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#### **CALL TO ORDER**

[Time: 00:00:04]

Mayor Ortega: I call the August 26<sup>th</sup>, 2021, city council regular meeting to order. City Clerk Ben Lane, will you please conduct the roll call?

#### **ROLL CALL**

[Time: 00:00:17]

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

Mayor Ortega: Present.

City Clerk Ben Lane: Vice Mayor Betty Janik.

Vice Mayor Janik: Present.

City Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilmember Caputi: Here.

City Clerk Ben Lane: Tom Durham.

Councilmember Durham: Present.

City Clerk Ben Lane: Kathy Littlefield.

Councilmember Littlefield: Here.

City Clerk Ben Lane: Linda Milhaven.

Councilmember Milhaven: Here.

City Clerk Ben Lane: Solange Whitehead.

Councilmember Whitehead: Here.

City Clerk Ben Lane: City Manager Jim Thompson.

Jim Thompson: Here.

City Clerk Ben Lane: City Attorney Sherry Scott.

Sherry Scott: Here.

City Clerk Ben Lane: City Treasurer Sonia Andrews.

Sonia Andrews: Here.

City Clerk Ben Lane: City Auditor Sharron Walker.

Sharron Walker: Here.

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

Mayor Ortega: Very good. We have Scottsdale Police Officer, Anthony Wells and Dustin Patrick, as well as firefighter Josh Porter. If anyone requires assistance. Please stand for the Pledge of Allegiance.

[Councilmembers]: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: One nation under God, indivisible, with liberty and justice for all.

Mayor Ortega: Well, good evening. I invite all students who live or go to school in Scottsdale to participate in our we the people constitution day contest. This contest promotes civic

engagement, community reflection, and understanding of the principles that guide our participation in this representative form of government.

Entries are due September 17<sup>th</sup>, which is the official day of our U.S. constitution in 1887. If you know of a student, a mom or parents, please go to the city of Scottsdale website, search constitution and you will find how to participate this year. The celebration will be later in October and entries will include a variety of art projects, essays and we'll leave it to the children to come up with these ideas. And of all ages.

### **PUBLIC COMMENT**

[Time: 00:02:43]

Mayor Ortega: At this point, we will begin public comment. We call to the public to speak on any non-agendized items, which are within the council's jurisdiction. However, they have to be non-agendized item. No official action can be taken by the council, but we are here to listen and every participant will have three minutes. We received a request for one in-person. So if you could please come forward, state your name and address, and welcome.

Deb Lovas: I had there, Mayor Ortega, councilmembers, my name is Deb Lovas and I am -- my address is on record. I have lived in north Scottsdale for over 29 years, homeowner. And I am here on behalf of myself and 44 other Los Protones homeowners that we would like to present a petition of concern regarding the rawhide or the Miller Road expansion.

We the homeowners in Los Protones townhomes will be greatly affected by the Miller Road expansion project. Our enjoyment of outdoor patio lifestyle will be diminished with noise and lights.

The degree of infringement may not be known initially, thus we are participating in the Scottsdale city council to hear and address our current and future concerns regarding noise and light abatement, security, landscaping options, including berms and overall aesthetics of the Miller Road expansion.

We understand that according to an initial draft noise analysis, technical report of stated areas submitted on April 12<sup>th</sup>, 2021, that was based on the city of Scottsdale Roadway noise abatement policy Section 11, the statement of likelihood that no barriers were evaluated or recommended for this project.

Also the report states that a final determination of noise abatement measures will be made upon completion of the project design, the public involvement process, concurrent with the COS NARP. It's our understanding that the cost cap per benefited developed property based on 2010 dollars is \$60,000. 60,000 times the 25 Miller Road Los Protones townhome owners is 1.5 million.

Therefore, it's expected that these monies be applied to cover additional landscape options including a berm and/or wall along the maintenance per such. We are aware that the current design calls for a sidewalk and multiuse trail on each side of the road.

This design does not designate any space for additional landscape in the southern area, both for now or in the future. We believe that the trail space on the west side be best utilized for landscaping now and be available to provide noise abatement strategies in the future.

We believe the trail on the east side along the sidewalks -- along with the sidewalks and both sides can meet the users needs from Pinnacle Peak to the bridge. Our ask of the below sign petitioners is that our concerns be heard, acted upon and revisited after one year of project completion or as deemed necessary.

If initial heavy planting of desert industries and berm, do not mitigate the noise and light to acceptable level, we ask that future design wall improvements be evaluated and the impacted homeowners be included in future decisions. Thank you for your time.

Mayor Ortega: Thank you very much. This matter will be added to the petition item 12 of our agenda. I will now move to another request for public comment. This one is by telephone.

Shane Stone: Mayor Ortega, members of the city council, this is Shane Stone with the city manager's office. We have Mary Brockman on the line. Ms. Brockman, please press star six on your device and begin your public comment.

Mary Brockman: Okay. I guess I'm here now.

Shane Stone: Yes, we can hear you.

Mary Brockman: Okay. Okay. My name is Mary Brockman. I live at Los Protones, 24-yearScottsdale resident. And directly across from Miller Road. And I just wanted to give a brief refreshment to anybody that hasn't -- I'm sure you don't look at every new road every day, of what really Scottsdale planned there. And it's a .6-mile from Pinnacle Peak to the new bridge. Four traffic lanes, intermediate medians, sidewalks both sides and now this multipurpose trail both sides. The east side already has a trail. So putting one on the west side is an addition.

Supposedly the trail is for wheelchairs, horses and dirt bikes. The number of horses we have seen in the last 20 plus years can probably be counted on one hand. And if you are pushing a wheelchair or driving a wheelchair, you are going to be on the sidewalk. So we wonder about that.

We have discussed the 8-foot trail numerous times with the city, and it seems real important to them to have it. Now the latest map, which Debbie was talking to you about is -- the trail has basically taken away the conveyable property to allow space to put plants or eventually, whatever we might need for noise control.

Now, according to the city video in May, the short-term volume of traffic is about 6,000 cars. And in the long term, 2thousand per day. Now, that sounds -- 22,000 per day: Now, that sounds like quite a bit of noise. So basically, I would like to ask to support Debbie and be sure that this trail can be revisited for why is it really there?

And it's really going to disturb the people because we can't get, you know, anything to help with the noise problem. So thank you.

Mayor Ortega: Thank you. That concludes the public comment. I therefore close the public comment.

### **CONSENT AGENDA**

[Time: 00:10:21]

Mayor Ortega: At this point, we are looking at the consent agenda items. Items 1 through 6. I have not received any requests for comments on any of those items, but I will draw your attention to the screen, which actually depicts item number 2 on our consent agenda, which has to do with the land use agreement with Salt River project, which culminated in the picture that we often exhibit.

So there is no public comment on any item. And therefore, I would entertain a motion on the content agenda items.

Councilmember Littlefield: Move to accept.

Councilmember Whitehead: Second.

Mayor Ortega: Thank you. We have a motion to approve consent agenda items 1 through 6. Any discussion? Thank you. Please register your vote. Unanimous. We will now move to the regular agenda.

### **ITEM 7 – ELECTRICAL INSTUMENTS AND CONTROLS SYSTEMS DESIGN ENGINEERING SERVICES CONTRACT**

[Time: 00:11:37]

Item number 6 which is the Bartlett dam modification feasibility study memorandum of understanding of our presenter is Brian Biesemeyer with the water resources. He's the executive director, as well as Gretchen Baumgartner with the water policy manager. Thank you. Proceed.

Brian Biesemeyer: Thank you, mayor and council. I think in light of all the hard stories of water, I have a good news story to present to council. I think that's a little different in all the stories we

have been seeing and this involves the SRP system. The satellite river project system, a little overview.

It involves the Verde and the Salt Rivers and we get about 20% of our surface water allocation from the Salt River project. So what is this about? It is about a sedimentation issue on the Verde River. So last -- during the last year, the Bureau of Reclamation undertook a federal appraisal study to evaluate sedimentation that was occurring on the Verde River system, particularly at Horseshoe Dam.

On the right is kind of a schematic of the dams on the Verde and the Salt Rivers. On the upper part of that diagram, you can see Horseshoe and Bartlett, which are on the Verde and then you can see on the lower on the right-hand side the Salt River with Roosevelt Lake, Apache Lake, Canyon Lake and Saguaro Lake.

The issue is sedimentation in Horseshoe, and it has 45,000-acre feet of sedimentation, it's displaced storage capacity in Horseshoe Reservoir. With that, the storage capacity that everybody in the SRP system can use.

[Time: 00:13:46]

Additionally, as you can see the storage capacity in the Salt River is tremendously more than the Verde River. The Verde River, although it makes up about 45% of the flows of the combined SRP system, it has only 7% of the storage. So any decrease in storage on the Verde River is significant. So the appraisal study looked at no action.

Sediment removal from Horseshoe, or possibly Bartlett Dam modification, the raising the Bartlett Dam, 62 feet or 97 feet. Well, first one with no action, obviously doesn't saddlebag -- address at sedimentation. The sediment removal is also problematic. It's costly and the amount of sediment is just amazing! If they would take that sediment out of Horseshoe Lake, it represents 50-foot deep for two square miles. So it's -- it's just no place to put all that sediment. So the other two possible approaches for Bartlett Dam to raise 62 for 97 feet. They would restore the lost capacity and it allows Horseshoe to be operated as a sediment control basin.

So at the right, you can see the dam and the size of the lake should it be raised to 97 feet. And then the little dashed line shows the extent of the reservoir, should it be raised to 62 feet and the size of the reservoir there.

Again, as I mentioned it would use Horseshoe Dam as sedimentation facility. That would also be able to do some environmental work to -- as kind of a mitigation for the additional space that's being taken up with the Bartlett Reservoir.

Again, as I mentioned, it would allow for the displacement to occur with the additional reservoir space in Bartlett Dam. And it would potentially create new conservation storage space. And I will go back, if I may -- let me see if I can get this. To this diagram, and you can see Roosevelt Dam

and this point I would like to point out Roosevelt dam and in the 1990s, the city of Scottsdale participated with SRP in the actual raising of Roosevelt dam and that got us what is called new conservation space.

And as a result, when Roosevelt dam fills up which is not all the time, but it's done twice in the last 15 years, we get approximately -- we get over 20,000-acre feet of water in -- kind of like a bank account that we get with SRP that we can then draw down on. So when we talk about conservation space with Bartlett, we are talking about the same concept. Let me move on forward.

So we are actually at the appraisal study and the end of the appraisal study. And the next is the feasibility study and the cost share agreement. The federal government will pay 50% of the feasibility study for Bartlett dam. SRP and partners will pay for the other part of the feasibility study. And so this is SRP's request for partners in this feasibility study. But it does get us in on the ground floor, for the possibility of additional water storage space in the SRP system.

The feasibility study would take between two and four years and so this is a long time frame and building or modifying a dam takes a long time as well. Most likely, it's 10 years plus out before it -- before this would come to fruition or even if it will come to fruition, because it will take a finding of feasibility for the raising of the dam and then it will take congressional authorization, and then five or ten years to build the dam. It's not immediate.

[Time: 00:18:25]

But in a world where we're talking about cutbacks of water supplies, this is in my view a positive event and we're asking council tonight to adopt resolution, 12232 approving a contract and a memorandum of understanding with the Salt River valley users association.

Mayor Ortega: Thank you very much. I'm looking to see if there's any public comment on this item. There is none. Therefore, I will close the public comment. Are there any questions from council? Seeing none, at this -- Councilmember Durham.

