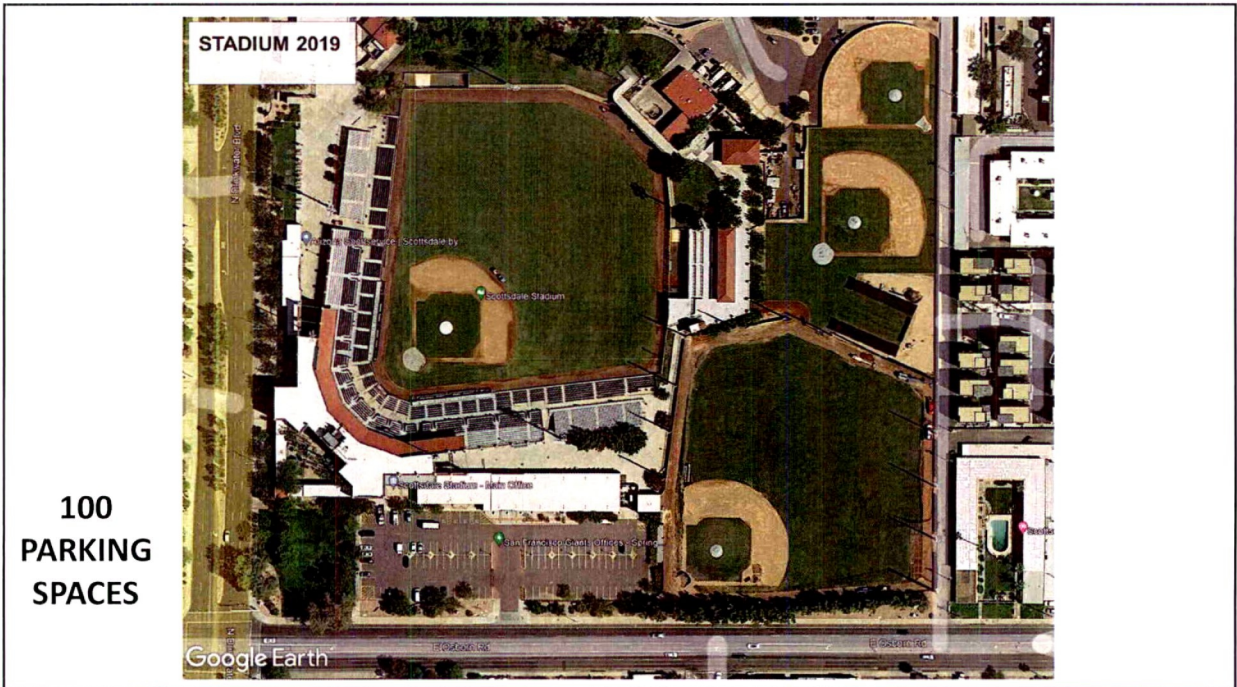


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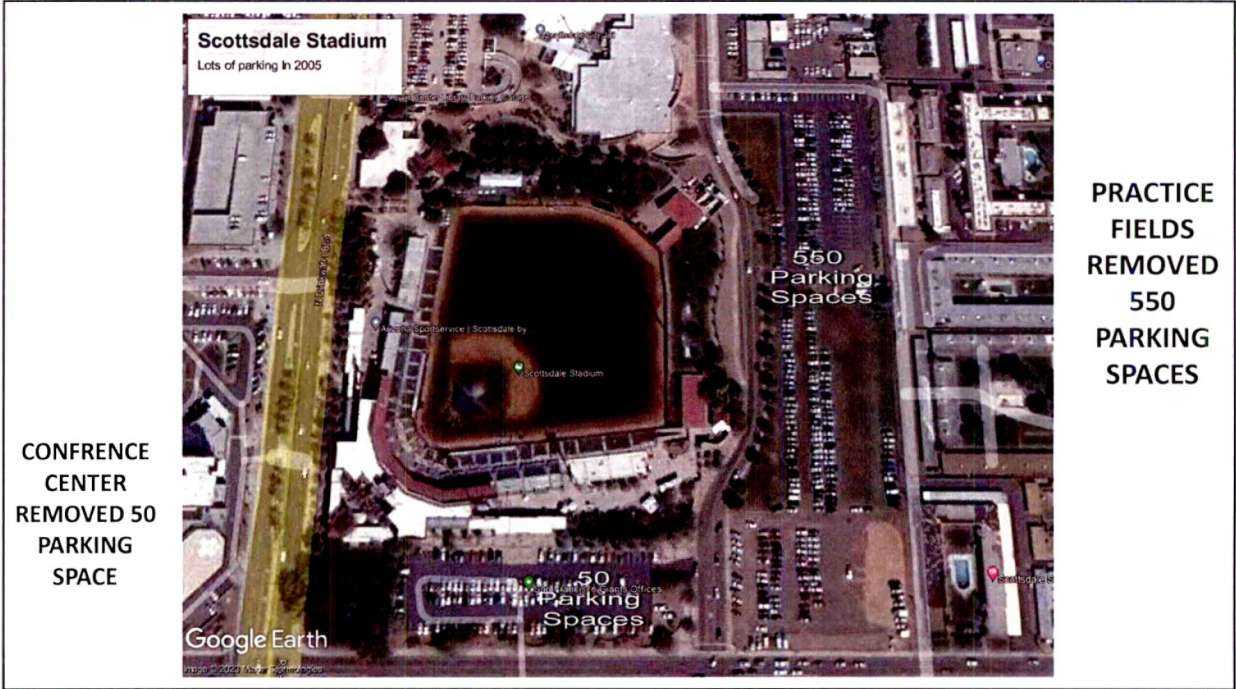


