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CALL TO ORDER

[Time: 00:00:02]

Mayor Lane: Good afternoon, everyone. And welcome to our meeting. The Council meeting of December 1st, 2014. It's approximately 5 p.m. I would like to call this meeting to order.

ROLL CALL

[Time: xxx]

Mayor Lane: And we'll start with a roll call, please.

City Clerk Carolyn Jagger: Mayor Jim Lane.

Mayor Lane: Present.

Carolyn Jagger: Vice Mayor Guy Phillips.

Vice Mayor Phillips: Here.

Carolyn Jagger: Councilmembers Suzanne Klapp.

Councilwoman Klapp: Here.

Carolyn Jagger: Virginia Korte.

Councilmember Korte: Here.

Carolyn Jagger: Bob Littlefield.

Councilman Littlefield: Here.

Carolyn Jagger: Linda Milhaven.

Councilwoman Milhaven: Here.

Carolyn Jagger: Dennis Robbins.

Councilman Robbins: Here.

Carolyn Jagger: City Manager Fritz Behring.

Fritz Behring: Here.

Carolyn Jagger: City Attorney Bruce Washburn.

Bruce Washburn: Here.

Carolyn Jagger: Acting City Treasurer Lee Guillory.

Lee Guillory: Present.

Carolyn Jagger: City Auditor Sharron Walker.

Sharron Walker: Here.

Carolyn Jagger: And the Clerk is present.

[Time: 00:00:41]

Mayor Lane: Thank you. Just a few items of business. We do have cards if you would like to speak on any item or for Public Comment. They are the white cards that the city clerk is about to raise over her head, to my right here, yeah, the white card first. That's if you would like to speak on any of the agenda items or the yellow card that is there as well is if you would like to give us any written comments and any agenda items we would read those comments through the course of the meeting. We have Jason Glenn and Officer Cleary in front of us. And the area behind the Council dais is reserved for Council and staff. We have rest rooms under that exit sign to my left for your convenience.

PLEDGE OF ALLEGIANCE

[Time: 00:01:30]

Mayor Lane: This afternoon, we have the Pledge of Allegiance. I would like to ask Councilman Robbins to lead us in the pledge.

Councilman Robbins: 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.

INVOCATION

[Time: 00:02:05]

Mayor Lane: Tonight, rather than an invocation by an individual, we would like to just take a moment of silence for the consideration of the tragic and violent deaths of four rabbis and one police officer in Jerusalem last month. Among the dead are three American rabbis, Moshe Twersky, Aryeh Kupinsky and Kalman Levine. I would like to take a moment of silence and consider a prayer for a thought for their death. Thank you.

MAYOR'S REPORT

[Time: 00:03:00]

Mayor Lane: Just small item of note, but it's rather noteworthy for one of our great high schools here in Scottsdale and that is a congratulations we want to extend to Saguaro High School football team. They won the division 3 state championship with their 45-31 defeat over Williams Field Black Hawks. I want to give a congratulations to the Sabercats. I have no other presentations or announcements. We do have Public Comment. No, we do not. No Public Comments at this time. It is reserves for citizen comments regarding non-agendized items. There will be a time at the end of the meeting if, in fact, cards are collected for Public Comment.

ADDED ITEMS

[Time: 00:03:49]

Mayor Lane: We do need to take a vote for a couple of items that were added to the agenda late in our schedule and that is items 1a and 1b were added to the agenda on November 25th and I would like to ask for a motion to accept at agenda as presented or to continue until the January 6th Council meeting. Can I get a motion to either accept or to continue?

Councilwoman Klapp: So moved to accept.

Councilmember Korte: Second.

Mayor Lane: The motion has been made and seconded. We are ready to vote. All of those accepting the agenda please indicate by aye. It's accepted unanimously.

CONSENT AGENDA

[Time: 00:04:36]

Mayor Lane: So now we do have consent items 1 through 1b that includes 1, 1a and 1b, three items. I do not have any requests to speak on those items. I see no comments from Council. So I would accept a motion to accept those three Consent items.

Councilman Robbins: Motion to approve.

Mayor Lane: Motion to approve and seconded. All of those in favor please indicate by aye and those opposed with a nay. Unanimously accept the consent items.

REGULAR AGENDA

[Time: 00:05:20]

Mayor Lane: Now, we'll start with the regular agenda items but before we get on those items, the applicant for Item 8, the Indoor Vehicle Leasing Sales or Rental 6-TA-2014 has requested a continuance to a date to be determined because they have already received one continuance by right, the Council needs a motion and a vote to approve the continuance of this item as indicated. Do I have such a motion?

Councilwoman Milhaven: So moved.

Councilwoman Klapp: Second.

Mayor Lane: Moved and seconded. I see no comments on that item. We are then ready to vote. All those in favor please indicate by aye. Those opposed with a nay. The motion is accepted unanimously.

ITEM 2 – THE RESERVE AT PINNACLE PEAK PATIO MAJOR GENERAL PLAN AMENDMENT (2-GP-2014)

Mayor Lane: So we are ready then for the regular agenda items which are items 2 through 8, starting with the reserve of Pinnacle Peak Patio, major General Plan amendment, 2-GP-2014, we have Taylor Reynolds, Planner, to give us a presentation on this.

[Time: 00:06:28]

Planner Taylor Reynolds: Good evening Mayor Lane, members of City Council, I'm Taylor Reynolds with Long-Range Planning. I'm here tonight to discuss 2-GP-2014, but before that, I will go over the major General Plan amendment process, along with the timeline and, again, as a reminder, there are three private requests tonight 2-, 3- and 4-GP and 5-GP has been withdrawn. So this graphic depicts the three private requests that are coming before you tonight.

Again, note that 5-GP on the southern end has been withdrawn. So Arizona state statute defines a major amendment as a proposal that results in a substantial alteration of the municipality's land use mixture or a balance as established in the municipality's General Plan land use element. The statute further requires that each city establish criteria to determine if a proposal, a proposed change qualifies as a major amendment. The City of Scottsdale has the four before you. A major General Plan amendment could be triggered in a change in land use category occurred according to the adopt general land use plan criteria. And this could trigger a major plan amendment, of the area of change. If it's 10 or more makers on the white portion, on the southern end or 15 or more acres in the yellow, northern part of the city would qualify as a major General Plan amendment.

The third criteria is area character criteria. So it would qualify as a major amendment if a change in land use category does not apply with the approved area character plan. And the four is water waste and water infrastructure criteria and that's of a proposal to change the land use category in a premature increase in the water transmission or the sewer collection facility, again it would qualify as a major amendment. State statute also, per state statute, the process are as followed. It should be heard the same year as it's submitted. So this year the submittal deadline was May 23rd with City Council meeting tonight. It requires an additional remote planning, a Planning Commission that was held on September 10th of this year at Copper Ridge school. And finally it requires a two-thirds majority, that would be five out of seven on the Council to be accepted. So the timeline as of May 23rd, again was submittal deadline for the city sponsored open house on September 3rd at Copper Ridge. And finally there was October 22nd Planning Commission recommendation hearing here. So on to the first major General Plan amendment we will be speaking about tonight at the reserve at Pinnacle Peak Patio.

[Time: 00:09:46]

The one that we were talking about presently is in the center of screen this context aerial shows the location of the property north of the intersection of Pinnacle Peak Parkway and Jomax Road. Note that it's in between the Four Seasons Resort and the master plan communicated of Estancia, Desert Highlands and Troon Village. There's a property with established commercial use to the south and east of the site and established residential use to the southwest and the northwest as well as the north. So, again, the only criteria that this particular case meets is the first, again that's the change in land use category. So in this case, a change from commercial, which is group E, to suburban neighborhoods which is group b is a yes. So yes, it is a major General Plan amendment.

So the request is for a change in land use designation from commercial to suburban neighborhoods on 10.75-acre site to the north of Jomax and Pinnacle Peak. This is a graphic depiction of the applicant's request. On the left is the existing commercial use, and on the right is the applicant's request for

suburban neighborhoods. So some sees to consideration for this particular case involve compatibility with surrounding land uses including surrounding residential densities, the conversion of suburban neighborhoods in the northern portion of the city and then finally the desert scenic roadway provided by the applicant. This graphic depicts the site, related to uses. It's surrounded by commercial on the east and the south and also includes suburban neighborhoods to the northwest and the southwest.