Councilmember Durham: Thank you. This doesn't solve the sedimentation problem in horseshoe, does it, but it merely offsets that with additional capacity behind Bartlett dam?

Brian Biesemeyer: That's correct, but it will allow that sedimentation to continue to occur, and not displace the water, because if we would operate it as a sedimentation control.

Councilmember Durham: Right. Do you expect that there will be significant environmental issues with this request that -- I assume that will be part of the process, especially before Congress?

Brian Biesemeyer: That will be part of the process. Again, part of that is looking at horseshoe dam and what can be offered as mitigation to the raising the lake level at Bartlett.

Councilmember Durham: Thank you.

Mayor Ortega: Councilwoman Littlefield.

Councilmember Littlefield: Thank you. I just wanted to talk a little bit about the cost to the city for doing this I noticed in the report it says for years '22 through '25 would be a total of \$300,000 over a four-year period. I assume that's a funding from the city to do this?

Brian Biesemeyer: That's the city's funding. Our estimate. City's funding.

Councilmember Littlefield: Okay. Do you anticipate that to go on beyond that time frame?

Brian Biesemeyer: I think there's a possibility it could increase to \$400,000 but I don't anticipate more than that.

[Time: 00:20:43]

Councilmember Littlefield: Okay. Thank you.

Mayor Ortega: I do recall -- because I grew up in Globe and I watched Roosevelt dam be raised. It was raised by 70 feet. So it was 280 feet and it was raised to 350 feet. And it was fortified with concrete -- originally it was stone, a large stone bridge. What it did, it increased the capacity by 20%.

So otherwise, if it gets filled up, it has to be released and then it's water over the bridge, right? And we can't control it as well. So with that, comment, I will move to adopt resolution number 12232, approving contract number 2021-126- city of Scottsdale, memorandum of understanding between the city and the Salt River project users association, and Salt River project agricultural improvement, and power district, SRP, and other participating entities in support -- to support the Bartlett dam modification feasibility study.

Vice Mayor Janik: I second that motion.

Mayor Ortega: Thank you. We have a motion and a second. Any discussion? Okay. Let's vote. It passed unanimously.

#### **ITEM 8 – SEWER LINE EXTENSION PROGRAM CHANGES**

[Time: 00:22:12]

Mayor Ortega: Moving on to item number 8. Item number 8, involves the sewer line extension program changes. And once again, our director of water resources, Brian Biesemeyer will and -- handle the presentation.

Brian Biesemeyer: Thank you. Yes, I am here again. I will wait for this -- I will wait for that presentation to come up. This -- as you recall, this is a continuation of our July 1<sup>st</sup> discussion on the sewer line extension program. And we've had previous discussions not only on July 1<sup>st</sup>, but going back to October 2019.

And to -- just as a reminder, the sewer line extension is an extension of the sewer line to serve additional properties and in this case, it's in the residential context. It's done to allow a homeowner for a developer of single-family home to extend that sewer to serve that property. We do it as a result of the general plan and guidance to recognize the value of water and wastewater as a resource, to make sure that new service delivery costs are borne by those desiring the service, and to recognize sewer systems, the use of sewer systems instead of private septic systems.

And real quickly, July 1<sup>st</sup>, as you recall, we had two items before council, one was the adoption of ordinance 4507, the second one was discussion of the rate setting process for an aquifer protection fee. It seemed that council did have a general agreement on the first but not the second of those two items. So for this presentation, the ask is only for adoption of ordinance 4507, authorizing changes to the city code. I will go over those code changes here.

Those were the low-government -- what we call low-cost options for the septic to sewer. They were low or no cost to the sewer fund, not claiming they were no cost to the people extending those lines. This is payment over -- the first one was payment over time to allow a customer to pay over time.

[Time: 00:24:37]

It would require the customer to take a lien on their property for the security of the city, with a down payment with the administrative charge. The second is an interest reduction from what we currently charge now, as 1% -- as 1% -- prime plus 1%, sorry, and then we changed it to the latest water or sewer bond rate. I talked about those quite often. So I'm not sure I really want to go over any of those. But I'm here to answer any questions on those issues. Again, those -- the low-cost items are really not involving the developer.

So the developer is going to continue to do his work. It's for those residents that are on that line, as it extends and have the obligation to connect should their septic fail. And in those cases we would ever a lower interest rate and payment over time.

Mayor Ortega: Thank you. At this point, I would open for public comment. On item number 8. Hearing none, seeing none, I will close the public comment. Is there -- are there any questions of council and seeing none, I would ask for a motion to adopt the ordinance. Please read it formally.

Vice Mayor Janik: I make a motion to adopt ordinance number 4507, authorizing changes in the

city code for sewer line extensions, extension participation and line payback agreements.

Councilmember Durham: Second.

Mayor Ortega: We have a motion and a second. We have a discussion. Councilman Littlefield.

Councilmember Littlefield: Yes, thank you. Mr. Biesemeyer, I just have a question for you.

Brian Biesemeyer: Yes, sir.

Councilmember Littlefield: I basically like the idea of going on sewer. I think it's a better option than a septic tank. But we have a lot of people who have been here a long time, that still have their septic tanks, and that do take care of them. Some people don't. Some people do.

What happens with the septic tank fails and people can't afford to put -- to go on the sewer? They just plain don't have the money, because they lost their jobs or something? I don't want to be in a position where we cause people to lose their homes. I guess that's really what my concern is. Does this then go on as a -- a lien against the house should they ever want to sell it?

[Time: 00:27:11]

Brian Biesemeyer: The payback is not technically a lien but it's a requirement to connect to the sewer to make those payments. And part of this would be to allow folks to pay over time, to understand that -- but it wouldn't -- so if they can repair their sewer -- two things would happen. If they could -- if they are within -- if they have a sewer line in front of their house their septic fails, then we require them to connect.

Councilmember Littlefield: Okay.

Brian Biesemeyer: If that sewer line is not in front of their house, then that's a whole separate deal. They can put a new septic system in and stuff. But if that sewer line is in front of your house, then they would be required to connect. But if they could repair that sewer, they could repair the sewer.

Councilmember Littlefield: You mean the septic.

Brian Biesemeyer: Yes, sorry. Too many s words. Yes. Thank you.

Councilmember Littlefield: That's what I wanted to know. Thank you.

Mayor Ortega: Very good. We have a motion and a second. I see no further discussion requests. Please register your vote. Passed unanimously. Thank you very much.

**ITEM 9 – TEMPORARY HOUSING**

[Time: 00:28:28]

Mayor Ortega: The next agenda item is item number 9, which deals with temporary housing. Greg Bestgen will make the presentation as the human services department director. Great to see you.

Greg Bestgen: Thank you. Mayor Lane, councilmembers thank you for having me with you this evening. It's good to be here with you. I'm here to give you some insight with some of the work that we have been doing recently with our east valley partnership group and maybe just to give you a little tiny synopsis of what we have been doing with our homeless programs. So we'll go ahead and get started. Next slide, please.

So, you know, I have come to you before and talked about what are the various faces of homelessness that we see, right? You think I mentioned my parents came to me homeless several years ago with no place to go and I was lucky enough to have the space to be able to accommodate them for a good number of years and I was very happy to pay that back. So -- but, you know, it can be all of these categories that you see here.

Seniors, seniors that are chronically homeless which means you have been homeless for longer than a year, a period of a year, or over a four-year period, you have been in and out of homelessness at least four times.

So there are different definitions for what we consider chronically homeless. We certainly know that we are going to be facing recently evicted individuals, which, again, can include all of these populations that you see represented here, including seriously mentally ill individuals.

So with the coming eviction moratorium being lifted, we know that we will be challenged and so this cute picture that you see here is our Phoenix Rescue Mission with one of our folks that we helped out actually into some shelter services and she was experiencing street homelessness here in Scottsdale. So next slide, please. All right.

So some of the models that you can -- you know, we could look at would be first of all, there are emergency shelters. We have been very generous in what we have given to CAS, the human services campus and the shelter that provides hundreds of beds overnight for folks in Phoenix. You could look at bridge models which is really very much what we did at our temporary hotel shelter program tell Rodeway Inn. That's a great example of providing facility where you can stabilize people with safety, with food, with shelter, and when you do that, you open their minds to seeking new ways, new opportunities to, perhaps, move out of their homeless situation.

And so we graduated 40 individuals into various types of shelter, and I know you have heard these stats before. I think I did it at your summer retreat. Just to let you know, those are very

successful programs. You also have non-congregate housing. That could be something very similar to the temporary hotel shelter. Could you also look at apartments, folks that get permanent supportive housing vouchers then transition into what we call non-congregate housing.

And then the two programs I just mentioned, they provide some financial support, along with wraparound services and support services like we had at our hotel shelter program through community bridges. So we know that you don't just put someone in housing and then expect them to thrive when it's been long, long time that maybe they haven't done that.

And so it takes time to get them regulated in their thought process and that's one the things that the wraparound services provide intensive case management. We also have the substance abuse, that CBI and Phoenix Rescue Mission both operate as nonprofits and we have certainly gotten folks into those treatment programs when they have needed them. This is a huge population on the streets as you well know. And so it's very important that we ramp up as many of those behavioral health services as we can.

[Time: 00:33:11]

The 202 properties, we have a couple in our southern region of Scottsdale and what that is, is similar to what we do in our HCV, housing choice voucher program, that provides housing for folks that only have to pay one-third of the income that they get. A lot of our folks are on that \$740 a month income. And so getting them into something that they are only using a third of their income, because, remember, they are on medications. Remember, they have other needs, that kind of thing. So we have wait lists, though, of a few years at the 202 properties.

And then we have, of course our housing choice voucher programs, our emergency housing voucher program, which is part of the HCV and then we have some ideas about mixed use developments where you would mix different folks under one particular possible facility. Next slide.

So the current partners that we have, that are providing boots on the ground, Phoenix Rescue Mission, they have done an amazing job offing with three street navigators they intercept the people with chronic homelessness on the streets. It takes several times of contact with them before there's an engagement. An engagement means -- sort of like a marriage. An engagement means you are willing to talk with me now. You are willing to talk about options for alternatives to housing and that kind of thing. But you have to trust me just like in a marriage. You have to build trust with these individuals. And without trust, you don't have respect. It's a long process, but we do it. We take steps forward. We take steps backward. But Phoenix rescue keeps going back.

Community bridges provided the wraparound services at the temporary hotel shelter program, and they also provide the wraparound services at our new faces that you see referenced here on the slide. They also provide wraparound services and intensive case management at our two

day relief, and that's the new faces partnership with those two churches. Elaine provides emergency transportation to folks that need to get to medical appointments, things like that.

And so -- and then we have from the ground up which is a consulting firm that we are using to help us with conversations in the east valley. Next slide. And then funding sources, I will just quickly go through these. We have the cares funds that you have graciously allowed me to use and then the CDBG HUD funds that allowed us to provide the similar type of programming in the community.

We do get money from our tribal communities every year. And that's generous and valued to our human services programs that we do. And then, of course, the general funds that's my salary. That's social workers at the seniors centers. Next slide.

And then proposed funding streams would be perhaps general -- city of Scottsdale general contingency funds. We are in, you know, talks and conversations with the county, Tempe, and Mesa and looking at how we would all make an equal contribution to a program, and then we certainly why our N.G.O.s, private contributions that are a big source. Next slide.

So the timeline, it would depend, if it's -- if it's an existing structure, it would be shorter than this, but for something long term, we are looking at four years depending on the model chosen by you. Next slide. I opened that up for your discussion. Thank you.