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OLD TOWN PARKING STUDY

		<u>1972</u>	<u>1979</u>	<u>1993</u>	<u>2005</u>	<u>2023</u>	<u>Projected Future</u>
1	1st Ave	52	52	52	52	52	52
2	Buckboard	123	123	123	123	123	123
3	Los Olivos	97	97	97	97	97	97
4	SCOA	0	357	357	357	357	357
5	2nd & Brown	50	50	94	225	225	225
6	Stagebrush	234	234	150	57	57	90 -177
7	Main Steet Condo	0	0	0	130	130	130
8	Museum Square	0	0	0	0	0	155
9	Artisan	0	0	0	0	0	55
<b>TOTAL</b>		<b>556</b>	<b>913</b>	<b>873</b>	<b>1041</b>	<b>1041</b>	<b>1284</b>
Giants Stadium Parking			650		100	50	-600

OLD TOWN PARKING SINCE 2005 HAS REMAINED THE SAME

7

IN MARCH 2005 GIANTS STADIUM HAD 650 PARKING SPACES  
 IN NOVEMBER 2005 GIANTS STADIUM HAD 278 PARKING SPACES  
 IN AUGUST 2018 IT ONLY HAD 100 PARKING SPACE  
 IN JUNE 2020 IT ONLY HAD 50 PARKING SPACES

**BETWEEN MARCH OF 2005 AND PRESENT DAY,  
 THE CITY HAS REMOVED 600 PARKING SPACES  
 AT GIANTS STADIUM**

8

**THE CITY SPENT \$30 MILLION ON CIVIC CENTER PLAZA  
THE CITY SPENT \$60 MILLION ON THE GIANTS STADIUM**

**THIS WAS TO INCREASE THE NUMBER OF EVENTS  
AND ATTENDANCE AT BOTH VENUES**

**BETWEEN MARCH OF 2005 AND PRESENT DAY  
NOT ONE SINGLE CITY OWNED PARKING SPACE  
HAS BEEN BUILT**

9

**PROJECTED 155 PARKING SPACES AT MUSEUM SQUARE**

**PROJECTED 90 PARKING SPACES AT STAGEBRUSH THEATER**

**PROJECTED 55 PARKING SPACES AT THE ARTISIAN**

**NONE OF THESE EXIST AS OF TODAY  
THERE IS NO GURANTEED TIMELINE FOR THEM BEING BUILT  
WHO KNOWS IF AND WHEN THESE WILL BE BUILT**

10

**THE CITY OF SCOTTSDALE HAS SPENT ALMOST  
\$100 MILLION DOLLARS TO BRING MORE EVENTS  
AND MORE PEOPLE TO THE AREA AROUND CIVIC CENTER PLAZA AND  
GIANTS STADIUM.**

**WITH ALL THAT EXPENDATURE THEY STILL HAVE NOT BUILT  
ADDITIONAL CITY OWNED PARKING  
2019 BOND PROVIDED THE FUNDING FOR ADDITIONAL PARKING  
THE CITY MUST FULLFILL ITS PROMICE TO BUILD  
PARKING IN AND AROUND THESE TWO AREAS**

## Item 17. Expenditure Limitation Policy and Discussion of State Imposed Expenditure Limitation

*City Council Meeting, January 23, 2024*



1

1

### What is the State Imposed Expenditure Limitation



**City's Operating Expenditures\* Cannot Exceed Expenditure Limitation Imposed by 1979/80 State Law Regardless of Revenues Collected**