This graphic depicts the densities of surrounding communities of the subject site. So to the northwest, Estancia, it was built at approximately one dwelling unit per acre. Southwest was Desert Highlands, parcel DF includes two units per acre. South of the site is Troon Fairways which was developed at 1.5 units per acre and to the immediate north is Crescent Moon which was developed at 1.3 dwelling units per acre.

This graphic depicts existing commercial land use within the northern portion of the city. Note that this particular change would include a reduction in the overall commercial by 3% in the northern portion of the city. In 2013, there was a land use assumptions report put together by the city, and this assumption report projected land use and population changes for Scottsdale through 2030. And 4% of the land in the northern portion of the area is projected as suburban neighborhoods which the applicant is seeking tonight.

The applicant also submitted a market study for this particular site, noting a peak demand for commercial use within 3 and 5 miles of the site. Case 1-GP-2004, established desert scenic roadways as those in the 1.5-mile roadways Jomax Road qualifies as a desert scenic roadway, although no formal setbacks were established with this case. The applicant proposes an average setback of 54 feet to match surrounding development. You can see that, it's kind of hard to see, but it's the green area on the southern portion of the site.

Community involvement thus far includes the open house that I mentioned earlier on June 5th, or sorry, the applicant held an open house on June 5th with about five participants and then the city held a city-sponsored open house. There was the Planning Commission remote hearing on September 10th and Planning Commission recommendation for approval occurred on October 22nd, with a vote of 7-0 for approval. The major comments we heard thus far include general support for the request. Also concerns regarding potential impacts on Pinnacle Peak Park, traffic and infrastructure concerns, as a result of the associated zoning case, and finally loss of the perceived circle circumstance of Pinnacle Peak Patio this concludes long range staff's portion. I will hand it over to Jesus Murillo to handle 9-ZN.

Mayor Lane: Thank you, Mr. Reynolds.

[Time: 00:15:16]

Senior Planner Jesus Murillo: Good evening, Mayor Lane. Jesus Murillo, Planner here with the city, I will be discussing 9-ZN-2014, which is the associated rezoning case there. It's an associated abandonment case being proposed with these two cases and that is this orange shaded area that you

see here. That's approximately three-quarters of an acre and these two cases have approval of the abandonment is required, because they are proposing open space within that area. It's zoned C-2 ESL which is commercial, and it has the environmentally sensitive lands overlay. So within the central business district, it allows for retail and office uses, hotel and some residential uses. So the applicant is requesting to rezone the property to R-4 ESL which is the townhome and maintaining the ESL overlay.

This is a closer look at the site from the perspective of 9 neighborhoods, as Taylor mentioned there are some residential uses both to the north, to the southwest, there are some office and retail to the east, and to the southeast. And right next door, you will see that I have highlighted 17 acres of state-owned property and the reason I have highlighted those properties is in 2009, the Council approved what was known as the Capella site plan for the site under case 14-ZN-2008. It approved the site plan that you see here today, also a development agreement. Both of those things included 619 units casita units for the hotel which you see located here at the northeast portion of the 10-acre site. Along with that approval came a parking garage that would hold approximately 89 parking spaces that were going to be in favor of Pinnacle Peak Park and additional approximately 20 parking stalls that would have been created there, along with some improvements to the streets in the area, including 102nd.

[Time: 00:17:37]

With the, if the Council does approve both of these cases and including the abandonment tonight, what that will do is that nullifies the approved site plan. So this is what the 10 acres will be proposed to look like and what that will do is it will require the 17 acres that at any time of development to come back or for re-approval of the site plan for those 17 acres. What it will also do, it will also nullify the agreement for those improvements that we were going to be receiving and for the parking spaces. And that would happen regardless of whether the site was approved in any way other than the Capella site. And what happened was these 10 acres were sold off to another owner and so that kind of triggered the fact that the site, the Capella site plan would probably not come to fruition. So what that would do is that would focus on the 50 proposed units that you see on the proposed 10 acres and, again, would leave the western 17 acres for further discussion.

This is a closer look at the site. As you can see, the applicant is requesting, as I stated before, 50 units which would make this a 4.9 units per acre. We have majority of the open space along the northern, central and southern portion of the site. As you can see here in green, it's that area that will be designated as natural area, open space. Our ordinance states that any scarred desert that was disturbed prior to 1991, if re-vegetated by an owner could be worth 200% credit. So in this instance, the applicant is receiving credit for 4.9 acres of NAOS. The green area that you see there is total 2.7 acres. It will be 2.7 acres of NAOS dedicated on site, but 1.5 of those acres do qualify as the pre-1991 disturbed areas, therefore, that will be worth 200%. So they will have 3 acres of credit. So 2.7 acres on site with 4.2-acre credit for the overall site.

As for Transportation Master Plan, it shows an existing trail easement in the open space for the crescent moon within the tract of the crescent moon community, and it shows a trail to be planned

just a little farther west of where the site currently is located. And the applicant will be providing a 6-foot sidewalk along the frontage, along the Pinnacle Peak Parkway and Jomax Road alignments. And then they will be dedicating a trail easement throughout the center of the site connecting to the existing trail in the north, northwest corner. The R-4 zoning district allowed for a maximum of 30 feet in height, but the applicant has requested to be stipulated for northern four structures that you see here to be limited to 24 feet and the remaining structures will be limited to 28 feet. So in conclusion, currently the site is zoned for a commercial use. The applicant is proposing the multifamily use on the area. The net lot area is 10 acres, 10.75 with that portion that will be added from abandonment. The density allowed currently is 9.3 dwelling units. If I take you back to the Capella site plan, these 10 acres held the hotel plus the 93 units and the applicant is requesting for a 4.9 dwelling unit per acre approval. Again the NAOS requirement is 2.7, with the applicant providing 4.2 acres of NAOS. Thank you.

Mayor Lane: Thank you, Jesus. That completes staff's presentation on it. Mr. Berry, if you would like to come forward for your client.

[Time: 00:22:00]

John Berry: Mayor, members of the Council, for your record, John Berry, 6750 East Camelback Road in Scottsdale. And I don't want to shock the Council, but this is a lawyer that is going to suggest a time saving approach to the three cases this evening. And that approach is that all three of these cases this evening share one thing in common, and that is that they are down zonings from commercial to residential and they are change in the General Plan from commercial to residential. Given that fact, Mayor I respectfully request that I not be charged on my 10 minutes until I start the specifics of this case. But I would actually like to talk about the issue of the demand and the need for residential versus retail in north Scottsdale because it applies to all three and Mayor, members of the Council, that will save us, I'm hoping about 50% of my time on the other cases, so I don't have to go through this same presentation for each of the three cases three times. I think it will save us all a bunch of time. With your indulgence and permission, I would enjoy the opportunity to do that.

Mayor Lane: Oh, I know that it's very unusual for an attorney to guarantee anything, much less a 50% reduction. But I will allow for, it but let's just go ahead and put the original time at 14 minutes for this first section, and then see if we can't take it off the others.

John Berry: 50%. I thought I said 5%. Mayor, members of the Council, the General Plan provides that it's a flexible document. It's not a rigid document. It's flexible and it goes on to say that as changes occur in the community, as conditions change, the General Plan should change. So what has changed in the 13 years since we adopted the 2001 General Plan that necessitates these changes from commercial to residential. And that is in the last 13 years, we have not achieved the residential densities in north Scottsdale, despite what some people say that were anticipated under the General Plan. The retail does not have enough rooftops to support, it and the retail shown on the General Plan we now know is generally located in the wrong place. In conjunction with these changes in the community, we actually hired Elliott Pollack to do an analysis for us. We had him do two different reports for us. One in June of this year and one in October of this year and they deal with these three

cases. The one in June was done for the case that's number two on your agenda, the next one coming up after this. And their analysis was of the retail demand and history in that area, there's a 21% vacancy rate in that area which is very high.

For example, in our next case to discuss, that small six acre parcel, it's half of all the storefronts being empty. And the October analysis that Mr. Pollack's firm did, this portion of the analysis took into account what was happening in the northeast part of the city, in terms of retail demand. And those were the two cases that you are hearing right now and the one that will be last on your agenda, the Greasewood Flats and the Pinnacle Peak Patio. The October analysis goes to point out that La Mirada Shopping Center at the corner of Pinnacle Peak Road has almost 32% vacancy rate.