[Time: 00:36:53]

Mayor Ortega: Thank you very much for the background information. At this point, I would open public comment. I see one in-person, Barney Gonzalez.

Barney Gonzalez: Thank you, council, Mayor Ortega. I want to thank the council for taking on these hard looks. It's time that we did these types of structures. We have kicked the can down the road far too long. So now is the time to do something, and do something positive towards the end of homelessness in our area. We are always interested in preserving our city and our stakeholders and everyone else concerned with the city. It's to our benefit -- all of our benefits that we address the situation and cure the situation as much as we can. It's going to be a long process.

It's not a top priority for anybody, however, these people can't wait. So the importance of this type of program and your ability to tackle this on at this time period, shows bravery, and the ability to solve problems that the city faces. Thank you.

Mayor Ortega: Thank you. Therefore, I close the public comment. We have discussion from Councilwoman Whitehead.

Councilmember Whitehead: I just want to thank the mayor and the staff that have participated on this. The idea of working across borders, Tempe, Mesa, and the county, I think this is an

exciting proposal. I think we have to tackle the root cause.

We have to prevent people from ever falling into homelessness by having enough housing and that's an issue that's also multipronged and I just -- I just commend the mayor and the staff for coming up with something that we can move forward and that it is a partnership among many government agencies. So I'm enthusiastic.

Mayor Ortega: Thank you. I will comment a bit. When we hosted this concept, and this group, I invited the housing director of the state of Arizona. I invited the Board of Supervisors Jack Sellers and I invited the mayor of Tempe, the mayor of Mesa, and one of the directors of the valley wise health -- the county health services.

And everyone showed up on July 30 and brought their senior staff. And we had a full discussion about how we could be effective, more effective working together. Finding common ground. We know we have homeless in every municipality. We know whether in our parks, our business doorways, our parking garage and with the hardships of COVID magnifying those situations, that everyone stepped forward and expressed a consensus to be willing to work as a group and create a new framework to look at a joint project or whatever may evolve.

[Time: 00:41:00]

We all agreed we would go back to our specific entities, that is this chamber, as well as action in Mesa, Tempe, and at the Board of Supervisors level. The -- Tom Simplot, the Arizona director of housing in Arizona, the state of Arizona attended and he addressed that funds are available, in cares funds. What we are talking about and what the subject was, the homeless portion, not the permanent housing portion. I think the background that Greg has provided shows how some allied services work, however, the purpose of this discussion, and my preparation today as well is I will be asking for a -- a motion to direct the staff to continue this conversation because upper staff, senior staff has been in contact with our common goals through these different entities.

And this is only the first step. Greg was able to look at some specifics of what we deliver here. However, we believe if we can jointly work together, we will have a new model. The new model not just about containment and then letting people out on the sidewalk during the day. It's a model of engagement where people might find a part-time job, where people may find classes accessibility in a wraparound effect. All of this was looked at as a reciprocal kind of relationship. Some models are working. This could be our unique east valley model that we are looking for.

And the reality is we have funds available, and Mr. Simplot -- Director Simplot indicated that funds are available, federal funds for this purpose. So we may be able to, you know, corral certainly sharp minds in our different jurisdictions and be able to establish a framework that would involve the legal staffs. It would involve a -- let's call it an umbrella shell at this point. And those goals will be in -- keeping in mind that we do want a neutral site, that's so-called not your backyard and that would satisfy transportation, job availability, part-time job and whatever, education, trade school or whatever, and, of course, the wraparound services as

people get on their feet.

So with that background, we're going to have -- continue the discussion. I will go next to Vice Mayor Janik and then Councilmember Milhaven.

Vice Mayor Janik: Well, first of all, I think this is a bold move forward, and I want to thank everybody on staff and council who has taken that brave step to move forward on this. It is a problem. It's not going to get better. It's a novel and progressive model that I think has a strong chance of success. I also know that this is the way forward that M.A.G. keeps proposing that, we work together with other communities because working with the other communities, makes it easier to solve the problem.

[Time: 00:45:17]

I would hope that staff will continue the work on. This and I cannot say enough about Greg, who has been the leader and the kindness and the compassion that he shows all these individuals. And the success rate you have, I think, is directly related to your involvement and your care for these individuals. So I want to thank you very, very much. Thank you.

Mayor Ortega: Next we have Councilmember Milhaven, and then Councilwoman Littlefield.

Councilmember Milhaven: Thank you, mayor. I will start my remarks with a little bit of context because we get emails from citizens about the homeless in Scottsdale. Folks may not be aware that the courts ruled that folks have a first amendment right to use public spaces. And so where folks may remember the old no loitering ordinances and things like that, the court ruling no longer allows us to have ordinances like that.

So the toolkit we may have had before to address homelessness in our community doesn't provide us with that option. And so we really need to find other ways to help address that problem. So we have the court order that said for folks have their first amendment rights and then Tempe tried to address their homeless problem. And so the homeless decided that Scottsdale is a better place to be than Tempe. And so that also aggravated our problem.

I do want to echo Vice Mayor Janik's praise of Greg and his team. How folks may not realize we have an amazing team who have got amazing resources. Greg shared some of that with us. If you see homeless in your area and you are concerned, please contact the city.

If Greg's team hasn't already been in touch with them, they will reach out and see how they can provide support and services. So that's a little bit of context. To the immediate issue at hand, I'm very concerned that the very last slide is a picture of a high-rise homeless shelter. And I think people need to understand that the mayor's conversations around this partnership and this program have included putting this in south Scottsdale or potentially in the county island not far from our southern border.

You know, I think our responsibility as councilmembers is to protect our quality of life to keep property values strong to keep taxes low and I don't think that siting a homeless shelter in Scottsdale is consistent with our responsibility to our community. I think we would have to go pretty far to find anybody in Scottsdale who thinks that that's a good idea. While we have homeless issue in Scottsdale that we need to replace, I think some of the other east valley communities have a bigger problem than we have, and I'm not sure we want to build a warehouse for the other communities to send their homeless to Scottsdale.

It's ironic that we're discussing building a high-rise homeless shelter when the conversation in town suggests there's hesitancy to build luxury apartments. So that contradiction is quite mind numbing. So I am certainly interested in community collaboration and regional participation and if Mr. Bestgen's team needs to add staff and we need to invest in that collaboration. But I could in no way support building a homeless shelter in Scottsdale or anywhere near its southern border. Thank you.

Mayor Ortega: I will respond to your comments because you are incorrect. I did not put this graphic. The staff did. It was not presented to any of the partners that are trying to address the needs of, again, our business people, our parks and as you said, if you have a problem with homeless people, you just call Greg.

[Time: 00:49:33]

That's incorrect and you seem to be stuck on h's there, homeless high-rise is a construction that you have just made on your own to be fully aware, you are also the council person that voted against affordable housing when the -- the council -- yes, you did.  
6-1.

You voted against that. And we put it in the budget anyway. At this point, this is a conceptual. The purpose of this discussion is when you have more cooperation and more discussion and less distortion or, you know, putting down any -- waving that red flag of homeless high-rise, which is really totally ludicrous.

This came out about five days ago as a drawing, and you are completely off-base, and we will move to other people that want to comment. So I will not let that stand. You can oppose what is on the table. What is on the table is not a final project. It is a collaboration and a partnership among people that know that many of their friends or business people have lost their homes recently with COVID.

There are homeless veterans who have lost their way and there are many needs that can be understood and better addressed with the funds available. So the characterization is consistent with your voting against affordable housing and I will leave it at that and move on to comments for others and the next comment is Councilwoman Littlefield and then Councilmember Durham.

Councilmember Littlefield: Thank you, mayor. When the mayor presented this idea to me, I was

very excited about it. We have tried many, many different ways to help people who are homeless, who have problems and who cannot find ways to help themselves. We have been moderately successful, I will give Mr. Bestgen his credit where credit is due. We have a long way to go.

These are not people who I don't know want to get better. These are not people who don't want to find their way. All they need is a little bit of help. When I came across this idea with the mayor, of a collaboration, not just with the city of Scottsdale, but with other mayors in other cities that touch us and that we can work together, uniformly to find solutions that actually work, I think this has more possibilities of success than anything we have tried yet.

So I'm very excited about looking at this when we have other city mayors who come to Scottsdale and say, we can work together. We can find solutions and we can do it without harming the cities and without harming our citizens but with helping these people who are trying to get on their feet, I think that's a real, real positive attitude. With last year and all the issues we had to face, with COVID and everything else, it's not been a normal time for pretty much everybody.

[Time: 00:53:17]

And so I'm very, very, interested in continuing this conversation with other cities and other mayors, with looking for a possibility collaboration of participants to work together, to find real workable solutions, so work with our sister cities and all of this related to homelessness. I am a very conservative.

Probably one of the most conservative that the city has ever put up here, but that does not mean that we should not be willing to extend our hand and help people who need it. That's our American way and that's who we have always been as Americans. These people want help. We should be able to help them. It would not involve a homeless shelter, multi-stories high happening in Scottsdale.

That is not happening and I would not be for that. This would be in an unincorporated area near all the involved are cities that are going to be working together to find solutions and that way it's a joint effort. So they will not go to Tempe. Tempe will say, we are shutting our doors and we are not helping you. And then they go to Peoria. And Peoria says good-bye. We are not interested in you and then they go to Scottsdale. No.

This is for everybody and we will be collaborating on similar solutions to these problems and hopefully find solutions. For those would want it. They will not be held against their will and we certainly would not be in a position where we would be permanently forever and a day, you know, having a new underclass of people dependent upon us.

This is for people to help find solutions with a roof over their head and a feeling of safety while they do it. I think it's worth trying. It's a new solution. It's an empathic solution that might -- just

might have a possibility of succeeding. There are a lot of organizations out there that work in this area. We can collaborate with them too, bring them in, work with them. And I think it's worth a try.

I think we can say, we gave it our best. We tried to make it help, and to make people feel like they were worthwhile and that we helped them and cared about them. Thank you.  
Councilmember Durham and then Councilmember Caputi.

Councilmember Durham: Thank you, mayor. Are we aware of any precedence where anything like this has been used in either other parts of the state or other parts the country, where -- I mean, I think the general idea of bringing all of these services together in a collaborative way obviously would have a potential to save a lot of money and provide these services in a more effective way.

Mayor Ortega: At this point, I will revert to Mr. Thompson who has some experience in this way.

City Manager Thompson: Mr. Mayor. There are some models out there. Puget Sound region in Seattle. We brought all the services together, and then distributed them throughout the entire county.

We shared HUD funds and all the various CDBG and brought it together and dispersed it. It worked well, but there are challenges. Again, depending on where you locate them and so forth. Here, in the west valley, out by Glendale, there's now one that's moving forward on a regional basis to conjugate services together in that area.

[Time: 00:57:33]

I think the discussions we had to date with the neighboring jurisdictions to look at regional-type services being conjugated together, are close and nearby. None of them are in Scottsdale confines but nearby. The first meeting that occurred amongst the mayors is even further south than where the unincorporated has been. Again, it continues to morph.

We think that it's a very positive opportunity for us to work regionally to pull funds together, and to provide services and more of a location that they all go to go. Otherwise, with you scatter it out. You tend to move this population. Depending on where the services are available, depending on what actions you take, depending if you put barriers to maybe their success in certain areas and where opportunity lies.

And so you tend to move them around and if you have a cohesive place that everybody can agree upon and you bring them together, you have much greater success. I think there's many models. Those are the two that I'm familiar with currently. Thank you, Mr. Mayor.

Mayor Ortega: Mr. Durham, anything else?

Councilmember Durham: No, that's it. Thank you.

