

SCOTTSDALE CITY COUNCIL
REGULAR AND SPECIAL MEETINGS MINUTES
TUESDAY, MAY 2, 2023



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

CALL TO ORDER

Mayor David D. Ortega called to order Regular and Special Meetings of the Scottsdale City Council at 5:01 P.M. on Tuesday, May 2, 2023 in the City Hall Kiva Forum.

ROLL CALL

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

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

PLEDGE OF ALLEGIANCE – Councilwoman Whitehead

MAYOR'S REPORT

Mayor Ortega asked for a moment of silent reflection for the people of Ukraine as they fight for their freedom and democracy.

Mayor Ortega read a proclamation declaring May 2023 as Affordable Housing Month in Scottsdale. He encouraged residents to support and participate in creative solutions for affordable housing.

Mayor Ortega invited everyone to attend Bash on the Wash on Saturday, May 6th from 6:00 p.m. to 8:30 p.m. at El Dorado Park. There will be live music, lawn games, inflatable slides, food trucks, and a foam party. Mayor Ortega stated there will be additional events at the Indian Bend Wash throughout the month of May.

City Manager's Report

- **Fast Five Video Update**

City Manager Jim Thompson introduced a "Fast Five" video produced by the City's Communications Office which provided updates on several City events and offerings.

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

PRESENTATIONS

- **Recognition of the 2023 Scottsdale 101 Citizen Academy Graduates**
Presenter(s): Christy Hill, Citizen Liaison

Citizen Liaison Christy Hill gave a PowerPoint presentation (attached). 2023 Scottsdale 101 Citizen Academy Graduates Michael Pomarico, Nancy Powers, and Jan Dubauskas thanked the City for the program and spoke on their experiences.

PUBLIC COMMENT – None

CONSENT AGENDA

1. **Sonder Liquor License (17-LL-2023)**

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 11 (hotel/motel) State liquor license for an existing location with a new owner.

Location: 4000 N. Drinkwater Boulevard

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

2. **Mama Por Dios Liquor License (18-LL-2023)**

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

Location: 7301 E. Butherus Drive

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

3. **Amelia's By Eat Liquor License (19-LL-2023)**

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

Location: 8240 N. Hayden Road, Suite 106

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

4. **Moxies Liquor License (22-LL-2023)**

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

Location: 7014 E. Camelback Road, Suite B120

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

5. **CBOT Building, LLC, doing business as Cold Beer and Cheeseburgers, Outdoor Dining Patio Revocable License Agreement Amendment**

Request: Adopt **Resolution No. 12798** authorizing Outdoor Dining Patio Revocable License Agreement No. 2013-050-COS-A2, a five-year extension to the agreement with CBOT Building, LLC, for an outdoor dining patio use on City property.

Location: 4222 N. Scottsdale Road

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

6. On-Call Mechanical Engineering Services Contract Extensions

Request: Adopt **Resolution No. 12799** authorizing the following one-year on-call engineering services contract extensions, in an amount not to exceed \$750,000 per contract, for on-call mechanical engineering services:

1. Contract No. 2021-047-COS-A1 with Energy Systems Design, Inc.
2. Contract No. 2021-048-COS-A1 with LSW Engineers Arizona, Inc.
3. Contract No. 2021-049-COS-A1 with Pearson Engineering Associates, Inc.

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

7. Gainey Village Casitas Water Line Replacement Construction Phase Services Contract

Request: Adopt **Resolution No. 12806** authorizing Construction Manager at Risk Contract No. 2022-197-COS-A1 with Achen-Gardner Construction, LLC, in an amount not to exceed \$4,781,689.46, for Guaranteed Maximum Price Phase Two Construction Manager at Risk Services, for a revised total contract price not to exceed \$5,458,365.28, for construction phase services for the Gainey Village Casitas Water Line Replacement project.

Location: Eastwood Lane and 73rd Way

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

8. Heat Relief and Supportive Services Intergovernmental Agreement

Request: Adopt **Resolution No. 12803** to authorize:

1. Agreement No. 2023-055-COS with Maricopa County to accept American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds, in the amount of \$682,207, to expand case management and provide hotel, shelter, and transportation services to heat relief centers for individuals experiencing homelessness.
2. The City Manager, or designee, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution and Intergovernmental Agreement.
3. A Budget Transfer, in the amount up to \$282,207, from the Fiscal Year 2022/23 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.

Staff Contact(s): Greg Bestgen, Human Services Director, 480-312-0104,
gbestgen@scottsdaleaz.gov

9. Pac-12 Venue Agreement Amendment

Request: Adopt **Resolution No. 12814** to authorize:

1. Venue Agreement No. 2021-134-COS-A1, the first amendment with Pac-12 Conference to accommodate the change in format of upcoming tournaments; to address Ticket Vendor sales commission fees; and to update the miscellaneous provisions due to a change in Arizona law.
2. The Scottsdale Stadium Coordinator or designee, to make any approvals authorized by the First Amendment to the Venue Agreement and execute any other documents and take further actions to carry out the intent of this Resolution.