Mr. Pollack's October report, again, from just a month ago, goes on to note that, for example, another project that Jomax and Alma School and this is extremely relevant to this case and our last case. Because Pinnacle Peak Patio shares a boundary line with this 10-acre commercial development. Across the street to the east is Greasewood Flat. Literally this C-2 zoned development has a 38% vacancy rate. So what conclusions did Mr. Pollack's analysts make as a result of these two studies from June and October? He summarizes it in the October analysis, and he says, we would advise the City of Scottsdale to strengthen its existing retail real estate assets as opposed to protecting potential future commercial centers where they are not warranted or demanded.

[Time: 00:26:36]

A viable alternative strategy is to support and strengthen existing retail establishments where they are clearly demanded this includes promoting residential development to support the retail base. What is happening the last 13 years, since 2001, is this Council and previous Councils have literally acquired tens of thousands of acres of Preserve land in the north. And those are no longer rooftops available to support the retail shown on the General Plan in the current location. Now, it's interesting, rarely can a lawyer guarantee anything, Mayor, and is it even rarer for a lawyer to be less loquacious than a consultant but in this instance, I actually say what Mr. Pollack was saying in fewer words.

The bottom line to the analysis of these two very in-depth market studies that were done in June and October is we need less retail in these locations and more rooftops. It's not to say we don't need more retail, in some places in the city, or north Scottsdale, but they are not where they are needed as shown on the General Plan today. Mayor, members of the Council, with that overview for all three cases, let me move forward with the case that staff is discussing this evening. I'm going to assume that you read the voluminous staff reports for this General Plan and zoning case and probably more voluminous application that my clients have made for these cases.

Mayor and members of the Council, Pinnacle Peak Patio has a 50 year history. That included a recent bankruptcy. That included many in this room taking family, in fact my father has left several ties on the roof at Pinnacle Peak Patio, taking, friends, family and tourists to Pinnacle Peak Patio, but unfortunately, it's going to close. It has nothing to do with this zoning case. If you were to deny this General Plan amendment or zoning case this evening, Pinnacle Peak Patio will still close. It's simply the wrong concept at the wrong time in the wrong location.

Now, things have changed at this location. Back in the day, when all of us generally went out, there and went out there more often, it was a long drive in the northern hinter lands of the city at times it wasn't even in the City of Scottsdale. It was a trek to get out there. There wasn't much out there, except Pinnacle Peak Patio, and Reata and Greasewood Flats. What has changed? There's a five-store resort, there's luxury, gorgeous, master plan communities in the area. There's golf courses and retail immediately to the east with 38% vacancy and there's retail immediately to the west of us. And there's retail, commercial zoning immediately to the south. We are surrounded on three sides by retail.

[Time: 00:29:41]

You know what, things also changed if back in the day, were caused by the city. This is an old area photo in the late '80s and outlined here is Pinnacle Peak Patio. And even back in the day, look how denuded this property is, destroyed basically in terms of sensitivity to the desert. Back in the day, Alma School and Jomax came together at the front door of Pinnacle Peak Patio. What happened in the lay '80s, with the wisdom of traffic analysis? And it's correct in terms of traffic analysis, is this is the relocated, rerouted Alma School Road that exists today. It's like the freeway coming in and bypassing Main Street, it had an impact on these businesses in the area.

Now this is an aerial photo and you can see Alma School here. Here's the 10 acres we are talking about. Here is the 10 acres next door that has a 38% vacancy rate. Right on the corner here of Alma School and Jomax is an empty restaurant building that at one time held the Mosaic Restaurant which was a great restaurant! It's been empty for years and they cannot release it or refill it. So the retail in this area has struggled. Now the retail along Alma School in these locations seem to be doing okay. But if you are off Alma School and back in this area, 38% vacancy. A restaurant that you cannot refill and other issues in this area.

Please note that our property is surrounded on three sides by retail and commercial zoning. All of this is commercial zoning. Residential zoning is to the north. So what works. The hotel concept was tried and that died. It didn't go anywhere? What really can work in this area? It's more residential. It's residential that appeals to the luxury lifestyle of those that want to be in north Scottsdale. It also benefits from a reduction in traffic in the area by changing the zoning from commercial to residential. There's no way around. It traffic impacts go down when we go from commercial to residential.

If I were here this evening asking for going residential to retail, it would be an entirely different story and impact in the area, but we're not. We are asking to do the opposite. Now, the neighbors in the area will be delighted, I think you will hear from them, by the fact that we will eliminate noise of vans from Pinnacle Peak Patio. There's dust. There's traffic. There's lighting that's not in conformance with the city's dark sky ordinance. All of those impacts will be eliminated for the neighbors.

And speaking of neighbors, we have worked closely with them, with these neighbors to the north. And I want to thank them for their time and energy and effort and in conjunction with those

neighbors, we have reduced heights for the project. We increased the buffers and we have increased landscaping. We have gone so far as to agree to adopt their design guidelines to build our homes by. And, in fact, we have a lot of work by the lawyers, not me, because you know I'm not a real lawyer, but with a lot of good work by the lawyers that document was recorded today and now runs with the land to ensure that whomever develops this property has to live by those design guidelines.

Mayor, members of the Council, in conclusion, it really is a sad day that Pinnacle Peak Patio has to close. I mean, we have all enjoyed it and we like taking people there, but not enough of us still do it. And the concept just isn't appropriate at that location anymore. It's all about location, location, location. I'm happy to state that my client is working with the city and WestWorld to look at trying to utilize, reincarnate portions of Pinnacle Peak Patio at WestWorld. In fact, he's offered to pay for the removal, the transportation, and the storage of those elements that WestWorld is interested in acquiring and using eventually at WestWorld for the benefit of the city and its efforts at WestWorld. Mayor, members of the Council, this rezoning will reduce traffic impacts and it will have the very important effect that Mr. Pollack talked about, which is bringing more rooftops to support the struggling retail in the area. Mayor, members of the Council, I'm happy to answer any questions or wait until after Public Comment. Thank you very much.

Mayor Lane: Thank you, Mr. Berry. We will have you stand by if there's any response necessary to some of the requests to speak on these topics. And we do have three requests to speak. And we'll start with Robert Cappel.

[Time: 00:35:02]

Robert Cappel: Mayor Lane, Vice Mayor Phillips, members of the Council, I'm Robert Cappel, and on this General Plan amendment and rezoning, I'm here representing Greater Pinnacle Peak Association. We have been around 50 years. We have enjoyed Pinnacle Peak Patio. We hate to see it close but we realize that's not an option anymore. This developer has worked with the residents to make changes to his original plan, and basically, we are here to say that from our board of directors, we support this General Plan amendment and we support the rezoning case. Thank you.

Mayor Lane: Thank you Mr. Cappel. Next is C. Win Billingsley.

[Time: 00:36:07]

C. Win Billingsley: Good evening, Mayor, Vice Mayor, and Councilmembers. Thank you for the opportunity to speak. My name is Win Billingsley, I'm a full-time Scottsdale resident. I live at 10585 East Crescent Moon Drive in Privada which is a small 51 lot community, located between the Four Seasons Hotel and the Pinnacle Peak Patio. I stand to speak for the Privada community and my comments are directed towards the Reserve Pinnacle Peak Patio major General Plan amendment, 2-GP-2014. There was a meeting held at the Four Seasons Hotel. Those attending were John Berry, Susan Bitter Smith and representatives from the proper planning company R.D.A. There were several attendees from both Estancia and Privada, whose property values were being negatively impacted. We were able to reach a compromise agreement on our key concerns regarding the

proposed new duplex building placements and heights. A second negotiation session was held on 11/14 at the Pinnacle Grill to discuss Reserves at Pinnacle Peak Patio design guidelines which is patterned after the Privada. Attending were Susan Bitter Smith, Alex Steadman of LVA, while local residents were represented by Jim Davis, and Win Billingsley and the Estancia community manager.

Both of these negotiations were courteous and productive with the results captured in a legal document produced by John Berry and our attorney Gus Slavin. These documents have been recorded with the City of Scottsdale. Before closing, I would like to reaffirm our vigorous opposition to any additional high density housing in the Pinnacle Peak area. With less than a half a square mile of the Four Seasons Hotel, we now have 84 housing units. The aforementioned 50 units duplex at Pinnacle Peak Patio and the yet undefined but proposed 80 plus units of housing at Greasewood Flats for a total of 214 new high density housing units. Quite frankly, for us, enough is enough.

If the residents of Desert Highlands, Eagle Glen, Troon, and Privada, and Estancia wanted high density development, we would move to downtown. It destroys native Arizona culture and keeps business that attracts tourist dollars and places tremendous stresses on the surrounding infrastructure. We congratulate and welcome the new Councilmembers, Kathy Littlefield and David Smith and we very much enjoyed working in their campaigns. Thank you for your kind attention.