Mayor Ortega: Thank you. Councilwoman Caputi and then Councilwoman Whitehead.

Councilmember Caputi: Thank you. Thank you, Greg. I think your department is doing a great job. We had a lot of conversations. I think this is a wonderful idea in theory, as you and I have discussed and of course, I don't think there's anyone on this dais that wouldn't want us to cure the homeless problem.

I would love to see us to do that but I don't think we have the solution. I think this is a really good idea. It seems unbelievably vague and there would be so many things that we would need to talk about. I know I have spoken with some of the folks in the fire department and the police department, and they have expressed the idea which has been brought up today that even the city manager, you have populations that are moving.

Tempe decides to crack down and then it becomes Scottsdale's problem. So while I love this idea that everyone would collaborate, I have spoken with some folks in the different cities and valley wise health and, again, Rah, Rah in the beginning but, I want to have way more conversations and see how this might actually work we're talks about what it looks like. We are way too far upstream to bible to picture it. I think that would have to be part of the conversation as well. Where is it going to be located?

There's always that problem if you build it, they will come. And I don't think we want to be warehousing humans is. I want to make sure we provide all the ancillary services. You will bring the homeless population into our city and then you have all the other services that are going to be required. Homeless populations are different.

They have mental health needs and medical health needs and there will be a whole other layer of things that we're going to need to provide. We can't just put humans in a place and then say, yay. And then there's funding issues. Cares act money is one time. We would need a dedicated source of funding. And we would see that, not just a Band-Aid or else we will have even more problems. I'm very happy to have further conversation.

[Time: 01:01:30]

I just think that we are way in the beginning of this conversation. The other problem I'm having with this is we keep doing things on this council that get us away from having more affordable housing in our community. And so we are just sort of kicking the can. We create the situation and then we look at the other side of that, right?

So don't provide affordable housing and then make sure we can house the homeless. I think it needs to be more of a continuum in the pipeline, instead of using that term again, warehousing humans.

Based on the emails I get all day long, I don't know how the rest of my colleagues feel. I feel the hate email about the apartments and we don't want to put more people in Scottsdale and God forbid we have more people here.

I don't think anyone is trying to appear intensive, but if we are listening to residents, I'm not hearing that people want more population and I'm certainly not hearing that they want more lower income population in Scottsdale. Again, that's just me. I have a hard time understanding how we would get community support for bringing in a large homeless population in or near our city, but I'm perfectly happy to have more conversation and I would love to be the person that solve the homeless problem. I could think of nothing better, but I defer to the professionals.

Mayor Ortega: Councilwoman Whitehead and then Councilwoman Milhaven and I will have remarks.

Councilmember Whitehead: Okay. You know if Councilwoman Milhaven correct, we will have a communication -- we are going to have to sit down and talk with our community about that. We don't do anything that our community absolutely objects to.

I think a lot has changed certainly since 2020, people are -- there's a item of recognitions. There's the recognition that homeless people are a middle class people who had one medical disease or one incident of bad luck and there's the recognition that seniors and young -- young people, we're seeing a spike in those types of homelessness.

And there's the recognition, the very real recognition, even if you are a heartless person, the most financially sensible thing you can do is catch people before they become permanently homeless.

[Time: 01:04:07]

That's where the cost, is not providing nonprofits access to homeless people in a single center. That is pennies on the dollar. You always want to -- prevention is worth a pound of cure as they say. Then I want to address everybody's very complementary of you, and you know I am as well. Because of some of Greg's past programs, we have something to look at. Rodeway Inn. No hotel wanted the business. Really?

It's summer during COVID. Rodeway Inn raised their hand and got a great deal. We and the city got a great deal. The city provided, I think, police, at the hotel and quickly found out, well, we don't feed police. So there might be a -- we don't need police.

So there might be a crime problem but it was not with homeless people at Rodeway Inn. Greg had tremendous success. We had a homeless population into a not homeless population. Again, this is cost saving to the heartless taxpayer who only cares about money.

Then there's the issue of -- well, I visited a senior living center in Mesa, and it's an interesting

situation. It is a beautiful luxury complex. It is gorgeous and, of course, people were worried and low-income seniors. Unfortunately, it was -- it was so successful that it raised the property values in the area.

[ Laughter ]

Making additional -- you know, making it more expensive for the next low-income project. So low-income and homeless centers don't have to bring crime, but they do have to be well managed and it's a matter of management. I think we have to end this pitting city against city. And so the idea of working with the state, the counties and is awesome. I do have some recommendations that I want to mention. I always prefer an existing structure although that one in Mesa is gorgeous.

That high-rise was a bad picture to throw in there. I also would like staff to really come back to us and give us direction, this idea of temporary housing. I just dealt with this gentleman who ended up -- we found housing for him for two nights or one night, but what does that mean temporary, versus permanent?

Because I want to make sure that people like the Rodeway Inn are there long enough to get the jobs and to get the permanent housing. What does temporary housing mean? And I just also want to point out that as a volunteer at the granite reef senior center, we are seeing a huge increase.

[Time: 01:07:15]

So we have people come in and pick up 10 bags of food and those same people are now picking up three bags of food because the seven others that they used to pick up food for have been tossed out. So we have a problem. And we have seniors or others as well. So those are my comments.

Mayor Ortega: Everyone has spoken. Back to Councilwoman Milhaven.

Councilmember Milhaven: I want to clarify. So there's a difference between affordable workforce housing, and homelessness. All right? So when we talk about affordable workforce housing, it's providing enough variety housing options and price points so the people who work and serve those of White House live here in Scottsdale -- of us who live here in Scottsdale can have a decent place to live.

So homelessness and workforce housing are two very different issues. I want to clarify that. I did not vote to put money in the budget because there was no clarity. I was the one who made the motion as a mayor and council item to establish a community conversation about ways we can improve affordable workforce housing. So I just wanted to set the record straight. Thank you.

Mayor Ortega: Thank you. Councilwoman Littlefield and then I will make a motion.

Councilmember Littlefield: Thank you, mayor. I just would like to say a couple of things and I will just let people think about it a little bit. This project may not work. It's kind of a pie in the sky, hopefully we will try it and see if we can make it happen. But I would like to ask people, who do you think the homeless are in general?

They are us. They are people. They are Americans. They are a lot ex-military who came back wounded physically or mentally. They are people who lost their jobs because of COVID, businesses collapsed. They are people who can't get work right now because we have everything -- the lower job salaries are closing up.

They are going away, because everything is going online. You can order your groceries in and pick them up at the store and you don't have to be there to get them checked out. All of this kind of stuff. The society itself is changing. And it's changing in ways that are hurting some of our people who had these jobs now that the jobs aren't available, some of them want to go to school?

How do they do that when they don't have money to pay for housing, in order to go to school and spend their time getting an education. How do they feed their kids when they can't get a job? These are the kind of people -- you know, they are not -- they are not scum. They are people who have had really, really hard issues, hard problems in the last few years, especially, and if we can help them get a hand up, get them back on their feet, and make 'em feel like, okay, I have a roof over my head, and I can concentrate on getting myself together and getting my family back together, that's a real win/win for us.

[Time: 01:10:27]

I'm not saying, we will build apartment complexes for the homeless in Scottsdale. I would not be for that and I don't think any other council in the valley would be for that particularly either. But I think working together jointly, uniformly with the same focus, going in the same direction as the others, we can combine our knowledge.

We can combine our experience and maybe it would help us to move forward with this issue and get a handle on it. That's what I'm willing to try. Because I think it's worthwhile trying. If it doesn't work, we're not out anything, except time, effort, and a few tears. I think we need to give it a shot. With all the other cities looking at this, this is a step forward that has not happened yet in the valley. It's worth time -- it's worth doing.

Mayor Ortega: Okay. Councilwoman Caputi once again.

Councilmember Caputi: I absolutely, again, I'm in agreement with moving forward on this idea but I want people to consider the fact that we are going to help the homeless population, again, which I agree is people that you would least likely consider, and we, of course, need to take care of our homeless population but the goal will be to get them out of homelessness, right, and into

permanent shelter and so, we have a city that we are discouraging diversity of housing in. So we are going to get people out of that homeless situation and then where are we putting them? In a large single family lot in Scottsdale?

All I'm saying is I would like the conversation to have more of a -- I think we need to think about this holistically. There needs to be a pipeline of housing. We are going to solve the homeless problem and then we're going to ship the newly homed folks into other communities or -- like, I just think as a community, we actually need to look at the whole pipeline, not just one side, and the other side.

But, yes, absolutely, I'm going to agree with the motion that's about to be made to continue the conversation. I just want to make sure we think about all the parts of this conversation. Thank you.

Mayor Ortega: Well, thank you. Everyone has spoken. I want to be very clear that I can understand the skepticism that might occur. We know that there is a -- a need and I also respond to emails from business people saying, please help us. Please do something. Please act.

We are tax paying businesses and let's work together on something. We all want successful outcomes. The fact is that -- well, for 11 or 12 years, that some people have been on council, they have not done anything. And I can understand the homelessness not being addressed for almost a dozen years. When we have the opportunity because the definition of affordable housing by the way, which is broad.

It involves emergency housing, temporary housing, and it's a category. One can check that later and find that out as this group continues in the study of the discussion. The idea of workforce housing and apartments and market rates or otherwise is another topic. It's off topic for what was discussed. What I want to say is how encouraging it can be when we can have the chairman of the Board of Supervisors sitting next to me, saying rarely and if anything is proposed within his district, and it may involve county property or just going to him for advice, he will always seek the approval of the adjoining mayor.

[Time: 01:14:32]

And to hear him say, we have got three mayors in that district that want to say we can bring a better solution and to say that that kind of buy-in is there and the head of housing, which handles many bundles of funds being right, and we can explore all of those levels and we can move together because there has been a big catastrophe in the economy and hitting people at various times.

The agenda item, I will now move that to direct the city manager and the city attorney and other resources of staff who are very knowledgeable to speak with counterparts -- well, that this council would direct that our city manager and charters communicate among themselves and then with the other parties so that we can try to look at a construction or framework which

would still have to come back to council, which would be encompassing the parties.

We may be different from the state, county or the city level but we have the same problem. We have the same need to meet the human need and the other -- so I would move that we move forward in that direction and report back as appropriate.

Vice Mayor Janik: I second that motion.

Mayor Ortega: Thank you. We have a motion and a second. We have discussion from Councilmember Milhaven.

Councilmember Milhaven: Would the mayor entertain a friendly amendment in order to identify that we are not interested in building or creating a physical center to house the homeless.

Mayor Ortega: Madam -- no, I'm not entertaining a friendly motion of a hypothetical.

Councilmember Milhaven: Thank you.

Mayor Ortega: We are talking about a general framework at this stage. Anything -- any actual bricks and mortar would come back in a combined entity. Any other discussion. We have a motion. Your light is still on Ms. Milhaven. Thank you. Please vote. Thank you.

Mayor Ortega: The motion passed 6-1, Councilwoman Milhaven dissenting.

#### **ITEM 10 – PUBLIC SAFETY PLAN ORDINANCE**

[Time: 01:17:13]

Mayor Ortega: Next, we go to item number 10. We are here to discuss the public safety plan ordinance and I received the overview from our illustrious Chief Jeffrey Walther.

Jeffrey Walther: Thank you, mayor and members of council, this is an ordinance that's near and dear to my heart. Almost eight years ago, my counterpart, and then mayor's assistant J.P. Twist actually did a lot of work in putting together the public safety plan ordinance that went before council.