**Penalties if Limitation is Exceeded**

*\* Certain expenditures such as debt service, capital infrastructure and grant funded expenditures are excluded from Limitation*

2

2

## State Expenditure Limitation Formula Based on City's 1979/1980 Expenditures



Limitation Adjusted Annually for Population and Inflation  
**No Automatic Adjustment for Visitors and Seasonal Residents**



State Law Allows Cities to Request a Permanent Base Adjustment to Increase Limitation for New Programs and Increased Services

3

3

Scottsdale Ranks  
at the Bottom  
among Peers for  
Limitation Per  
Capita

City	FY23/24 Expenditure Limitation	Limitation Per Capita
Phoenix*	\$11,623,359,000	\$7,015
Mesa*	\$2,560,000,000	\$4,957
Chandler *	\$1,656,274,385	\$5,855
Surprise	\$1,478,748,668	\$9,517
Peoria	\$1,232,516,693	\$6,180
Glendale	\$730,770,870	\$2,877
Maricopa	\$644,026,349	\$9,948
Queen Creek	\$631,421,266	\$8,899
Tempe	\$624,338,073	\$3,332
Goodyear	\$622,516,993	\$5,868
Buckeye	\$595,412,188	\$5,600
<b>Scottsdale</b>	<b>\$586,300,525</b>	<b>\$2,393</b>
Avondale	\$567,836,304	\$6,150
Gilbert	\$544,824,047	\$1,963

\* Cities on voter approved Home Rule Alternative

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## Discussion of State Imposed Expenditure Limitation

### At December 5, 2023 Council Work Study Session

- Discussed City at 94% of State Expenditure Limitation Capacity and Need for a Permanent Base Adjustment
- Last Formal Review and Request for a Permanent Base Adjustment was in 2006
- Policy Needed for Formal Review Every 5 years

City is at 94% of  
Limitation  
Due to  
New Programs  
and Services  
that have  
Increased  
Revenues and  
Expenditures  
Over Time

- Tourism Funding (bed tax increase in 2010)
- Public Safety Operations
- Water/Sewer Operations
- Operating Costs of New Facilities for Fire and Police, Water and Wastewater and Community



## New Facilities Have New Operating Costs

- 2010 - New Fire stations at Cactus Acres and Eldorado Park
- 2011 – New Soleri Bridge and new McCormick Stillman Railroad Museum
- 2011 – CAP water treatment facility expansion
- 2012 – WestWorld Equidome expansion
- 2013 - Advanced Water Treatment Plant expansion and new centralized Water Operational Control Center
- 2013 – Full Emergency Operations Center launched
- 2014 - New Tony Nelssen Equestrian Center, new Police special investigations building
- 2015 - New Museum of the West
- 2018 - New Thomas groundwater treatment facility
- 2018 - New Aviation center and new hangers
- 2018 - New Mustang transit center and expanded trolley and bus services
- 2021 - Regional wastewater facility and 91<sup>st</sup> treatment plant expansions
- 2021 – New fire stations 603 and 616
- 2023 – New Bell road multi use sports fields and Sports Complex, new Civic Center plaza
- 2023 - Police real time crime center expansion

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City Will Need a  
Permanent Base  
Adjustment  
to Take On  
Additional New  
Services



- New Public Safety Costs
- New Water/Sewer Costs
- New Operating Costs of New Fire and Police Stations and Other Bond 2019 Facilities

8

8

A Permanent Base Adjustment  
Increases Expenditure  
Limitation Capacity



**A Permanent Base Adjustment  
Requires Voter Approval**

- 1. Is Not a Tax Increase (Does Not Increase City's Tax Rates)**
- 2. Is Not a Budget Override or Automatic Budget Increase**
- 3. Does Not Allow City to Spend More than It Collects in Revenues**

9

9

**City's Financial Policies and State Law**

**Policies and Laws on City Spending and Taxes**

- Requires Separate Voter Approval for Tax Increases**
- Requires City to Adopt a Balanced Budget (no deficit spending)**
- City Expenditures Cannot Exceed Adopted Budget**



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## City's Financial Policies and State Law

### Policies and Laws on Expenditure Limitation

- **Requires Annual Audit of Expenditure Limitation to be Reported to State Auditor General**
- **Currently No Policy for Formal Review of Expenditure Limitation with Council**