Mayor Lane: Thank you, Mr. Billingsley. Next speaker's testimony is Jim Davis. And he has donated additional minute from Doug Mine. So Jim, it would be four minutes.

[Time: 00:39:32]

Jim Davis: Thank you, Mayor, Vice Mayor, Councilmembers. I'm Jim Davis. I live at 27483 North 103rd Way. That's in Estancia. I'm an officer and director of the Estancia Homeowners Association. I echo the comments made by Win Billingsley before me. I won't repeat those. We thank the owner. The new owner of the patio property and his representatives for working with us to arrive at something that we can live with. The Estancia community from that map that attorney Berry showed is contiguous with patio property. The patio property's northwest corner touches on Estancia's southeast corner. We have about 31 lots in the southeast part of our development. Within 1500 feet of the northwest corner of the patio, those lots all benefit from this agreement that Mr. Billingsley mentioned. So we compliment the new owner for working with us. We are pleased to support this proposed development, and these two items on the agenda. Thank you.

Mayor Lane: Thank you, Mr. Davis. That completes the requests to speak on this particular item. Mr. Berry, if you want to take a moment, if there's anything that you need to respond to, but please, specifically to comments.

[Time: 00:41:09]

John Berry: Mayor, members of the Council, just a couple of things. One in the staff report, they noted that this was multifamily. I know that's a term of art because it's not a single family lot. I don't want you to think that there's apartments going on in here. These will be townhomes, with

one unit attached to the other, two units per location. I think it's important to clarify for my reputation that I did not draft these deed restrictions that have been recorded. I wouldn't know where to begin.

I had very good partner who did that for me, and worked very closely with Buzz Slavin to have the deed restrictions recorded and it allowed us to get the support from Privada and Estancia. Mayor and members of the Council, we are pleased with the support we have worked hard to obtain. That's what we like to do is create the proverbial win/win. I would like to remind the Council that the General Plan amendment does take a supermajority of the Council, which would be five votes to go to the zoning case. I would be happy to answer any questions from the Council. Thank you very much.

Mayor Lane: Thank you again, very much, Mr. Berry, for the presentation and thank you to all of those who spoke on these two particular items. I do not see any further testimony to be given on this topic. And at this moment we have Councilwoman Milhaven who would like to comment or make a motion?

Councilwoman Milhaven: I would like to make a motion. Should we take them separately or together?

Mayor Lane: I think we can probably take them, I will ask for some legal advice on that. They are bound at the hip. Should we do them separately?

[Time: 00:42:50]

City Attorney Bruce Washburn: You should do them separately because they have different vote standards. One requires.....

Mayor Lane: Very good.

Bruce Washburn: Five votes and one four votes.

Councilwoman Milhaven: I would like to thank the developers for working with the neighbors and I hate to see Pinnacle Peak Patio go away. I tell a story, I went to a wedding there and my boyfriend shot the gun into the air in the desert to celebrate the wedding because there was nothing out there. It's sad to see it go. It's a wonderful part of our history. I will make the motion to adopt Resolution 9942 approval of a major General Plan amendment to change from commercial to suburban neighborhood.

Mayor Lane: The motion has been made.

Councilman Robbins: Second.

Mayor Lane: And seconded by Councilman Robbins. Any comments Mr. Robbins? All right.

Then it looks like, I'm sorry, Vice Mayor Phillips?

Vice Mayor Phillips: Thank you, Mayor. I did have a question. I don't know if Mr. Berry or staff wants to answer it. You showed NAOS, and it looked like there was a path running through. I don't think you can run a path through NAOS.

Jesus Murillo: Mayor Lane and Vice Mayor Phillips, a trail made path through NAOS if it's unimproved. So no kind of sealant, D.G. at the most but as long as it's not improved or has any kind of permanent structure to it or permanent improvement, they can coexist.

Vice Mayor Phillips: Because you would think if you have a trail, even if you just sweep it with a broom, you disturb the NAOS at this point.

Jesus Murillo: As far as ordinance reads right now and the language within the natural space open easement, a trail can exist without compromising what ordinance at least the ordinance currently views NAOS as.

Vice Mayor Phillips: All right. Well, thank you for that. Mr. Berry, you made a comment about, you know, we need less retail and more rooftops. I don't know if anybody wants to parrot me, but I think we need less retail and less rooftops up north. I think we are reaching the point of saturation. Where the old General Plan said we should have a lot more than this or not, it's already too much. The reason there's high density up north is because past Councils have allowed these projects to continue to pass them and pass them and pass them. That's why we have so much going up there, the four season resort was a contentious item. And are we going to continue to keep doing. This the question is how much is too much? Are you going to keep doing it until there's no land left? At what point do we start saying no so from what I hear, it seems like everybody is happy with this. You know, you worked with the residents and they all like it and everything. Personally, I would like to see less density on it, but that being the case, you know, I will vote no for that reason. And we'll see how the rest of the Council goes, I guess.

Mayor Lane: Thank you, Vice Mayor. Councilman Littlefield?

[Time: 00:45:58]

Councilman Littlefield: Well, I think we should make a subtle distinction. It's not that everybody is happy with this. It's that they feel it was inevitable and they tried to get the best deal they could possibly out of it. In general, I am opposed to more of this, because we had, well, without going too long into detail, we are now just as we have to Scottsdale's detriment, changed the character of south Scottsdale, we are now getting around to the detriment of the residents changing the character of north Scottsdale. Scottsdale had a formula that worked.

Low density, low heights, nice views, western feel and you know, for years and years and years up here, we changed it in south Scottsdale and now we are getting around to north Scottsdale. Middle Scottsdale, your turn will be next! I don't think it's appropriate to say it to people who are supporting

this, who are neighbors are happy with it. I think they are getting the best deal out of it. I think they would prefer it doesn't happen. Just in general, I don't know why it's good for the residents of Scottsdale anywhere to change the formula that worked. So I'm going to be opposed to it.

Mayor Lane: Thank you, Councilman. Councilwoman Milhaven.

Councilwoman Milhaven: I would like to make additional comment. You know, this is really about property rights, and zoning is about allowing property owners to enjoy their property without intruding on the rights of their neighbors to enjoy their property. Now, the politics of it come into play, and how do we define intrusive? And so that's where we have differences of opinion. I know some of my colleagues think that this is unfair. The fact of the matter is that this case is reducing the number of dwelling units on this parcel by half. So it's going from 9.3 to 5 dwelling units per acre. So it's less dense than what is currently allowed. The other is if this were rezoned, given a new site plan with the commercial zoning that creates more traffic than the residential that's being proposed and while folks might prefer to see this parcel not be developed at all, I don't think that that's appropriate. We need to say what's an appropriate use here and what's being proposed is less intrusive than what's allowed by the current zoning and so I think we need to be realistic about that, and so that's why I plan to support this. Thank you.

Mayor Lane: Thank you, Councilwoman. I would like to just echo a little bit of what the Councilwoman just mentioned because I do believe on a number of points that were made by Mr. Berry, the representative of the client, this is a down zone this is a lesser intrusive use and it frankly is a less dense use than what is allowed. I don't really see that this runs counter to anything that's within the plan or within the zoning other than to improve the situation from what it would be legally available to the property owner. So my feeling is certainly as I said earlier, much the same. I think this is a reasonable, I think, a very good accommodation to the neighbors and frankly replacement of which I think other than just the sentimental value of Pinnacle Peak, it's probably a far better use of the land as was also exemplified the study that it's an area that doesn't support commercial applications at the very least. So with that, I will go to Councilwoman Klapp.

Councilwoman Klapp: And I would like to agree to that. I appreciate the presentation that told the pure facts of what retail and commercial is experiencing in the area. As a retailer, I can tell you that I know firsthand what the vacancy rates are up there, and although I am in a center that enjoyed a much better vacancy rate, surrounded by empty stores in that particular area of the community, and it's really a sad situation that there's been so much retail planned in the General Plan, the commercial plan in the plan over the years, when the reality is because of Preserve, and because so many rooftops have been taken out, because of the reserve, the Preserve, that we have to look at how we can best look at the entire area now, under a new reality. And that reality is there are fewer residents up there. You can't have the amount of commercial and retail that was planned in the area. The lots are available, as was mentioned by the Council woman. People have property rights and they are trying to find some way to develop the lots, and so this is a good scenario. The property owner worked with the neighbors to come up with something that works for the surrounding property owners and I think that's all we can ask for, for a case like this. So I will be supporting it.