Councilmember Milhaven was on at that time, and Councilwoman Littlefield's husband Bob was on council at that time when we passed that groundbreaking legislation. I want to thank them for that. And briefly what we will go through is changes and amendments that we would like to make for your review and discussion and then directions to staff to move forward with potentially outreach to the public.

I'm excited to share them with you. It really has been a great eight years with the public safety

plan ordinance and the level of increased safety that it has brought to the downtown. I know I have shared with you information lately that makes you question that, but we can -- we can kind of get into that some of that as we move along.

I want to give you a little bit of background in terms of how we came to be where we are today and where we want to go with this along with the proposed updates. So a little bit of background and how we got here in January 27, 2013, tie res Thompson who was a civilian security officer was stabbed out in front of martini ranch and later died of his wounds.

That prompted a lot of discussions both in the P.D. and at the city level, related to the amount of violence we were seeing in clubs at that time and in particular, inside the clubs which is really what we wanted to work on.

January 28<sup>th</sup> of that same year in 2013, folks from the mayor's office, the city attorney's office, the police department, fire department, code enforcement, and planning, we kind of all got together to discuss what are best practices?

[Time: 01:19:42]

In fact, Lewis and I traveled to Orlando, Florida and a sociable cities summit to look at best practices around the country to see what other cities that had a vibrant night life were doing. We figured out we needed to create our own way of doing things. We did stakeholder meetings with club owners and business owners in the downtown. Three public meetings and we actually -- typically, depending on the topic, you don't see a lot of public input at these meetings and our meetings were packed!

So there was a lot of interest in seeing what we would do in the downtown to really kind of see if we couldn't mitigate those safety issues. And so current public safety plan was adopted by council on September 10<sup>th</sup>, 2013, and then went into effect in October of the same year. So who does -- what businesses does the plan apply to?

So that's a -- I always like this and this is ordinance language, assembly group, a2, a3, or a4 occupancy. That's all the legal jargon of fire prevention and protection within structures for occupancy load and levels. Pursuant to Chapter 36 of Scottsdale revised code.

These were the big things that what -- if a business engages in any one of these things they are going to be subject to the public safety plan ordinance. Age verification is requested for admittance, provide a deejay, provide adult services, and a teen dance center, which we haven't had in a long time but a teen dance center, as defined by 16391 or the utilize a promoter. That's my shout out to the devil house in the 1980s.

Mayor Ortega: They had plastic pitchers and they didn't break when they bounced.

Jeffrey Walther: That's true, mayor. The devil house was really popular. This established a ratio

of security personnel to patrons. And that's a big deal when we look at how many people come in to a lot of our establishments on a Friday, Saturday, Sunday night when we have, 10, 12 or 15,000 people in old town.

The staffing was one security officer for 50 patrons for the first 500 and one additional security for 75 patrons during peak hours which is 10 p.m. to 2 a.m. And then the big thing for us is it also required the hiring of off-duty police officers after a specific number of public safety plan events and those were typically related to violence and we'll talk about that in a second and a number of officers, off-duty officers and the duration of hiring could be based -- could be waived based on the discretion of the police chief, but we have never really did that.

[Time: 01:22:58]

If you had a violent incident or a series of violent incidents then this would be triggered and I'm happy to tell you that it didn't happen that often. When we instituted in October of 2013, for the first two years, we had several times where we had to enact the ordinance, and have a bar or a club hire off-duty police officers but that's really waned over the last several years and I will explain that moving forward.

The idea was businesses with two or more public safety incidents within one week period or three or more in a month would be required to retain the services of two police officers for up to three months. For a minimum of three months but you had to have three consecutive months without public safety incidents.

So it really brought a lot of the clubs into compliance by how well their folks were trained by us and the level of violence inside the club. And then we'll talk about the difference between the violence we were seeing back then, prior to October 13, when this ordinance was enacted, because we saw a lot of violence that was taking place inside the club. Now what we wind up seeing is kind of what we expected, is that the violence is outside of the clubs, which is better for us and I will share that momentarily.

Related to significant violence, businesses with one or more public safety incidents involving use or threatened use of a deadly weapon or a deadly instrument would automatically or death or catastrophic bodily injury would automatically trigger the P.S.P., and that club would be required to hire off-duty police officers, extra security for that period of three months. Why?

A lot of discussion about why we needed this back then and you couldn't just talk about William, the violence, well, the violence. Really a lot of discussion was we wanted to increase the communication between the police department and the fire department, with our very vibrant and ever growing number of establishments and have better communications with them related to how they train their staff.

Training was hit and miss at best. In a lot of clubs it was nearly nonexistent. We wanted to promote compliance while developing a positive working relationship, assist them in liquor law knowledge, which it was lacking, legal issues and customer service, reduce the chances of an

emergency incident, and minimize the impact of an incident should they occur and they did occur. And improve the safe and handling of an emergency when it occurred.

One the things that it did for us which was great, was it really increased the level of working relationship between us, the bar staff, the security staff, the owners, the general managers, because now the P.D. provides all of the security training or the beginnings of the security training to them, liquor law, training, de-escalation training, that type of training to really diffuse situations inside the club, they have gotten very good at that. In fact, they have got sown good at it that they wind up giving them out of the club and then things tend to happen in the street.

[Time: 01:26:14]

So what do we want to do? What we are recommending for your review and direction to staff, is a couple of significant changes or amendments to the plan. The first of which is in definitions we want to update a couple of definitions or introduce the control of business, control means the power to direct or cause the direction of the management and the policies of an applicant, licensee or controlling person in anyway.

And introduce the definition of controlling person, controlling person means a person directly or indirectly possessing control of a business. The reason is these definitions will help us identify who is responsible for the business, their additions proposed in multiple sections of P.S.P. to ensure controlling persons can be held accountable for the business they control. What we found over the last eight years, is that it has been difficult on occasion, when we have an incident to find who is really the controlling person in the business. Who is really running things?

And so this tightens that up a little bit to identify those folks. We also want to introduce significant bodily injury. While Arizona revised statutes talked about significant bodily injury, we also want to add that significant bodily injury means an injury that causes permanent or temporary, substantial disfigurement, permanent or substantial loss of any body, organ or part or a fracture of any body part, excluding a fractured nose because if we did, that we would have a lot of public safety plan incidents.

We have a lot of broken noses in the downtown. It adds for clarity that refers to different types of violent acts. It differentiates them better, we think, than they currently are. Number two, is update Section 2355, public safety plan submittal and how they are submitted. 2355 of this document is required for the submittal of a public safety plan.

It includes hours of operations, floor plans, employee lists and evacuations. And line management plan which is really important for us, and I will get to that in a minute. Introduce the requirements of disclosed locations of surveillance equipment and surveillance data storage. It's surprising to note that sometimes the people that we're dealing with at a club, we don't have cameras. Well, what about that one? Oh, I guess we do have cameras. Okay where is the data? We are into the recording. Can we see that? Yeah. Can we go back -- oh, it looks like it's recording. Sorry, we deleted.

It so we need a little bit more teeth in this to address the surveillance issue and introduce the requirement for the business to attend court when the business or the patron or involved in court. Would you be surprised how many people don't want to show up to court when there's a public safety incident in their particular establishment. This provides victim, suspects and investigators with a more comprehensive evidence in court so that these just don't fall by the wayside, due to a lack of involvement, or a lack of evidence that we are able to obtain the night of the incident.

Number three, add failure to comply with uniform requirements to 73-72. If you have been in the downtown and seen some of the bars and nightclubs, you see that we want to really tight up the requirement nor how security staff is identified. Security uniforms have been identified as a public -- definitely a challenge for us, being unmarked or poorly marked security personnel have regularly led to altercations because somebody in the club now who is about to be thrown out is -- somebody puts their hands on them.

They can't see security or anything and they think they are being attacked and now a fight ensues and it winds up being with staff when that person doesn't know it's staff. They just think they are being attacked by some random person who has poorly marked security. Updates to acceptable security proposed and acceptably dressed security can be counted on as on duty and that goes back to how many security staff per patrons. You have to be properly identified.

[Time: 01:30:22]

It's important because 2372 includes required ratios of security patrons and only acceptably dressed personnel can count towards those ratios and the business is required to have a public safety plan pursuant no this article should not allow the personnel to act as personnel unless meeting the requirement. We thought we had this written well in the initial ordinance, but it just wasn't -- it wasn't clean enough. It wasn't tight you have. The security, uniforms, outfits sometimes. They are able to be seen. You can see this and you recognize that authority inside the bar or the club.

We believe it will definitely mitigate incidents of unmarked staff to get into physical altercations unless otherwise authorized by law. Number four, we have a lot of little changes. It's been eight years. Failure of -- Section 23-72. It's really about our ability to require them to have the businesses -- the businesses that have a public safety plan are required to preserve any and all incidents. That is not limited to all surveillance footage. Everybody has cameras now eight years ago, they didn't all have cameras. Today they all have cameras. Audio video recordings and/or log books and then provided to us upon request within 24 hours of a violent incident. Number 5, line management, I mentioned before, you see the clubs get more and more popular. I didn't think that was possible, but they continue to be very, very popular here. This is the place to come. It's very vibrant. It's very exciting.

And now what we are seeing are lines. And some very long lines, and it should be unlawful for

any business required to have a public safety plan pursuant to this article to do any of the following involves a line of patrons, allow a line of patrons to obstruct traffic or pedestrians, seen it. Been a lot of people in the streets.

So we need to make sure that there's proper line management. Failure to have security personnel present and engaging in routine line checks. Once a line has more than 50 people in it, which yes, that does happen. People will wait for lengthy periods of time to get into some of the popular clubs and fail to remove trespass patrons. A lot of information. These are the public safety plan ordinance has been really great for us. A lot of other cities who have smaller entertainment districts than ours have come to look at it and adopted some portions of our ordinance.

It was pretty unique for the time when it was approved by council in 2013. So this is an opportunity for us, as we need an uptick in violence in our entertainment district for Lewis and I to say, are there opportunities to make amendments to this? Bring them to you for your review and to move forward with some discussion on this. The last thing I will share with you is the success of it. We had a great deal of success with it. Simply what we found prior to this was violent was happening in the clubs.

When the violent incident happens inside the club, that brings a whole bunch of other people jump into the mix and we wound up seeing more injuries more arrests and more problems inside the club. And to be honest, sending my folks into the club where there's a massive brawl is very dangerous for the officers responding to that what it has done, now that we are training the security staff, what we are seeing is that something will occur inside.

[Time: 01:34:27]

They have gotten -- their staff has gotten very good at the offending person outside. And then it gets ugly out front but then we are out in front or we get called to the front where we have pay little bit more room to maneuver and flexibility. Yes, we are seeing some uptick in violence in the downtown and I'm happy to entertain questions about that, but these amendments, we think will provide the necessary tweaks to continue to provide the great level of safety in the downtown. Questions?

Mayor Ortega: Thank you. At this point, I see Councilwoman Littlefield and vice Ma mayor Janik afterwards. I'm sorry, Councilwoman Whitehead and Vice Mayor Janik.

Councilmember Whitehead: Okay. I'm always first. Thank you. Thank you, chief. Great presentation. Thank you, Luis. We have obviously this -- eight years ago, it made a big difference and I'm really pleased and we do have spikes. I think all of these recommended changes are good. I have a couple of questions. On the gun -- so we are seeing just a spike in crime and a spike in just general incidents of illegal guns. Would that be accurate?

Jeff Walther: Yes, ma'am, that's accurate.

Councilmember Whitehead: Yeah. And then we are also seeing an increase in assault on police, correct?

Jeff Walther: Yes.