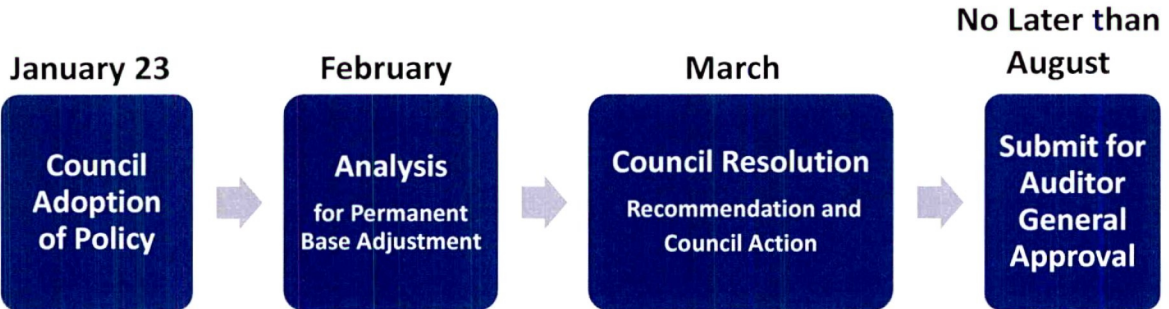
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## Proposed Expenditure Limitation Review Policy

1. The City shall ensure that its expenditures adopted through the annual budget process are below the Expenditure Limitation established by the State.
2. At a minimum of every five years, the City Treasurer shall report to the City Council the Expenditure Limitation capacity of the City.
3. In the event that projections through the budget process result in the City reaching or exceeding 90% of the Expenditure Limitation, the City Treasurer shall provide City Council with formal notification and recommendations for City Council action.

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## Next Steps



## Request Council Consider

**A motion to adopt Resolution No. 13024 to establish the new Expenditure Limitation Review Policy and add it to the City's Comprehensive Financial Policies.**

## **Special Noise Violations Ordinance Update**

City Council Work Study Session  
January 23, 2024

1

### **Today's presentation**

- Overview of the update project, the challenges of sound and noise, and an update on the pilot sound monitoring project
- Overview and analysis of existing ordinance
- Update on community involvement to date
- Possible ordinance updates

2

## **Problem statement**

There is a concern among some residents and businesses that current sound levels are too loud at times from outdoor amplification from some bars, restaurants, live entertainment venues, and special events.

City regulations to address problems from noise are different depending on the location of the issue and do not account for all types of disruptive sound. This conundrum adds to the confusion for some residents and businesses.

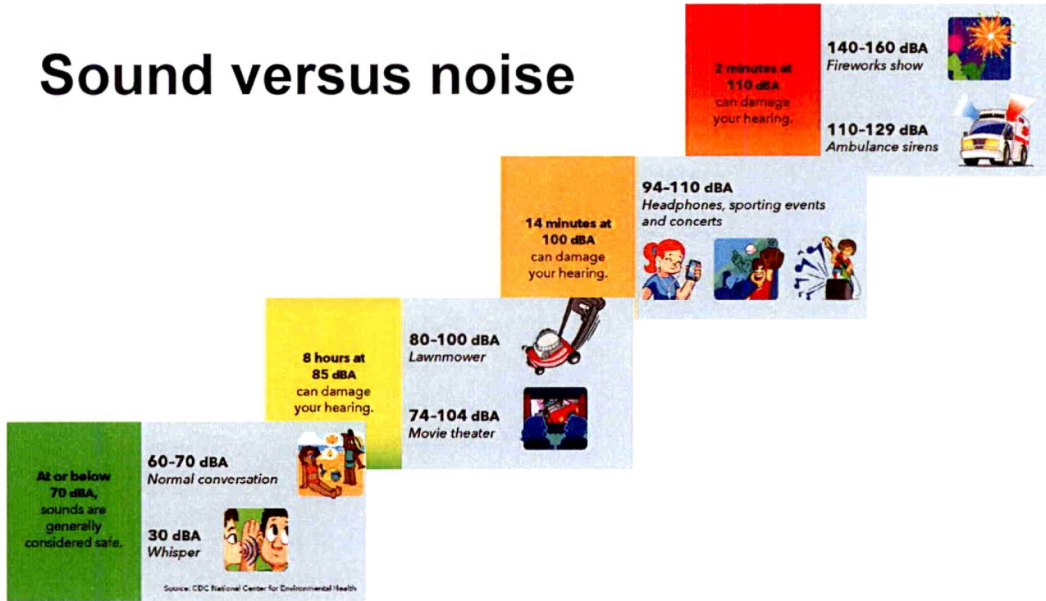
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## **Project goal**

To maintain and improve quality of life within Scottsdale, look at possible ordinance changes and other mitigation methods that would provide a mechanism for setting reasonable sound standards, including for bass frequencies, and provide guidance for sound management related to outdoor amplification at bars, restaurants, live entertainment venues, and special events.