Staff Contact(s): William B. Murphy, Assistant City Manager, 480-312-7954,
bmurphy@scottsdaleaz.gov

10. Fountain v. City of Scottsdale Settlement Agreement

Request: Adopt **Resolution No. 12815** to authorize:

1. Agreement No. 2023-059-COS with Plaintiff John W. Fountain in the amount of \$78,000 to settle all claims in Fountain v. City of Scottsdale, et al., Maricopa County Superior Court Case No. CV2021-094642.
2. The City Manager, City Treasurer, City Attorney, and their respective staff, to execute such documents and take such other actions as necessary to carry out the purpose of this Resolution.

Staff Contact(s): Sherry Scott, City Attorney, 480-312-2405, sscott@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilmember Graham made a motion to approve Consent Agenda Items 1 through 10. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

REGULAR AGENDA

11. Public Hearing on the Community Development Block Grant (CDBG) Program Fiscal Year (FY) 2023/24 Annual Action Plan, the Allocation of CDBG funds, and the Fifth Substantial Amendment to the FY 2019/20 Annual Action Plan

Requests:

1. Solicit public testimony regarding the FY 2023/24 Annual Action Plan for the use of CDBG funds in the amount of \$1,260,231 and the Fifth Substantial Amendment to the FY 2019/20 Annual Action Plan.
2. Adopt **Resolution No. 12764** to approve the FY 2023/24 Annual Action Plan and Fifth Substantial Amendment to the FY 2019/20 Annual Action Plan and authorize the:
 - a. City Manager, or designee, to submit the Annual Action Plan and the Fifth Substantial Amendment to the U.S. Department of Housing and Urban Development (HUD).
 - b. Use, award, and allocation of federal CDBG funds for eligible programs and services and associated contracts.
 - c. Reprogramming of prior years' remaining funds and program income in the amount of \$181,102.
 - d. Execution of associated HUD certifications and contracts.
 - e. Mayor to execute amendments to associated CDBG contracts.
 - f. Community Assistance Manager to adjust recommended funding awards as necessary based upon final funding allocations.
 - g. Mayor, City Manager, and Community Assistance Manager to take certain actions furthering this Resolution.

Presenter(s): Mary Witkofski, Community Assistance Manager

Staff Contact(s): Greg Bestgen, Human Services Department Director, 480-312-0104, gbestgen@scottsdaleaz.gov

Community Assistance Manager Mary Witkofski gave a PowerPoint presentation (attached) on the Community Development Block Grant (CDBG) Program Fiscal Year (FY) 2023/24 Annual Action Plan, allocation of CDBG funds, and the Fifth Substantial Amendment to the FY 2019/20 annual action plan.

Mayor Ortega opened the public hearing and noting there were no public comments, closed the public hearing.

MOTION AND VOTE – ITEM 11

Mayor Ortega made a motion to adopt Resolution No. 12764 to approve the FY 2023/24 Annual Action Plan and Fifth Substantial Amendment to the FY 2019/20 Annual Action Plan and authorize the:

- a. City Manager, or designee, to submit the Annual Action Plan and the Fifth Substantial Amendment to the U.S. Department of Housing and Urban Development (HUD).
- b. Use, award, and allocation of federal CDBG funds for eligible programs and services and associated contracts.
- c. Reprogramming of prior years' remaining funds and program income in the amount of \$181,102.
- d. Execution of associated HUD certifications and contracts.
- e. Mayor to execute amendments to associated CDBG contracts.
- f. Community Assistance Manager to adjust recommended funding awards as necessary based upon final funding allocations.
- g. Mayor, City Manager, and Community Assistance Manager to take certain actions furthering this Resolution.

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

PUBLIC COMMENT – None

CITIZEN PETITIONS

12. Receipt of Citizen Petitions

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

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

No citizen petitions were received.

Mayor Ortega adjourned the Regular Meeting at 5:58 P.M. and called to order the Special Meeting at 5:59 P.M.

SPECIAL MEETING

1. Request for Executive Session to:

- A. Discuss, consider, and provide possible direction regarding the recruitment and hiring process of a new City Auditor; discuss and consult with the City's attorneys and representatives in order to consider the City's position and instruct the attorneys and representatives on contracts related to the recruitment and potential appointment of a

City Auditor; and discuss and consult with the City's attorneys for legal advice regarding the same. A.R.S. § 38-431.03 (1), (3) & (4).