Councilmember Whitehead: Okay. So I think -- obviously, our vibrant downtown, I think the biggest threat to that is to have it have an image of being a dangerous downtown. I really appreciate this.

A wanted to know, how -- how to deal with this cause, like I know you want to p.m. the people outside and that makes a lot of sense. We had a lot of incidents like a young man drowning and we had been drinking way too much in a bar.

[Time: 01:36:20]

We have -- councilman Durham had quite an extensive list to share yesterday and it seemed to involve one club, where one time after another, people that left the club ended up in big gun fights.

How do we -- how does that connection -- how we do we reduce that. We want them outside, but ideally we don't want them in gun fights. Any thoughts?

Jeff Walther: Yes, Councilwoman Whitehead, thank you for the question. We have definitely seen an uptick in gun-related calls for service in the downtown. Luis and I were talking about it before council started and we are seeing anywhere between a 25 and 20% uptick year over year. Certainly if I look at last year, I discount last year. There was -- we had a very low incident last year. We are seeing that increase. Absolutely, they are connected. All of these issues are connected. When you add alcohol to 10 or 12 or 15,000 people, in a fairly small area.

You look at the u or craftsman court or those areas of Stetson, 6<sup>th</sup> avenue, that when you have all of those clubs in the same general area, and as the night goes on, and more alcohol has been served, then you get patrons who get into scuffles with one another and that spills out into the roadway.

We would prefer it to spill out on the roadway as opposed to being inside. How do we stop that? That's a more difficult question.

Councilmember Whitehead: Let me change my question a little bit. If the scuffle happens inside, there are consequences to the club. I guess my question is how can we extend those consequences in they send the scuffle outside?

Jeff Walther: Perfect. Perfect. So P.S.P. applies -- actually the PSP and Arizona liquor laws apply to inside the bar and outside if we can tie altercation to the club itself. Let's say something

happens inside the club that doesn't violate the PSP, it's not a public safety incident. But then it becomes one outside or it becomes a fight or a brawl, there are injuries and if we can tie it back to the club, through -- and then take a report, then we will forward that information on to the Arizona department of liquor licensing and control, for their review.

[Time: 01:38:45]

Councilmember Whitehead: So another question, we don't want to disincentivize people admitting, that people will go out and have a brawl. Is there a way that we can tie it to the club, but yet give some kind of benefit for early reporting or for, you know -- so we are not looking at footage to connect. It seems like a bureaucratic job to connect the fight with the bar.

Jeff Walther: You bring up a great point. We saw that in the first several years, and we still see it now where if a scuffle starts inside, they are required to report it to us. If it breaks up and goes away before we get there.

Typically, what we find is our bike officers or a gun suppression detail down there, then we see it as it spills out of the club. And, yeah, they are required -- they are required by this ordinance to notify us of a public safety incident. It's now a matter of are they going to? And most of our clubs are good businesses for us.

We have a great relationship with them and we held them to account over the last many years. They have gotten used to this over the last eight years and we get a lot of contact but I'm not naive enough to think that we are getting contact on all of them. We are not.

So oftentimes they are not the teeth that we are talking about for every single incident. It's catch is when catch can. When they call us, then we enforce it.

Councilmember Whitehead: Another question is, so you and your officers have done a great job, really stepping up enforcement and that's definitely the way to send the message that Scottsdale is not a great place to commit crimes but that has come at a cost to all of our taxpayers.

You know, I guess I would like to have some analysis of how do we -- two nights ago we talked about having development paper. If we have to have overtime officers have a look to make sure that that's balanced and that's different from this, or maybe it's not. I just want to point out that I don't want our taxpayer subsidizing overtime police because we want to make sure that it's safe downtown.

Jeff Walther: If I can, I think that's a very valid question. I will share with you in terms of budget -- and my budget for this fiscal year, the city manager and you have authorized a certain amount of overtime for us and I will tell you that we -- even with these details, we typically stay within that overtime allotment, otherwise, Dr. Thompson will be on me about how much overtime money I spend, and so -- so we try to be fiscally responsible with that overtime and

apply to those areas where we see have the most need and this that was that occurrence.

Councilmember Whitehead: Absolutely. It's more of an esoteric question. Is the district paying for itself? It doesn't need to be answered because I have some other ideas on how we can reduce the cost and the crime here. I love the expanded surveillance, the old broken window, you had talked about a trash, the clubs that join in together and pay for a company that kept the district cleaner. Is that something -- it really a question for Luis if that can be part of this ordinance or is that a separate deal?

[Time: 01:42:40]

Jeff Walther: I defer to Luis, whether we can make them be a part of that. In the past, they formed their own group to clean up the downtown after the bar closes or before people woke up in the morning. That's waned a little bit. Whether or not we can make that as part of the ordinance, we are doing a bar summit. And we will talk about the trash.

Councilmember Whitehead: We will make it work whether it's this ordinance or not. I think we need to focus on that.

Luis Santella: Good evening mayor and members of the council. That's a good question. Most of our bars unless they are grandfathered in have a CUP requirement. And usually in the CUP requirement, there's actually a maintenance-type component that does cover trash. So trash itself is not really a public safety issue. I don't think it's within the scope of this particular ordinance but it can be addressed in other ways and I do believe in a lot of CUPs, they have some type of maintenance or cleanup type requirement.

Councilmember Whitehead: Okay. Thank you. That segues to my last area of comments. Again, I have no requested changes to this. I think it's fabulous and I'm very grateful to all of those involved, but it's one thing to enact a new ordinance and another thing to enforce it. So I kind of want to touch on some ideas that this council should consider. We have an increase in assault on P.D. which is very, very concerning and that goes to the county. Assaulting a police officer is a felony, but it's prosecuted at the county, right?

Jeff Walther: It should be, yes. But oftentimes to the level of assault, it gets kicked down to us as a misdemeanor.

Councilmember Whitehead: It's my belief that every time one of our officers gets assaulted, there's a prosecution, that will reduce assaults on our police officers. I want to bring that up, because I hope that this council, as a body can take action to make sure that the county does prosecute or find ways to help the county prosecute.

Also, it's easy to see the police and the effectiveness of our police, but I want to talk about both sides, the pre and the post crime. I think that the city manager's heard from us that we probably need more code enforcement. Again that broken window concept to try to create an

environment where it just looks like not quite the right place to commit crimes and then on the back end, once we do have a crime that's occurred, make sure that we have the resources and the right people in place to prosecute because what I ultimately -- what we want to do is make our police, you know, go help people with cats -- I guess that's firemen.

We want to reduce the necessary police presence so I think we really have to look at code enforcement and the prosecution side as well as just P.D. resources. So thank you.

[Time: 01:46:10]

Jeff Walther: You bring up some great -- you mentioned the broken windows theory which that kind of translates into crime prevention through environmental design. There's things just in terms of increased or better lighting, Bollards and we will have some discussions that will help us in the future with some of those crime prevention thoughts.

Mayor Ortega: I will now make a comment because, of course, we are agendaized for the discussion of what's presented here, and there may be other issues but we must stay on the topic. I would ask if there's other issues that might need to be brought forward at another time. I would, again, want to -- or I would expect -- and we have no had a motion yet. I would suspect that there might be a motion that would ask some ordinance text amendments be brought back and that would, of course, become public and then we could look at those particular things.

Now, we're still including our discussion here. But that would be the next step at this point. Vice Mayor Janik, please.

Vice Mayor Janik: I just have two questions and a comment. Very nice ordinance. You have done a lot of work on this and I think it's definitely going to improve enforcement and safety. My first has to do with the availability of off-duty peace officers. There are requirements if there's certain violations you need to have the peace officer.

Well, what if you can't find any? What happens next?

Jeff Walther: Vice Mayor Janik, that's a great question and that happens to us.

Vice Mayor Janik: I will thought so.

Jeff Walther: Scottsdale is an event city. And so my officers are at a premium for a whole the other events and that does happen in the downtown, with just even regular venues that want to hire police officers off duty.

So we work with another company called law enforcement specialists that employs off-duty police officers from around the valley and around the state to fill those postings. So we have -- we tap into a much broader mark of police officers.

Vice Mayor Janik: Thank you. And then my second question has to do with your proposed change number one, update definitions. I just want to make sure that this -- these definitions have been vetted and that they have been used in other cities with the police department. And that --

Jeff Walther: Yes, they have.

Vice Mayor Janik: Do you know my question?

Jeff Walther: Yes, they have. I will let Luis. This is a legalese question. He worked on this.

Vice Mayor Janik: Thank you.

Luis Santella: Mayor, members of the council thank you again. Yes, the definition of control is very well vetted. It's borrowed straight from Title 4, which governs liquor law and licenses. We have also used that definition in other parts of our city code.

Vice Mayor Janik: Thank you. I appreciate that.

Luis Santella: No problem. Thank you.

Mayor Ortega: Next Councilmember Durham and then Councilwoman Littlefield.

Councilmember Durham: Thank you, mayor. My first question was -- I think you addressed this a little bit. You have said there's an obligation on a bar or a club or whatever to report an incident that happens inside. Can you tell me exactly what that level of reporting is? What events they are required to report?

[Time: 01:49:55]

Jeff Walther: Yes, what they are required we talked about what a public safety incident, either that two in a week or three in a month, those are violent encounters, fist fights, things like that, inside the club or one significant use of a weapon or threatened use of a deadly weapon, or serious injury.

They are required to report those incidents if they take place inside the club. And so part -- there's -- when we get into the full ordinance, there's also adverse consequences or punitive areas where there are fines assessed if they don't comply with that. Initially this was some struggle in 2014ish, end of '13/14, there was a little bit of struggle to make sure they were complying.

We gave a lot of warnings initially and then we got people into compliance. And so now they are very used to having to report. Are they reporting every single one. Especially if they are able to keep it quiet, hush everybody out and if it doesn't break out into a brawl in front. Then I promise

you, they are not calling us on every single one of those but if we find out then we have a conversation.

In fact, I see one of my liquor detectives who spoke to you on Tuesday night. I have two liquor detectives who are responsible for regular communication with all of our P.S.P. holders and that's a regular discussion with them about mandatory reporting.

Councilmember Durham: And my second question is that as you have indicated, part of the result of the ordinances to push the brawls and the fights outside. Are there sufficient people, officers or security personnel or whatever to keep it fairly under control on the outside in the streets?

[Time: 01:51:49]

Jeff Walther: Yes. Yes, sir. Most of the time there is. Fortunately for us -- if there were a brawl at every single establishment at the same time, no. But that typically is one here, and then it's one down the road, you know, 15 minutes later, and one over here.

So we already bring a lot of our specialist units to bear on a Friday, Saturday and Sunday night. Our bike unit, our street crimes unit, and we have extra resources that are scheduled to work those nights anyway. So we upstaff that.

Our mounted unit and so we have the necessary resources to deal with those, unless all of them break down at once. And then all of those clubs also have door staff. They have interior security and door staff that assist in those issues with us.

Councilmember Durham: Great. Thank you.

Mayor Ortega: Councilwoman Littlefield and then Councilwoman Caputi.

Councilmember Littlefield: Thank you, mayor. Well, I think as we have all seen lately, our downtown is suffering from an increase in criminal activity. And I believe that we should listen to those who are on the front-lines trying to hold that line, as what should be done and how we should take care of this problem. It's -- it only makes sense.

And also, to the comments of the council, they make sense too. These are all really, really good things. The requests that are before us today, for the proposed changes of this ordinance, are very rational and simple to do and I think they make a lot of sense. I would like to move that we adopt the proposed changes to our public safety plan as presented.