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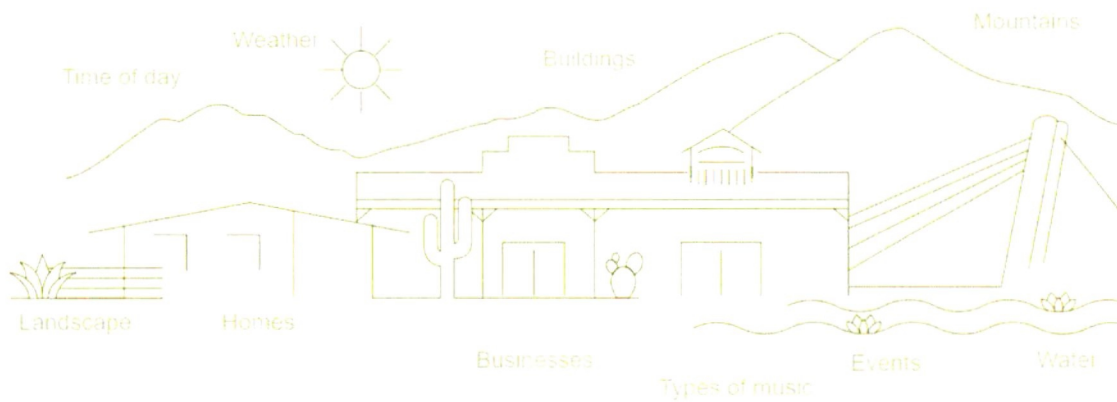
# Sound versus noise



<https://www.noisyplanet.nidcd.nih.gov/>

5

# Why is this such a challenging issue?

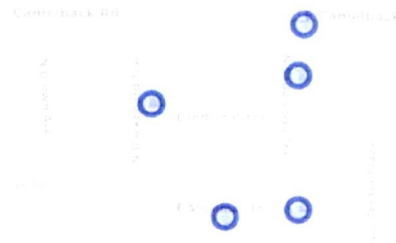


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## Pilot sound monitoring project

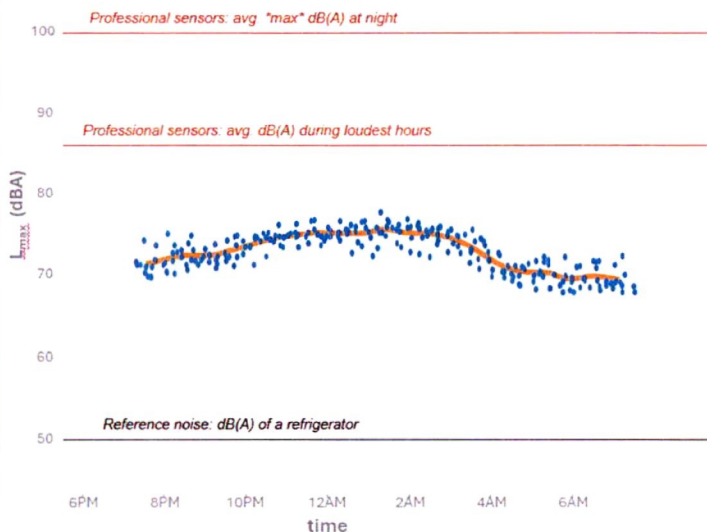
- Installed 5 Phillips Signify smart lighting sensors on street light poles
- Include sound monitoring capabilities, dBA only
- Record while streetlight is on, report data daily
- ~30 ft off the ground



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## Experimenting with different sensors