Mayor Lane: Thank you, Councilwoman. Councilman Littlefield.

[Time: 00:51:27]

Councilman Littlefield: You know, the property rights argument cuts both ways. The property owner has rights but at the same time, the owners of property nearby have rights. The whole reason we have zoning and the whole reason we have City Councils and boards of supervisors to do zoning is because real estate doesn't move. All right? So if Councilwoman Milhaven and I have lots next to each other, what I do on my lot, if I do the wrong thing, can negatively impact her property values and her quality of life and vice versa. So that's why we have zoning. And that's why we have City Councils and we are supposed to be up here and we are supposed to protect the character of the community and we are supposed to protect the rights of folks who live nearby and have property nearby too.

I would suggest that the trend on this Council for the last, God knows how many years, has been to care more about the rights of people who are developing new stuff than to care about the rights of people who currently live and own property here. So the property rights argument doesn't give us or anybody who owns a piece of land free reign to run amuck, all right? It's just the nature of the beast that we have to consider who is nearby. Now, this is probably not a bad compromise if you want to do this, but I'm just saying that we shouldn't be encouraging changing the character of Scottsdale, a formula which has made Scottsdale the best mace in Arizona to live, and the best place in Arizona to bring in tourists. Well, changing that and making Scottsdale more dense and south Scottsdale more urban community, is not a good plan. It's a bad idea. And what we are doing is we are sacrificing the long-term quality of life in Scottsdale, for the short-term profit of some developers. And that's bad. And we shouldn't be doing that. That's why I'm voting against this.

Mayor Lane: Thank you, Councilman. Councilwoman Korte.

Councilmember Korte: Thank you, Mayor. Well, I must disagree with my fellow Councilmember. You know, changes in our city since 2001, General Plan have been enormous and they are something to celebrate. God help us if we stood still, because I don't think Scottsdale would be around if we stood still. And since 2001, we have experienced the miracle of McDowell Mountains. And by putting 31,000 acres into Preserve, we have maintained the culture of Scottsdale. We have maintained the openness of Scottsdale. And by doing that, we have reduced, particularly in the northern part of our city, the demographic support for retail. This makes so much sense to down zone from commercial to residential, to bring greater buying power within the area to support the existing retail. You know, we can say that, that the formula has changed. Well, you know, Estancia back in the 1990s changed the formula. And Troon North changed the formula. This is just another part of that equation. And I believe that this is good for Scottsdale and good for our economic base.

Mayor Lane: Thank you Councilwoman.

Councilwoman Milhaven : I would like to take exception to Councilman Littlefield's accusation that I don't care. I care. We may have differences of opinion on the impact on the neighbors but I do

care and I respect the difference of opinion but I see that this use is a lower impact than what might be proposed or built. Thank you.

Mayor Lane: Thank you, Councilwoman. Councilman Littlefield.

Councilman Littlefield: This is a point of personal privilege. I don't remember saying that you didn't care. I used the example if you and I owned property next to each other which is probably just as fortuitous that we done. This is not personal. This is not a personal issue. This is about what we are supposed to do up here. I don't dislike anybody up here. It's about what is the right thing to do. Don't get huffy on me for pointing out, and as the Preserve, I'm sorry, the Preserve was anticipated. That didn't just happen by magic. It was anticipated. That was the number one thing was to get the private condemnations done and start buying state land. It's not like it was something that dropped out of the sky and now that changes everything. That was part of the plan. And as for the idea that, you know, well, things change. Of course they change. I don't mind change. But there's good change and bad change. Not all change is good. Some change is bad. And densifying the north and urbanizing the south are bad changes. That's all I'm saying and nobody up here should take that personally.

Mayor Lane: Thank you, Councilman. We are, we have no further comments from the Council and no further requests to speak on the subject. So I think we are ready for, oh, geez have I gone past this? We have the motion and the second is already on the table. We are ready then to vote. All those in favor please indicate by aye. Those opposed with a nay. The ayes have it 5-2. Councilman Littlefield and Vice Mayor Phillips opposing. Thank you very much for that presentation, and thank you for the input from all sides on this topic. So with that, we will....

John Berry: Mayor, I think we need a motion on the zoning case, please.

ITEM 3 – THE RESERVE AT PINNACLE PEAK PATIO REZONING (9-ZN-2014)

[Time: 00:57:27]

Mayor Lane: With that taken care of, with Item 2 taken care of, we move on to the item 3, which is the Reserve at Pinnacle Peak Patio Rezoning, 9-ZN-2014.

Councilmember Korte: Mayor, I would like to make a motion.

Mayor Lane: Please.

Councilmember Korte: I move to adopt Ordinance 4180 approving a zoning map amendment from the central business district environmentally sensitive lands zoning district designation to the resort town house residential environmentally sensitive land zoning district designation.

Councilwoman Klapp: Second.

Mayor Lane: A motion has been made by Councilwoman Korte and seconded by Councilwoman Klapp. Would you like to speak towards it at all? Then we are ready to vote on. This all those in favor please indicate by aye, and those opposed with a nay. The motion passes 6-1 with Councilman Littlefield opposing.

John Berry: Thank you.

Mayor Lane: Now thank you for the presentation and for all the input on both items.

ITEM 4 – EL REGALO MAJOR GENERAL PLAN AMENDMENT (3-GP-2014)

[Time: 00:58:32]

Mayor Lane: And that moves us on to item 4, El Regalo Major General Plan Amendment which is 3-GP-2014. I guess we have Mr. Reynolds to the podium for a staff presentation.

Planner Taylor Reynolds: Mayor Lane, members of City Council, Taylor Reynolds Long Range Planning, I will be talking to El Regalo. This is the request before you tonight, 3-GP is the northern most request. This graphic is, this context aerial depicts the site north of the northeast corner of Westland Drive and Scottsdale Road. Around the Boulders and the master plan communities of Terravita and Winfield and Boulders. This close-up aerial shows the property comprised of vacant commercial office building and vacant land. Again, the first criteria of the General Plan for major General Plan request would be the change in land use category. The only criteria this particular case meets is first which is again the change in land use category. In this case a change from commercial group E, similar to the previous case of commercial to group B suburban neighborhoods, again, is yes. So yes, it's a major General Plan request.

Again this request is from commercial to suburban neighborhoods in a 5.8-acre site, and with the companion zoning case of 10-ZN-2014, which we will be speaking to in a little while. This graphically represents the applicant's request, which is on the commercial land use and the applicant's request for suburban neighborhood. So the key considerations of this case, similar to the last was the compatibility with the surrounding land uses. The conversion from suburban neighborhoods to, sorry, from commercial to suburban neighborhoods and then finally the applicant's scenic corridor dedication. This graphic depicts the subject site in relation to surrounding uses. Note that it is almost completely surrounded by the land use category that's requesting suburban neighborhoods to the east, to the west, and to the south and then to the north is commercial use.

This graphic depicts the surrounding densities of communities that are also designated as suburban neighborhoods. Terravita to the west was approved at 1.93 dwelling units per acre. To the south was Boulder Villas. Last year was a major General Plan amendment request. They requested 2.2 dwellings per acre. That's the immediate east and south of the site. And further east is the boulders master plan community which was approved at 1.37 dwelling units per acre. Again the applicant is requesting 3.2 dwelling units per acre. This graphic, again, depicts commercial uses in northern area of the city. This particular request would be a reduction in overall commercial land use

in the north by 1.5%. And 2013, the city conducted a land use assumptions report which projected land use and population changes for Scottsdale through 2030. It noted that 4% of the land area in north is projected to be suburban neighborhoods again with what the applicant is requesting tonight.

The applicant also submitted a market study, demonstrating a weak demand for commercial occupancy within 4 miles of the subject site. The scenic corridor design guidelines were adopted in 2003, establishing a minimum setback of 100 feet and a minimum average setback of 75 feet along designated corridors, Scottsdale Road being one of them. However, the boulders master plan received approvals for 50 feet, or 50-foot minimum and 75-foot average, inclusive of this subject site in 2008. As such, the applicant's dedication of 50-foot minimum meets those, as well as the 4-GP-2014 which was to the immediate east and south of the site.