Mayor Ortega: Second. And I do have discussion -- oh, I have --

City Attorney Scott: Mayor. We're on agenda tonight just to provide direction to staff to look at these amendments, take them out to the community, get public input and bring them back to

council for approval, not to actually approve them tonight. Which is how I heard the motion.

Councilmember Littlefield: That's what I thought we were supposed to do also. But if that's the case, then I make the proposal that we do, that and with as fast a speed as we can manage to get it done.

City Attorney Scott: Very good.

[Time: 01:54:24]

Mayor Ortega: And I will second that, agreeing that law enforcement has excellent judgment as well as legal. And that we would look for testing it in the community, as well as specific text that would relate to that so that we would -- it would then come back. I see we have a motion and a second. I do have a hand waving from the city attorney and then we have Councilwoman Caputi. Okay. Councilwoman Caputi, discussion on the motion.

Councilmember Caputi: Thank you, chief. I think that it's really timely that we update this public safety plan ordinance. We all know that there's been an uptick in crime lately in Scottsdale. We don't like to think of Scottsdale as a place of crime, but we do have to acknowledge the reality. I know Chief Rodbell, one of his favorite sayings was if we could get people to close their garage doors, we could get rid of 80% of crime, but that doesn't seem to be the case anymore.

Jeff Walther: No. No ma'am.

Councilmember Caputi: I love the idea that you can't underestimate outfits. I like making them very specific for people in the clubs. Councilwoman Whitehead and I had attended a neighborhood meeting a month or so ago and it was interesting to listening to the neighbors that were most impacted downtown. The change that you made concerning being clearer about who had as control, I love that because that did come up if you remember in the meeting, people were saying that that was very confusing when there was an alteration or an incident, who do you call? Who is in control? Where is the owner? Maybe they are out of state.

And I think tightening up on that is a really good idea. The other thing is the video surveillance. I know we had chatted about that a little in that meeting as well. And you even underscored this about how some of these owners don't even realize they have video, and then they realize they do, but they have already erased it or didn't record it, and some of the owners were talk about coordinating efforts on that with the police, having a system that maybe spoke back to the police department? Do you remember that?

Jeff Walther: Yes. Yes, I do.

Councilmember Caputi: The technology was over my head, but it sounded like a great idea.

Jeff Walther: Thank you for the question, Councilmember Caputi. When we talk about it and

we'll talk about it in the future. We have talked about a real-time crime center and how we stood up the beginnings of real-time crime center, that's the opportunity that we can take in video feeds and a real-time crime center and see that live. That's for another discussion, but we have that ability through software and technology to actually view that. So it's -- the issue that was brought up and you bring up again, was business owners or property owners who own that building, who know that there are cameras there, but are leasing that to tenants who don't know that there are cameras there. So that's something that we're working on as well.

Councilmember Caputi: Again, I think this is a great idea. We should move forward with having an ordinance what that is updated. It's not illegal to have a weapon in our downtown. It's just illegal to discharge it.

[Time: 01:57:53]

Jeff Walther: It's not illegal to have a weapon, as long as you have your constitutional rights, it's not illegal to have a concealed weapon. But outside the club, people have guns in their cars, they have guns on them and outside of the liquor establishment, that's not illegal.

Councilmember Caputi: Okay. Thanks. I heard that term illegal gun and I wanted to clarify. Okay. Thank you. Great.

Mayor Ortega: Very good. At this point, we have a motion and a second. Please record your vote. Thank you. -- unanimous. We always save the -- thank you, chief. Appreciate it.

#### **ITEM 11 – FINANCIAL UPDATE – PRELIMINARY FISCAL YEAR 2021**

[Time: 01:58:40]

Mayor Ortega: We always save the best for last and we will have a quarterly -- well, the financial report by our treasurer, Sonia Andrews. Please proceed.

Sonia Andrews: Thank you, mayor. Good evening, mayor and members of the council. Our fiscal year-end 2021, just ended on June 30<sup>th</sup>. We have closed out books for fiscal year 2021 and so tonight, I would like to share with you some preliminary numbers for the fiscal year 202, is these numbers have not been audited yet and we expect our auditors to complete the audit sometime in November.

So if there's any significant change to these numbers, we will bring it to your attention. Next slide. So to put some perspective on our financial results for 2021, I would like to highlight the economic factors at play throughout the year. Since the pandemic started, there has been over \$3 trillion of federal stimulus and federal pandemic aid. Arizona received \$32 billion and this is in the form of P.P.P. loans and employment checks, direct stimulus payments, et cetera. Personal income has risen. Asset values have also risen significantly in terms of stock market gains and home price appreciations and as the economy opened up, consumer spending was

very strong with pent up demand and a lot of money to spend. The state of Arizona saw a record growth in their tax revenues. Next slide.

At the state level, sales tax, income tax and the state's overall general fund experienced record growth in 2021. Just like the state, we also saw very strong revenue growth. Next slide. So as you can see on this slide, here at the city of Scottsdale, for fiscal year 2021, which started in July of 2020 and ended June 30<sup>th</sup>, our local sales tax revenues increased by 11% over the previous year.

The state shared 13% and the overall general fund revenues increased by 6% and in addition, we also received some American rescue plan funds in fiscal year 2021, about \$15 million of it. As you know, sales tax and state shared revenues are the main source of revenues for our general fund. Next slide, please.

[Time: 02:01:17]

Our general fund is our primary operating fund with revenues totaling over \$300 million and as you can see on this chart, sales tax, state shared taxes and property taxes make up 75% of our general fund revenue sources. When we adopted the budget back in 2021, it was back in 2020, and we had no idea what the recovery would look like.

We budgeted very, very conservatively and clearly the recovery was a lot faster and stronger than we expected. Next slide, please. And as you can see, compared to budget, our sales tax, state shared revenues and the charges or services are more than 20% positive over budget. In fact, almost every category of our sales tax categories is to or above prepandemic levels. Next slide.

And here you can see that all our major categories, retail, construction, car rental, and the dining and entertainment, the restaurant and bars have recovered well above the year before except for hotels and motels. Hotels and motels have not quite fully recovered yet and some of these industries are still struggling with hiring. And if there's one thing to take away from this presentation tonight, it is to -- it is that this very strong V-shaped recovery and growth is fueled by the stimulus dollars in the economy.

And the historically low-interest rate environment and also the high asset appreciation and also to keep in mind that this revenue growth is not expected to be sustained and so we continue to be very conservative and disciplined in our spending. Next slide, please. So moving on to our spending, which is our uses and expenditures. As a city that provides services to our residents, our expenditures in our general fund consist primarily of personnel cost, salary and wages and benefits to or public safety, public works and other city employees. Next slide, please.

And as mentioned before, we remain conservative and fiscally, disciplined. We ended fiscal year 2021 below our budget, and even below our 2020 expenditure levels. Next slide, please. And across every -- all of our divisions we had positive budget savings and that is thanks to you our

city council and leadership team, we remain fiscally conservative and disciplined in our spending.

So we have been talking about the city's general fund revenues and expenditures so far and now I would like to turn our attention to the other significant revenue and expenditures is for the city and that is our enterprise funds. Next slide, please. Our enterprise funds are our utility and airport operations that are self-supporting through charges and fees. Our water and wastewater operations are our largest enterprise operations.

As you can see on the chart to the right, expenditures for our utility operations are not predominantly personnel costs like in the general fund. That's because we have significant other costs to run those utility systems like cost to purchase water, deliver water, collect sewer and also treatment costs. Next slide, please.

Revenues for the water and wastewater are very much affected by the weather. We ended fiscal 2021 with 9% over budget in our water revenues, than expected because we had an exceptionally dry summer and maybe the COVID stay at home had something to do with it as well.

[Time: 02:05:19]

And also we were conservative in our expenditures. We ends the year with expense and positive variances in our expenditure categories. Net slide, please -- next slide, please. The last slide is to update the expenditures for the 2019 bond program. We have issued 55 million of debt to date and spent a little bit over \$25 million.

And Dave Lipinski, our city engineer will be providing more details on the bond program at his next quarterly meeting update. And that ends my presentation and I can answer any questions. Thank you.

Mayor Ortega: Thank you very much. I see no hands up from the council. I thank you very much for the thorough presentation and really appreciate it. At this point, I will move on to -- we have finished our regular agenda items, and I will move on to public comment. Public comment is the opportunity for people to sound off before council, as long as it's not agendized. I close public comment.

## **ITEM 12 – RECEIPT OF CITIZEN PETITIONS**

[Time: 02:06:46]

There's an opportunity at the beginning of the meeting and the end of the meeting. Moving on to the citizen petition. By charter, we will accept citizen petitions. It was hand delivered. We have received and we had some testimony from the people who provided it. And in reading the petition, it appears to say that -- it asks of the -- the below signed petitioners is our concerns are

heard, acted upon and revisited after one year of project completion or as deemed necessary. So we, for the record are receiving this information, as presented and signed by the petitioners. I believe we have choices, which would be to acknowledge receipt and there's no action at this time that I would recommend.

But councilwoman whitehead, did you have a -- okay. So I just want to complete that item, and acknowledge it and it will be of record. Next, we're moving on to mayor and council items, which is --

City Clerk Lane: Mayor, I apologize. We need a -- we need a vote on the action.

Mayor Ortega: Okay. I recommend we have -- take no action but acknowledge the receipt and we will monitor it in the future. Councilwoman Milhaven.

[Time: 02:08:24]

Councilmember Milhaven: I would like to make a motion to ask the city manager to respond to the petition with a copy to city council.

Mayor Ortega: Okay. We have no responses and no seconds for either of them. I understand what you are saying. Again, we have three choices. One is direct the city manager to agendize the petition for further discussion. Choice number two is direct the city manager to investigate the matter. And prepare a written response to the council with a copy to the petitioner.

Choice number three, per our charter is to take no action and I believe acknowledging it is proper at this point. It seems to ask for future consideration a year from now, and to monitor the situation. Councilwoman Littlefield, what would you suggest?

Councilmember Littlefield: Thank you, mayor, I would suggest we follow action item number two, which I believe is very similar to Councilwoman Milhaven's request to have a report from the city manager brought back to the council, delivered to us. So I think that --

Mayor Ortega: That's clear. Okay. I would second that.

Vice Mayor Janik: Okay.

Mayor Ortega: We have a motion and a second. Please record your vote. Thank you very much. At this point, we will be looking at -- well, there is a mayor and council item. As shown on our agenda. So Councilwoman Whitehead?

**MAYOR AND COUNCIL ITEMS**

[Time: 02:10:14]

Councilmember Whitehead: I just would like to request my colleagues support me in having staff come back to see if the letter to the county or something that might be effective to increase the prosecutions when we have these assaults on our officers. It just -- provide us direction on how we might help that situation, increase the prosecution.

Mayor Ortega: Councilwoman Milhaven.

Councilmember Milhaven: Are you suggesting it be an agenda item or just have the city manager to look into and give us some information?

Councilmember Whitehead: Thank you. Yeah. Just have some direction from the city manager on what this council might do to communicate with our colleagues at the county.

Councilmember Milhaven: I will second that.

Vice Mayor Janik: I have a quick comment on that. I already asked Luis a while ago, to investigate it legally, as to what we can and can't do, and I do believe he's actively working on that.

Councilmember Whitehead: Then I will retract my motion.

Mayor Ortega: Thank you. At this point, we will move to -- excuse me. Item number 13, as posted, is regarding the boards and commissions. At this point, I will turn it over to Vice Mayor Janik. Thank you.