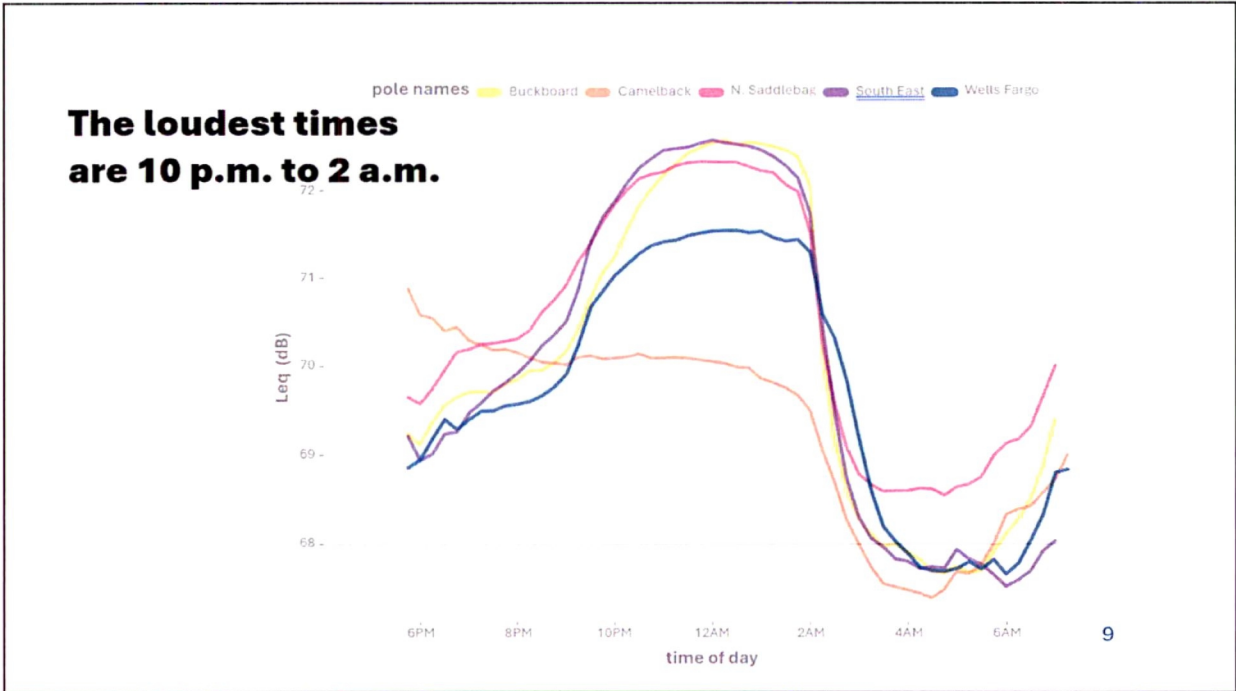


- Oct. 19-20, 2023
- Expect *some* noise fall-off from high pole placement
- Pole sensors don't capture max levels well
- Pole sensors round to whole number values