Community involvement thus far included the applicant's open house on May 7th which included six participants, the city sponsored open house which I discussed earlier had 84 participants. The Planning Commission remote hearing on September 10th and then finally the recommendation hearing by Planning Commission on October 22nd for which Planning Commission recommended approval of 6-0. Some community comments that we received regarding this case including, concerning the requested density, a concern that the development may be too close to Scottsdale Road. There was also verbal support from Winfield H.O.A., verbal support of Taylor Morrison's continuation of the scenic drive for which the previous slide mentioned. And also concern that too much residential in the area will put pressure on local infrastructure. That concludes the long-range staff's presentation. Keith Niederer of current plan will present 10-ZN-2014.

Mayor Lane: Thank you Mr. Reynolds.

[Time: 01:04:25]

Senior Planner Keith Niederer: Thank you, Taylor. This is case 10-ZN-2014, I am Keith Niederer with the city's Planning Department. The request before you this evening is to rezone approximately 5.8 acres from planned community zoning district with a comparable C-2 district to a planned community district with a comparable R-4 zoning district, all the environmentally sensitive land zoning overlay.

The second portion of the request is to amend the R-4 development standards which would match what was approved last year to the south of the El Regalo subdivision which has currently 40 lots under construction. And finally, requests to amend the overall boulders development plan approving the 17 lot subdivision and reducing the overall size of the existing C-2 property in the boulders master plan. The subject 5.8-acre property is located as outlined in yellow here. It's located on the east side of Scottsdale Road north of Westland. Currently it's comprised of undeveloped property and existing office building, which was built back in 1989, and has been vacant for quite some time.

The request is to rezone the 5.8 acres which is outlined in the red hatching, from planned community with a comparable C-2 commercial zoning to planned community with a comparable R-4 zoning with the environmentally sensitive lands overlay to construct 17 single family homes. As Taylor

mentioned, to the south, last year, the City Council approved case 11-ZN-2013, which rezoned approximately 18 acres from planned neighborhood center, and C-2 to the R-4 designation to construct a 40-lot subdivision. As I mentioned earlier, the first phase of this subdivision is currently under construction to the south, and it's this area north, north and east of Westland and Scottsdale Road. The subject 17 lots of this application are outlined in blue.

Here's an expanded view of the property. The area out to the east, outlined in yellow, that was rezoned to the R-4 designation last year. And the areas in blue are currently planned community with the C-2 designation and they are requesting to go to the R-4 to build 17 additional lots in the El Regalo subdivision. This is the proposed development plan, again, the plan is to demolish the existing vacant office building on the site, and construct 17 new lots. The remaining lots, 32 lots are located, or 40 lots are located to the south. Access to the subdivision is via Scottsdale Road. There's an existing median break that leads into the El Pedregal subdivision, as well as into this existing office building. There will be access from south that will go through the existing El Regalo subdivision, which is under construction.

On this graphic is the circulation plan. There is a meandering 8-foot wide concrete path that exists along Scottsdale Road, which will remain in place with this application. The developer will also be constructing an 8-foot wide trail, adjacent to that 8-foot wide existing sidewalk. 6-foot wide sidewalks will be installed along the interior of the site, along one side of the street and will also be two pedestrian connections leading up to the El Pedregal commercial center to the north. With this application, there will be 1.5 acres of natural area open space dedicated, and the building heights will all be single story and will not exceed 24 feet above finished grade. The Planning Commission at their hearing recommended approval of this application by a vote of 6-0. And that concludes staff's presentation. I would be happy to answer any questions you may have.

Mayor Lane: Thank you, Mr. Niederer. Mr. Berry, if you want to continue with your presentation on behalf of your client.

[Time: 01:09:14]

John Berry: Mayor, members of the Council, John Berry, 6750 East Camelback Road in Scottsdale. It's really a privilege to be here on behalf of Taylor Morrison. I hope most of you know who Taylor Morrison is, because they are a major corporate headquarters of a publicly traded company in Scottsdale. Taylor Morrison has been an active and involved community citizen and it's a real pleasure and honor to be able to represent them and on top of that, they build great communities.

Mayor and members of the Council, this is a simple case. Back last year, the City Council approved a major General Plan amendment, you would think I would have this down by now. The Council approved unanimously a major General Plan amendment a year ago for this green guitar-shaped property, and downzoned it and changed the General Plan from commercial to residential on this parcel and all we are doing on this 6 acres is asking to do the exact same extension, phase two of this subdivision, we are adding phase two here.

It's a downzoning change. That's exactly contiguous to the unanimously approved general man amendment and zoning for the exact same thing last year. One of the benefits certainly of this case is because we are going from commercial to residential is there a 62% reduction in traffic as a result of this downzoning. It also will provide those important rooftops to El Pedregal which is located right here which you recall from Mr. Pollock's study noted that it's about a 50% vacancy rate. Importantly, there are two pedestrian linkages. The standards are the same that exist in the boulder community and we are not aware of any opposition to this case.

I would note on the, again, good citizen side of what Taylor Morrison believes in and what they are trying to do with their community, this area right here in green is the area that is currently preserved desert or NAOS buffer along Scottsdale Road. This area in blue that you see right here, you can see it's parking lot and already bladed desert what Taylor Morrison is going to do. They are going to turn that into desert landscaping and then be taking in a long-range lot of pavement and landscaping and this office building, which has been vacant for 10 years will go away and become a productive asset, and help to pay for the continuation of the enhancement of the Preserve. Mayor and members of Council, I'm happy to answer any questions that you may have or wait until Public Comment if there is any.

Mayor Lane: Yes, Mr. Berry, we do have some Public Comments. If you want to stand by. This case on four and five, of course, as they are associated. We do have one request to speak and it's Mr. Cappel.

[Time: 01:12:26]

Robert Cappel: Mayor Lane, Vice Mayor Phillips, members of the Council, Robert Cappel, 33600 North 79th Way in Scottsdale. On these two major General Plan amendment and the rezoning case, I'm actually representing two communities here or two organizations, the first being the Winfield Homeowners Association. I'm president of the board of directors of Winfield Homeowners Association. It's a community of 511 homes. On the southeast side of Scottsdale Road and Westland. And we supported Taylor Morrison in the past, on last year's rezoning plan and we found them excellent to work with, and we're here to support this major General Plan amendment as well. I'm also the president of the Greater Pinnacle Peak Association, and our organization and friends of scenic drive. Taylor Morrison has been very supportive of the scenic drive which runs Scottsdale Road, from Happy Valley to Carefree Highway. And we are very thankful for their continued support of the scenic drive and our organization is also supporting this General Plan amendment, 3-GP-2014 and its rezoning case, 10-ZN-2014. Thank you.

Mayor Lane: Thank you, Mr. Cappel. I don't know Mr. Berry, if there's anything to rebut on that.

John Berry: I certainly wouldn't rebut to anything that Mr. Cappel said.

Mayor Lane: As you charged towards the podium, I thought you might have a response. Is there any comments or questions or otherwise from the Council, otherwise a request for a motion. Vice Mayor Phillips?

[Time: 01:14:34]

Vice Mayor Phillips: Thank you, Mayor. This major General Plan amendment is one I can live with. I think that getting commercial off Scottsdale Road is a good thing, especially this building that's been there for such a long time, and the density is consistent with the surrounding communities. So I would like to make the motion to adopt Resolution 9943, approving a major General Plan amendment to the City of Scottsdale 2001 General Plan and change the land use designation from commercial to suburban neighborhoods and 5.8-acre site.

Mayor Lane: The motion has been made by the Vice Mayor for resolution to adopt Resolution 9943. Do I have a second?

Councilmember Korte: Second.

Mayor Lane: Would you like to speak towards that at all? All right then. I think we are ready to vote. All those in favor, please indicate by aye. Those opposed with a nay. I'm not getting Councilman Robbins. Do it again. Okay. It's unanimous, 7-0 on the tally.

John Berry: Thank you.

Mayor Lane: Thank you very much for your presentation.

John Berry: I would just know how am I doing on time so far?

ITEM 5 – EL REGALO WEST REZONING (10-ZN-2014)

[Time: 01:15:51]

Mayor Lane: You came pretty close to the 50% reduction. I was watching that. And we do have, yeah, we do need to move to item 5, the El Regalo West Rezoning, the 10-ZN-2014. Seeing there's no further questions on, that do I have a motion?

Councilman Robbins: Yes, I will make a motion that the Council adopt, Resolution 9920 and adopt Ordinance 4174.

Mayor Lane: The motion has been made and seconded. Any request to speak on the topic? Seeing none, then I think we are ready to vote. All those in favor, please indicate by an aye. And opposed with a nay. The motion is accepted unanimously, 7-0. Again thank you very much for the input on both of those items.