**ITEM 13 – BOARDS AND COMMISSION NOMINATIONS**

[Time: 02:11:38]

Vice Mayor Janik: Thank you, Mayor. This evening, the City Council will be nominating Scottsdale residents interested in serving on citizen advisory boards, commissions, and committees. The Scottsdale City Council is responsible for establishing City policies and enacting laws in support of those policies. The Council relies on volunteer, citizen-based boards and commissions to research issues and make recommendations in support of the Council's mission and goals.

The information and recommendations provided by Council-appointed advisory boards is a valuable tool in helping Councilmembers in their deliberations. Nominations this evening will be made for positions on the following boards, commissions, and committees: Building Advisory Board of Appeals, Citizens' Bond Oversight Committee, Historic Preservation Commission,

Human Relations Commission, Human Services Commission, Judicial Appointments Advisory Board, Tourism Development Commission, and Transportation Commission.

Appointments for these positions will be made at a Special City Council Meeting on Tuesday, September 14th. Let's get started.

**BUILDING ADVISORY BOARD OF APPEALS**

[Time: 02:12:53]

Building advisory board of appeals, three openings. The Building Advisory Board of Appeals has the jurisdiction to recommend that minor variances in the electrical, plumbing, and mechanical application of the Building Code be granted and that alternative construction methods or materials be allowed. The board has had three open positions since 2020. There are three vacancies and two applicants. The applicants are: Brian Brose. Michael Kravit.

I will now entertain nominations for the Building Advisory Board Of Appeals. Each committee member can nominate two applicants. I will start with Councilmember Caputi.

Councilmember Caputi: Brian Brose and Michael Kravit.

Vice Mayor Janik: Thank you. Brian Brose and Michael Kravit have been nominated.

**CITIZENS BOND OVERSIGHT COMMITTEE**

[Time: 02:13:46]

Vice Mayor Janik: Next, the citizens bond oversight committee, there's one vacancy. The Citizens' Bond Oversight Committee receives reports on the City's progress in implementing the Bond Program, reviews any proposed project changes to the program and provides comments to the City Council with respect to the bond program as the Committee deems appropriate. Laraine Rodgers' term expires in September.

She is eligible for reappointment and has submitted an application for consideration. There is one vacancy and one applicant. The applicant is: Laraine Rodgers. I will now entertain a nomination for the Citizens' Bond Oversight Committee. I will start with Councilwoman Whitehead.

Councilmember Whitehead: Laraine Rodgers.

Vice Mayor Janik: Laraine Rodgers has been nominated. Thank you.

**HISTORIC PRESERVATION COMMISSION**

[Time: 02:14:43]

Vice Mayor Janik: Historic preservation commission, one opening. The Historic Preservation Commission oversees the development and management of Scottsdale's Historic Preservation Program. SPECIAL QUALIFICATIONS: As outlined in the Scottsdale City Code, each member shall have demonstrated special interest, knowledge, or experience in at least one of the following: Building construction, history, architectural history, real estate, historic preservation law or other historic preservation related field.

Blair Schweiger resigned from the commission in August. There is one vacancy and one Applicant. The applicant is: Rose Smith.

I will now entertain a nomination for the Historic Preservation Commission. And I will start with Councilperson Milhaven.

Councilmember Milhaven: Thank you. Rose Smith.

Vice Mayor Janik: Thank you. Rose Smith has been nominated.

**HUMAN RELATIONS COMMISSION**

[Time: 02:15:36]

Vice Mayor Janik: Human relations commission, two openings. The Human Relations Commission advocates and promotes all dimensions of diversity. The Commission acts as an Advisory body to the Mayor, City Council, and staff to make recommendations on ways to encourage mutual respect and understanding among people, to discourage prejudice and discrimination, and to work towards cultural awareness and unity.

Terms for James Eaneman and Emily Hinchman expire in September; both are eligible for reappointment and have submitted applications for consideration. There are two vacancies and eight applicants. The applicants are: Denise Atwood, Teresa Babcock, Ashish Chopra, Lee Cooley, Tina Drews, James Eaneman, Emily Hinchman, Robin Murphy.

I will now entertain nominations for the Human Relations Commission. Each Councilmember can nominate two applicants. I will start with Mayor Ortega.

Mayor Ortega: James Eaneman. And Emily Hinchman.

Councilmember Littlefield: No additional.

Vice Mayor Janik: Myself, no addition. Councilmember Durham.

Councilmember Durham: No additional.

Vice Mayor Janik: Councilmember Caputi.

Councilmember Caputi: No additional.

Vice Mayor Janik: Councilmember Whitehead.

Councilmember Whitehead: No additional.

Councilmember Milhaven: No additional.

Vice Mayor Janik: Thank you. James Eaneman and Emily Hinchman. And I apologize if I'm mispronouncing any of these names.

#### **HUMAN SERVICES COMMISSION**

[Time: 02:17:21]

Vice Mayor Janik: Human services commission. There are three openings. The Human Services Commission provides advisory recommendations to staff and the City Council on human services priorities and programs; and funding allocations for Scottsdale Cares, Community Development Block Grants, HOME, Human Services Emergency and General Funds. Terms for Janice Eng and Andrew Song expire in September. Ashley Blaine's term expires in October. Janice Eng is ineligible for reappointment. Andrew Song and Ashley Blaine were both eligible for reappointment, however, neither submitted an application for consideration for a new term. There are three vacancies and seven applicants. The applicants are: Dawn Abel, Nancy Cantor, Jeff Jameson, Diane Lester. Tricia Serlin, Neal Shearer, Paula Sturgeon.

I will now entertain nominations for the Human Services Commission. Each Councilmember can nominate three applicants. I will start with Councilperson Littlefield:

Councilmember Littlefield: Thank you, Vice Mayor. I nominate Nancy Cantor, Jeff Jameson and Tricia Serlin.

Vice Mayor Janik: I nominate Nancy cantor, Jeff Jameson and Diane Lester. Next we go to Councilmember Durham.

Councilmember Durham: I would nominate Dawn Abel.

Vice Mayor Janik: Thank you. Next, I will go to Councilwoman Caputi.

Councilmember Caputi: Tricia Serlin, Paula Sturgeon, and Neal Shearer.

Councilmember Whitehead: Nancy Cantor, Diane Lester and Neal Shearer. I can't remember who –

Councilmember Milhaven: I have no additional.

Vice Mayor Janik: Thank you. We have nominations for Dawn Abel, Nancy Cantor -- oh, I'm sorry. Mayor.

Mayor Ortega: Okay. I would nominate Nancy cantor and I would nominate Jeff Jameson, and I nominate Dawn Abel.

Vice Mayor Janik: Thank you. And now I need a little bit of help, Rommel.

Rommel Cordova: Everybody was nominated so they move on to the next round.

Vice Mayor Janik: That's what I thought.

Councilmember Durham: Excuse me, does it make any difference how many -- I only nominated one person but I was eligible to nominate three. Does it make any difference.

Rommel Cordova: Councilman Durham, not for this round. You can nominate whomever but during the appointment process, that's when you will actually vote.

Councilmember Durham: Okay. That's what I thought. Thank you.

#### **JUDICIAL APPOINTMENTS ADVISORY BOARD**

[Time: 02:20:45]

Vice Mayor Janik: Thank you. Judicial appointments advisory board, two openings, one Scottsdale bar representative and one citizen representative. The Judicial Appointments Advisory Board (JAAB) makes advisory recommendations to the City Council regarding the appointment and reappointment of Full-time city judges. SPECIAL QUALIFICATIONS: The seven-member JAAB will consist of two active judges, one representative from both the State Bar and the Scottsdale Bar Associations, and three citizens appointed by the City Council, who are not judges in any official capacity, nor retired judges, nor members of the State Bar of Arizona.

Terms for Susan Galpin-Tyree and Robert Gruler expire in September; both are eligible for reappointment and have submitted applications for consideration. Susan Galpin-Tyree represents a citizen representative position. Robert Gruler, Jr. represents a Scottsdale Bar representative position and was nominated by the Scottsdale Bar to serve another term. There are two vacancies and two applicants. The applicants are: Susan Galpin-Tyree, citizen rep

Applicant. Robert Gruler, Jr., Scottsdale Bar rep applicant.

I will now entertain nominations for the Judicial Appointments Advisory Board. Each Councilmember can nominate two applicants. And I will start with myself, and I nominate Susan Galpin-Tyree and Robert Gruler, Jr. So Susan Galpin-Tyree and Robert Gruler, Jr., have been nominated. Thank you.

### **TOURISM DEVELOPMENT COMMISSION**

[Time: 02:22:31]

Vice Mayor Janik: Tourism development commission, two openings, one free rep and one Scottsdale hotelier. The Tourism Development Commission advises the City Council on matters concerning the expenditure of revenues from the Transaction Privilege Tax on transient lodging, bed tax, designated for tourism Development. Special Qualifications: As specified in the Scottsdale City Code, the Tourism Development Commission shall consist of representatives of the tourism industry in Scottsdale, including a minimum of four Scottsdale hoteliers, one member of the Scottsdale Convention and Visitors Bureau, and a balance from elements of the tourism Industry.

Linda Dillenbeck's term expires in September and is ineligible for reappointment. She represented an industry representative position. Richard Newman's term expires in September. He is eligible for reappointment and has submitted an application for consideration. There is one Industry position vacancy and one Scottsdale hotelier position vacancy, and two applicants.

The applicants are: Chris Montgomery, Industry Rep Applicant. Richard Newman, Scottsdale Hotelier applicant. I will now entertain nominations for the Tourism Development Commission. Each Councilmember can nominate two applicants. And on this one, I will return back to Councilwoman Caputi. Oh, sorry, I will start with Councilmember Durham. I jumped ahead one.

Councilmember Durham: I will nominate Chris Montgomery as the industry representative and Richard Newman as the hotelier representative.

Vice Mayor Janik: Thank you. We now have Chris Montgomery and Richard Newman nominated.

### **TRANSPORTATION COMMISSION**

[Time: 02:24:22]

Vice Mayor Janik: And now our last one is the transportation commission, for which there's one opening. The Transportation Commission advises the City Council on matters relating to the safe and efficient movement of vehicles, transit, pedestrians, and bicycles.

The commission provides a public forum to hear citizen complaints and requests regarding transportation matters. B. Kent Lall's term expires in September. He is eligible for reappointment and has submitted an application for consideration. There is one vacancy and two applicants. The applicants are: B. Kent Lall, Kerry Wilcoxon.

I will now entertain nominations for the Transportation Commission. Each Councilmember can nominate one applicant. And now we will start with Councilwoman Caputi.

Councilmember Caputi: Kerry Wilcoxon.

Councilmember Whitehead: Kent Lall.

Vice Mayor Janik: That being said, we have Kerry Wilcoxon and Kent Lall nominated. This concludes our nomination process this evening. Individuals nominated will be contacted by city staff with additional information.

I would like to take this opportunity to sincerely thank all who applied to serve on a citizen advisory board or commission. Even if you were not nominated, your application will remain on file for one year for consideration at a future date if there are additional vacancies.

And I just wanted to say this has been a difficult year for everybody. And I truly appreciate the number of people from our community that are willing to serve knowing how much time is involved in this endeavor. So thank you very much. And now I will turn the meeting back over to our mayor. Thank you.

#### **ADJOURNEMENT**

[Time: 02:26:14]

Mayor Ortega: Thank you very much. I echo your comments. With that, we are concluded with our agenda, and therefore, I will -- do I need a motion to adjourn? Yes. Let's do it.

Councilmember Littlefield: So moved.

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