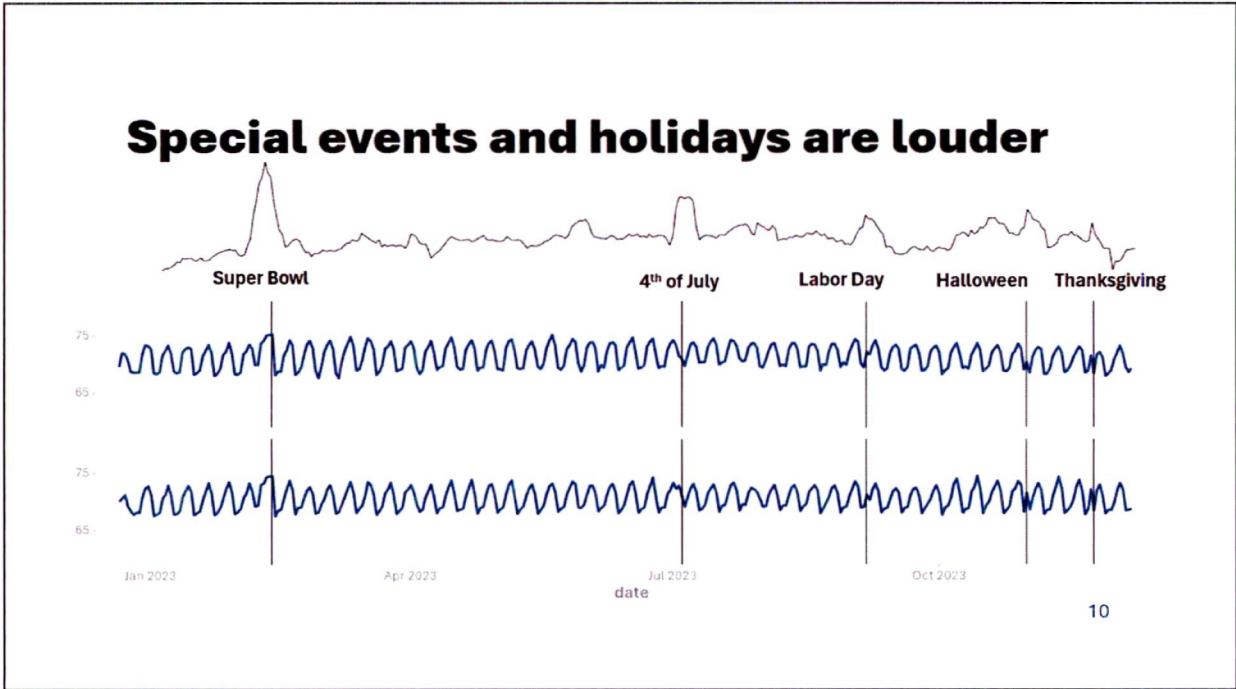


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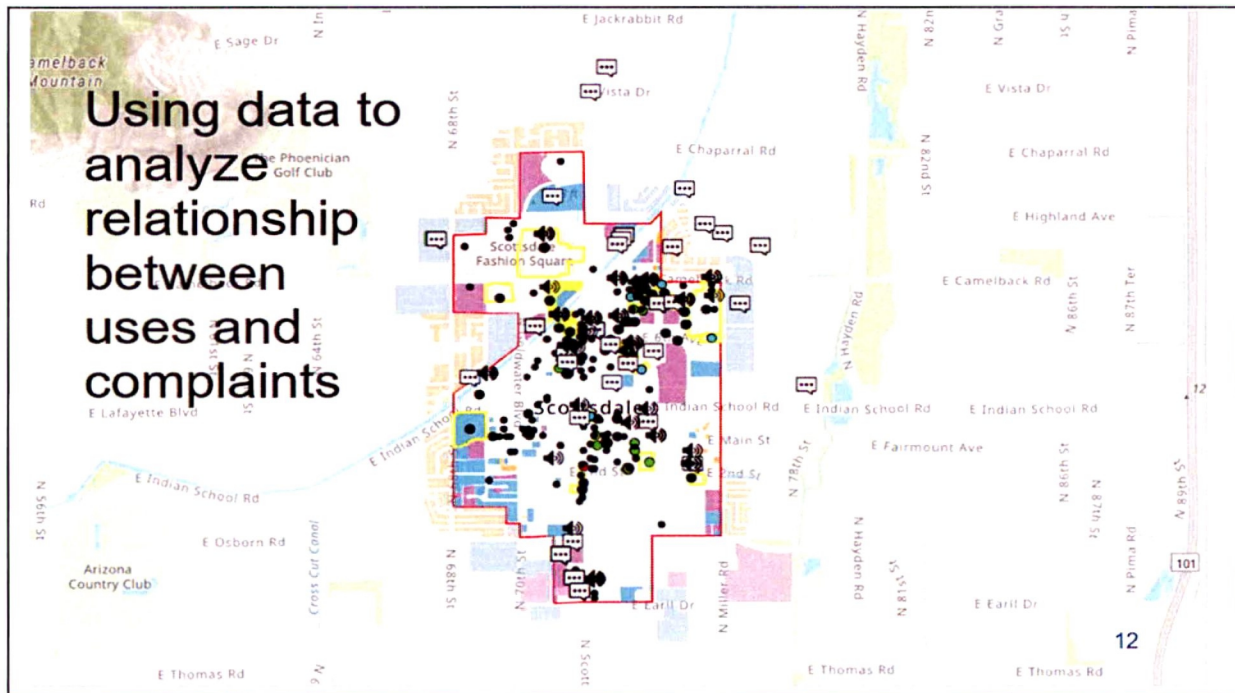
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## Pilot takeaways

- As expected, nights, weekends, special events are louder
- The pole mounted sensors are not the most accurate
- Peak sound levels are not being captured by sensors
- Ongoing project to determine monitoring and reporting method

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## **Planning for entertainment-related sound**

- Prioritize sound management not noise elimination
- Provide long-term predictability for all stakeholders
- Understand one size does not fit all
- Accountability leads to both enhancement of business operations and balance of stakeholder needs
- Education, communication, and problem solving will lead to relationship and compliance-based enforcement
- Invest in sound management resources for objectivity

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## **Measuring low frequency sound**

High levels of low frequency sound can have negative health effects

Low frequency sounds are perceived when pressure levels are high

Evidence-based options to set dBC levels to reduce annoyance:

- Set violation at level when dBC is greater than dBA by 20 decibels
- Set different levels for different conditions
  - daytime and nighttime
  - residential and commercial neighborhoods
  - intermittent vs. continuous

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## **Special Noise Violations Ordinance**



Prohibits unreasonable noise created by businesses that serve alcohol or provide live entertainment

The ordinance also includes:

- Criteria for measurement of sound
- Penalties for violations and habitual offenders
- Authority to issue civil complaints

Ordinance No. 3912 (2010)