ITEM 6 – CAVALLIERE FLAT MAJOR GENERAL PLAN AMENDMENT (4-GP-2014)

[Time: 01:16:47]

Mayor Lane: And we are done with those and we move on to Item 6 is the Cavalliere Flat Major General Plan Amendment 4-GP-2014 and the associated rezoning on Item 7. It looks like we have Mr. Adam Yaron.

Senior Planner Adam Yaron: Adam Yaron, Senior Planner with Long Range Planning. I will be presenting the General Plan case, and my colleague Jesus Murillo will be presenting 12-ZN-2014, Cavalliere Flat. Cavalliere Flat, in relation to other major General Plan amendment is located here in this location shown before you. This shows the location of the property at the southeast corner of north Alma School parkway and east pinnacle vista drive, amongst the master plan communities of the four season resort, Estancia, Desert Highlands and Troon Village. Existing uses are a mixture of commercial and single family structures, most notably the restaurant and bar facility of Greasewood Flats and Reata Pass. Some portions are vacant with no uses established.

In terms of the criteria that qualifies this particular case in the major General Plan amendment, it's criteria number one, a change in land use category. The applicant's proposal is to amend the General Plan conceptual from rural neighborhoods and commercial to rural and suburban neighborhoods. In this case, a change from category A to category, I'm sorry, A and E to category b qualify this as a major amendment.

The second criteria that qualifies this as a major General Plan amendment is the change in land use category and the amount of acreage that's being requested. Particularly for this application, with the property being located within the d planning zone, the property being 26 and a half acres of change is over the 15-acre threshold for the b planning zone within the city. So with the change in land use categories criteria number one, along with the acreage of land use change, criteria number two, Cavalliere Flat is a proposal to essentially reconfigure the existing land uses on the property. It will convert rural neighborhoods and 19 acres of commercial to 22.8 acres of suburban neighborhoods. Decision, the proposal will convert 3.8 acres of commercial to rural neighborhoods and reconfigure and maintain the balance of 20.4 acres of rural neighborhoods on the 46.9-acre site.

The applicant also has the companion rezoning case as I mentioned before, case 12-ZN-2014. This map shows the site's land use context and the existing 2001 General Plan and use, of commercial and rural land use plans on the left and the proposed land use on rural neighborhoods, I'm sorry, rural and suburban neighborhoods represented on the right. The considerations for this case are compatibility with the surrounding land uses, rural neighborhoods, office and commercial, with densities of surrounding residential along with the conversion of approximately 23 acres of commercially designated land to rural and suburban neighborhoods which will alter the amount of commercial land use designated areas both citywide and within the northern portion of Scottsdale.

So in terms of context of the 2001 land use. The land use designations near subject site are as follows: North of the site, the land use category of office, south of the site, across Jomax Road is a land use category of developed open space in suburban neighborhoods. East of the site is rural neighborhoods and west of the site is a land use category of commercial, the Four Seasons Resort. The applicant is also requesting a zoning map amendment from C-2 and R-190 to R-4, to allow for the

construction of 80 residential home site in the approximately 46.9-acre site.

In terms of surrounding residential densities, north exists an office, within the office land use designation, Quisana, a residential development zoned SR, approved 2.3 dwelling units per acre, south designated commercial and zoned PCC ESL is Eagle Pass, a residential and nonresidential development approved at 5.53 dwelling units per acre. East, generally meets and bounds property and finally west commercial, the Four Seasons Resort.

The City of Scottsdale through the 2001 General Plan goals and approaches generally seek to maintain the city's economic drivers. In this case, however, the conversion of commercial and rural neighborhoods to rural neighborhoods and suburban neighborhoods may be more appropriate considering the property's context just east of a major long standing resort, the Four Seasons and further surrounded by similar or higher land use designations than the requested land use designation of rural and suburban neighborhoods. The commercial land use designation makes up approximately 33% of the city's total commercial land use and the requested change totals an approximately 6% reduction in commercially designated lands within the north area.

So the citywide summary, if you have been counting in 2013, in the same northern area of city to which this year's applications are located, the City Council adopted case 4-GP-2013 which resulted in approximately 4% reduction of 18 acres. In the General Plan community commercial designated use. This year for 2014, within the same area of city, there are three similar requests for major General Plan amendments that propose the change of General Plan designated commercial land uses to other types of General Plan land uses primarily residential.

Case 2-GP, 3-GP, 4-GP-2014 will result in an additional 11% reduction and approximately 38% reduction of designated commercial land. In terms of the community involvement, the applicant had an open house on May 28th which results in 46 participants in attendance. The city had its own open house on September 3rd for 84 participants which accounts for all four major General Plan amendments filed this year. It also had a Planning Commission remote hearing conducted at Copper Ridge School on September 10th and Planning Commission made recommendation for approval of this case, 6-0 on 2014. Major community comments were concerns regarding the requested density within the applicant associated zoning case, the proposed density for this case being 1.47 dwelling acres and residents wanted to make sure that it's single family residential. We also heard concerns regarding additional traffic along north Alma School Parkway. That concludes staff's long range General Plan analysis and we'll turn it over to Jesus Murillo with Current Planning.

Mayor Lane: Thank you, Mr. Yaron.

[Time: 01:24:55]

Senior Planner Jesus Murillo: Thank you, Adam and once again Mayor, Mayor Lane and members of the City Council, my name is Jesus Murillo, Planner here with the city and I will be doing the associated case with Cavalliere Flats which is 12-ZN-2014. Just so that some of the numbers make sense from the report and in the presentation. If you look at the entire site, including the remnant in piece that

was left over when Alameda, I'm sorry, Alma School was dedicated. It's a little over 51 acres. If you look on the east side of the Alma School, there's a little over 49.5 acres of land, but the portion that is being requested for view of rezoning totals to 46.9 acres, in case some of those numbers seemed a little larger. I wanted to explain why that was.

So taking a closer look at the site, you can see that it holds two kinds of historic properties. One is the Reata Pass restaurant and the other is Greasewood Flats. Also a look at the site, you can see that there's a large wash that comes through dissecting the site diagonally. So currently, the site has two zoning categories on it. C-2-ESL and the R1-190/ESL. The R-2 allowing a variety of retail and office uses, including hotels and, again, some residential uses. And the R1-190 is a rural residential district with, and they both have the environmentally sensitive lands overlay. This is approximately 24 acres of each of the existing zoning categories. There is a spot up here that will not, that is not being requested as part of the rezoning. It's a little over an acre and so that is not being included in tonight's request, therefore it will remain as C-2 ESL.

So the applicant is requesting for the 24 acres of C-2 and the 24 acres of R1-190 to be rezoned R1-110 and the remainder of that will be R1-190/ESL. Staff would agree with Mr. Berry that although we view it as a multifamily, these are individual lots and will not be connected as stated earlier the R1-10 is a single family lot. And the R1-190 is the rural residential. It's the buffer to the existing R1-190/ESL located to the east. So of those zoning categories if approved tonight, the sigh will now contain 22.8 acres of the R4-/ESL totaling, enabling it to have 56 lots, 1.9 acres will be the R1-10, allowing it to have 22 lots and the total dwelling units per acre for the entire site will be 1.7.

This is how the applicant has proposed laying out those lots. There will be a total of 80 units and this is how the applicant proposes those to be existing with the plat when they finally come in with that if this is approved. This is a look at how the applicant is proposing to lay out the NAOS. The majority of the NAOS is located within the wash that I previously pointed out and within the R1-190 zoned parcel.

So just to conclude staff's presentation, the applicant will be going from the existing zoning to the zonings that have broken up before. The applicant is required to designate 24.65% and providing 15 acres of NAOS and that completes staff's presentation. Staff is here to answer any questions of the Council.

Mayor Lane: Thank you, Jesus. Thank you, Jesus. Mr. Berry comes forward with his 50% reduction in time.

[Time: 01:29:12]

John Berry: Mayor, members of the Council, John Berry, 6750 East Camelback Road in Scottsdale. And it's also I'm here on behalf of Taylor Morrison Homes again. You know, Greasewood Flats has a storied history and it's the history of the Cavalliere family in Scottsdale. The Cavalliere family has been around in Scottsdale in this part of the valley for over 100 years, long before Scottsdale became the City of Scottsdale and Doc Cavalliere was one of the first members of the City Council in Scottsdale

and the Cavalliere blacksmith shop which is very close by in old town is the oldest continuous operating business in the City of Scottsdale and, in fact, Scottsdale has named a park, immediately across the street from this proposed project. It's a pioneer family. And they are also good business people.