If authorized by a majority vote of the Scottsdale City Council, the executive session will be held immediately after the vote and will not be open to the public.

MOTION AND VOTE – EXECUTIVE SESSION

Councilwoman Janik made a motion to recess/adjourn into executive session to discuss, consider, and provide possible direction regarding the recruitment and hiring process of a new City Auditor; discuss and consult with the City's attorneys and representatives in order to consider the City's position and instruct the attorneys and representatives on contracts related to the recruitment and potential appointment of a City Auditor; and discuss and consult with the City's attorneys for legal advice regarding the same. Councilmember Durham seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

The City Council adjourned into Executive Session at 6:00 P.M.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on

June 13, 2023

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular and Special Meetings of the City Council of Scottsdale, Arizona, held on the 2nd day of May 2023.

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

DATED this 13th day of June 2023.

for Catherine Bitteweg, Deputy
Ben Lane, City Clerk

Presentation



Item 1

Public Hearing
Community Development Block Grant (CDBG) Program
Fiscal Year (FY) 2023-2024 Annual Action Plan, Allocation of
CDBG Funds and Fifth Substantial Amendment to the FY
2019/2020 Annual Action Plan

Adopt Resolution No. 12764

City Council Meeting – May 2, 2023

1

Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) Program provides annual grants on a formula basis to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons meeting one of three required national objectives

- Public Services
 - Housing Rehabilitation
- Acquisition of Real Property
 - Public Facilities
- Economic Development
- Planning and Administration

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HOME INVESTMENT PARTNERSHIP (HOME)

The HOME Investment Partnerships Program (HOME) provides formula grants to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. It is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

3

Fifth Amendment FY 19/20 Annual Action Plan

- *Re-prioritizing essential needs to prepare for, prevent and respond to the Coronavirus (CDBG-CV) funds through the CARES Act and is reallocating an \$22,000 to a Heat Mitigation Study for South Scottsdale with Office of Environmental Initiatives*

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FY 23/24 Annual Action Plan Public Process

March 9, 2023	Human Services Commission – Funding discussion & informal funding recommendations
March 23, 2023	Human Services Commission - Formal funding recommendations
May 2, 2023	City Council - Public Hearing
May 15, 2023	Annual Action Plan due to HUD
July 1, 2023	FY 23/24 funding effective date

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Funding Allocations FY 23/24

Community Development Block Grant (CDBG)

Available Funding

\$ 1,079,129	FY 23/24 Allocation
\$ 56,500	Program Income
\$ 55,319	FY22/23 Revolving Loan Program Income
\$ 69,283	<u>Reprogrammed Funds</u>
\$ 1,260,231	Total Funds Available

Award Recommendations

\$ 1,000,813	Programs & Services
\$ 249,125	<u>Planning & Admin</u>
\$ 1,249,938	Total Funds Recommended for Award

\$10,293 will be reprogrammed in FY 2024/2025

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CDBG FY 23/24 Recommendations

Public Services	\$211,357
Domestic Violence Victims, Seniors, Youth Mental Health, Disabled and Homeless	
Non-Public Services - Housing	\$689,456
Housing Rehabilitation, Emergency and Roof Repair Programs Habitat for Humanity Ability 360	
Non-Public Services- Facilities/Improvements	\$100,000
Program Administration	<u>\$ 249,125</u>
Total Funds Awarded	\$1,249,938

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HOME Investment Partnership Program

- Reprogrammed PY 21 HOME Funds \$269,000
 - Acquisition and Rehabilitation of Affordable Housing
 - A.R.M. of Save the Family Foundation
- PY 22 HOME Funds \$366,675
 - Tenant Based Rental Assistance – Elderly Population
 - \$343,758 to Tenant Based Rental Assistance
 - \$22,917 for Program Administration

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Public Comments Received

- 02/18/2023
 - Resident Contacted CAO
 - Stable Housing (shelter to stability, affordable options)
 - Mental Health (counseling for those in need, substance abuse assistance)
 - Transportation (how we get housed individuals to jobs, or seniors to pharmacies)
 - CDBG Eligible Public Services

- 03/16/2023
 - Resident Contacted CAO
 - Water Conservation in Hallcraft Community
 - Not CDBG eligible Census Tract Area

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Action Requested

Adopt Resolution No. 12764 to approve the FY 2023/24 Annual Action Plan and the Fifth Substantial Amendment to FY 2019/2020 Annual Action Plan authorize the:

- Use, award, and allocation of CDBG and funds for eligible programs and services and associated contracts;
- Reprogramming of prior years' remaining funds and the return of program income;
- Mayor, City Manager, and Community Assistance Manager to take certain actions furthering this Resolution.

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CDBG FY 23-24 Annual Action Plan
Questions and Answers

Questions & Comments