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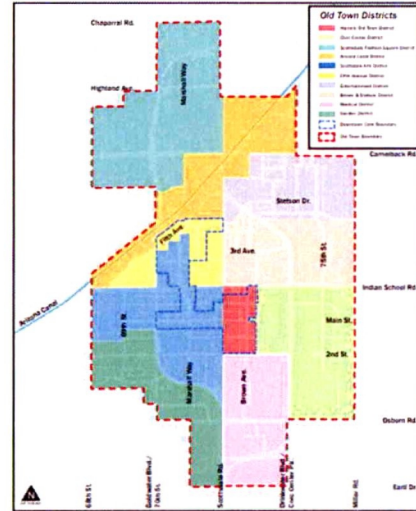
## **Special Noise Violations Ordinance (cont'd)**

- Applicable citywide – except in mixed use areas
- Applies to all businesses that serve alcohol and/or provide live entertainment
- Reasonable person standard used and measured at least 100' from source with maximum decibel threshold at 68 dBA in a residential district
- Unamplified voice, crowd noise and special events exempted

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## Current ordinance challenges

- What is considered “unreasonable”
- Does not apply within commercial and mixed-use districts, including Old Town neighborhoods
- Does not address sound from bass frequencies (low frequency sound)



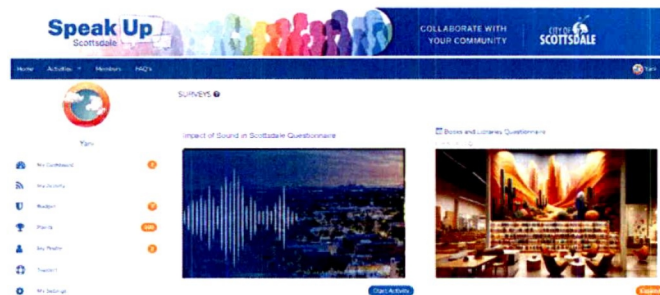
Map 2 - Old Town Districts

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## Community Involvement Efforts



**COMMUNITY WORKSHOPS**  
In Person Participation  
106 participants



**SPEAK UP SCOTTSDALE**  
Online Community  
100 Responses

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## Who have we listened to so far?

- Residents
- Business owners
- Nightclub/bar owners and operators
- Hotel owners
- Special event producers
- Sound industry professionals

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## Scenarios used for public input process

### **Scenario 1:**

A nightclub in Old Town operating during the week with residences 1 mile away

### **Scenario 2:**

General sound from the Old Town area during the weekend reaching a residential area within the area

### **Scenario 3:**

A mixed-use area with a restaurant playing music on its patio near homes

### **Scenario 4:**

A country club hosting a special event within its residential community

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## **1. Decibel levels should be implemented as a measure of criteria**

- Include dBA and dBC levels
- Differentiate between businesses and events; consideration for zoning of areas
- Flexibility for time of day or day of week but with consistency for allowable levels from source of sound
- Removal of exemption areas

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## **2. Location of measurement should remain close to the source of the sound**

- The majority wish to measure sound at either the source property line or 100 feet from the business
- Participants suggested using technology that measures sound levels
- Location of the complainant does not matter but expressed support for considerations for source of sound and timeframe

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### **3. There should not be exemptions for the type of sound**

- Sound is sound
- No distinction for city-sponsored events vs private special events
- Set parameters for special events; comply with Special Events ordinance and HOA management
- Amplified and bass does matter

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### **4. Response should be consistent, timely, and enforceable**

- Suggestions for determining the source of the sound had a wide range
- Tiered approach for consequences to violations was the overall consensus

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## Special Noise Violations Ordinance Possible Changes

A decibel level should be implemented as a measure of criteria



A defined decibel level should be established for A-weighted sound (i.e. mid and high frequency) and C-weighted sound (i.e. low frequency)

When a complaint arises, sound should be measured from the source



Sound should be measured close to the sound-producing source

There should be consistency in set sound levels and they can be set based on type of establishment or event



Allowable levels of sound can depend based on producer (i.e. special event, restaurant, amplified sound)

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## Special Noise Violations Ordinance Possible Changes

Allowable sound levels for weekend, nights, and holidays can be different from weekdays with consistency



Similar to Nuisance Party Ordinance regarding C-weighted sound and regarding times and weekend

Encourage compliance from sound producers



Encourage violators to establish a sound management plan

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## **Next steps**

- Continue enforcement of existing ordinance
- Conduct further analysis of sound in Scottsdale
- Identify best practices for sound enforcement
- Draft ordinance amendments based on direction
- Gain public feedback on draft ordinance

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## **Special Noise Violations Ordinance Update**

- City Council Work Study Session
  - January 23, 2024

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