Unlike Pinnacle Peak Patio across the street, literally across the street, their model which was smaller, lower overhead, they survived the changes in north Scottsdale that we talked about before the Four Seasons Resort coming in, the master plan communities coming in around them. They survived that. There's one thing they could not survive. And that was the crushing burden of taxation imposed by our government when you die, as if we haven't made enough taxes when we are alive. The family could not when Doc Cavalliere passed the cost of the estate tax. They had to sell the property. And my client Taylor Morrison purchased that property.

And in the course of that effort, Taylor Morrison became very familiar with the Cavalliere family and got to know them well. They want to honor the pioneer legacy that the Cavalliere family has in Scottsdale. How will they do that? To begin with, they are naming the project after the Cavalliere family. It's Cavalliere Flats. Additionally, they will be using product from the blacksmith shop that the Cavallieres own in downtown Scottsdale. For enhancement and in the entry ways. They will use the Cavalliere ironwork throughout the proposed project. So they will honor the history of the Cavalliere family in north Scottsdale along with the park across the street. Staff touched on this and I want to emphasize this.

Outlined in blue is the proposed project and the density is at 1.7 units to the acre and all of these are single family detached one story homes. Immediately to the west of use, sharing a boundary is a project that was approved at 5.5 but only built at approximately 3.4. Across street the Four Seasons is 10 units and the rocks at Reata are 2 acres and directly across the street, 2.2 acres. And 2.8 to the acre and 3.1 to the acre. So you can see that other than the existing 5-acre zoning to the east they are the lowest density in the area. How did we treat these property owners. We are not zoning R1-190 adjacent to them so we become the buffer on site. We are mirroring the density across the property line from us, 5-acre zoning here, 5-acre zoning along here. We are not aware of any opposition or concern from these property owners to the east, to our proposal.

Mayor, members of the Council, not only does this proposal improve the traffic conditions in the area. Think about it. This is the third case that we are going from commercial to residential and no matter how I slice it, how you cut, it residential generates less traffic than commercial and that's certainly the case here. In terms of traffic, that's been an articulated concern of folks in the area. Not only are they reducing the volume of traffic on streets but we will eliminate the periodic on street parking on Alma School when greasewood has some popular events or it's gorgeous weather out or there's a gathering of large numbers of two-wheeled vehicles of the motorized version. Moreover, there's a deceleration lane into the entrance of this project. So traffic will not have to slow as the cars go right and into the development.

[Time: 01:34:06]

We are also reducing the number of driveways on Alma School from what exists today. So we will see wonderful things to enhance traffic flow in the area. Now, in addition to enhancing traffic flow, this project will result in a 31% increase in Preserve desert. So here's an editorial comment for just a second. I know I'm getting close, it's still a little less than 50%, but, you know, we talk about doing something more than what's required in the city in terms of preserved desert. Scottsdale has the most strict requirements for preserving desert and building the desert of any community in the state. So when I say we are doing 31% more than is required by our environmentally sensitive lands ordinance, that's no small feat because Scottsdale's requirements are incredibly strict but our quality of life benefits from that.

But this is a benefit to the community by increasing the amount of Preserve desert. Mayor and members of the Council, in conclusion, now, there's some folks in the community that very rightfully so, very rightfully so will bemoan the loss of Greasewood. And they are right to do that. But the neighbors in the immediate area will not miss the noise of motorcycles. They will not miss the traffic. They won't miss the parking on Alma School. They won't miss the noise from some of the music emanating from the location. They are not going to miss the late nights. In addition, the community gets 31% more Preserve desert than required. We are the lowest density in the area and as I started this presentation earlier this evening with my first discussion about the need for retail and rooftops, this will bring more rooftops to the area to support the existing retail. Mayor, members of the Council, I'm happy to answer any questions or wait until after Public Comment. Thank you.

Mayor Lane: Thank you, Mr. Berry. We do have one request to speak on this item. Mr. Cappel.

[Time: 01:36:18]

Robert Cappel: Mayor Lane, Vice Mayor Phillips, members of the Council, Robert Cappel, 33600 North 79th Way. Again, I'm speaking tonight as the president of the Greater Pinnacle Peak Association. Having been somewhat involved with Taylor Morrison as they planned out this community from the start, the Greater Pinnacle Peak Association believes this is a good plan and we are in favor of it, and we recommend approval of the major General Plan amendment, the 4-GP-2014 and its rezoning case, 12-ZN-2014. Thank you.

Mayor Lane: Thank you, Mr. Cappel. That completes the testimony and presentation for item.....

Deputy City Clerk Karen Dingman: Excuse me, Mayor. Was there a second comment card on that item?

Mayor Lane: No.

Karen Dingman: Thank you.

John Berry: Mayor, this may be out of order, but I would be happy to give some of my time to Mr. Davis. I don't know whether he will speak in support or opposition, but he came down here and I would be happy to give him some of my time or forgo my rebuttal to give him the opportunity to

speaking. It's not my call, obviously. It's yours. But I'm happy to do that.

Mayor Lane: Did we miss it somehow or another, but obviously one was submitted. I do not have one on this item or these items. Okay. Then Mr. Davis, if you would, please.

[Time: 01:38:15]

Jim Davis: Jim Davis, 27483 North 103rd Way in Estancia. We oppose this on just the general principle of too much development. I enjoyed the comments of the earlier discussion of the Councilmembers about too much development, no, property rights, blah, blah, blah. That's all important. The thing I didn't hear is something that I think is critical to this Council, and that is what is the economic value of development? I have seen an analysis that was fairly rigorous, not rebutted to my knowledge, knowledgeable with rigor, residential development, high density residential doesn't carry its weight. That's what's being proposed and that's what's being approved in northeast Scottsdale. An analysis was made, maybe someone's rebutted it. I'm not aware of it but it seems to me that's the responsibility of the Council. It was interesting, we are at a Planning Commission meeting and the Planning Commission members had been given this economic analysis. One of them said, I don't understand it, but it doesn't make any difference because it's not my responsibility.

Well, it's certainly the Council's responsibility to make sure that whatever development is proposed and approved does make economic sense. And I would beseech the Council to keep that in mind, as you approve these projects and certainly going forward because we certainly have enough high density housing in northeast Scottsdale and certainly there have been a lot of apartments, developments approved in Scottsdale and one has to wonder if we are ever going to fill them all. Thank you.

Mayor Lane: Thank you, Mr. Davis. That's the extent now of the Public Comment on this, and Mr. Berry, I don't know whether you want to continue with your offer, your kind offer to provide your time, but if you would like, you can make a comment.

[Time: 01:40:26]

John Berry: Mayor, members of the Council, given I cut my presentation so short, I'm delighted if anybody else would like to speak, it would be great because it adds to the time I'm up here, but it doesn't count against me. Mayor, members of the Council, no need to rebut other than just to say that the Planning Commission, just to clarify what Mr. Davis said, that the Planning Commission said our jurisdiction is land use. Our jurisdiction is our policy decisions associated with the economic health of the city. So they were not saying we don't care. It's not our jurisdiction. Ours is land use only and they did recommend unanimously to you, approval of this case.

So Mayor, members of the Council, I thank Mr. Davis for coming down and for his comments and Mr. Cappel, thank you for your comments and, no, my daughter is not marrying his son. That's not why I'm getting these favorable reviews. I would like to thank that we are presenting very good high quality proposals that have earned the community support of community leaders like Mr. Cappel. Thank you very much, Mayor.

Mayor Lane: Thank you, Mr. Berry. We start with comment or question with Councilman Littlefield.

[Time: 01:41:37]

Councilman Littlefield: Well, I would agree that it's probably not the job of the Planning Commission to worry about that issue, but it is our job. And the point that you make is correct. How do we benefit? How do the residents of Scottsdale, north, south, whatever, benefit from adding more rooftops than what we currently zoned for? And the answer is they don't. You end up you are going to pay more in taxes to put in the infrastructure. You are going to have more crowding. You are going to have more people on the roads. So, you know, it doesn't pay. And I know you are referring to the Howard Myers analysis. I have seen that.

But even just even just looking at it from a common sense point of view, putting more rooftops in the same area doesn't do anything for the current residents. And so, you know, same old same old and we have done that here a couple of times tonight. And tomorrow night, we will be going crazy on that, and it's all part of the same trend that's been going on here for the last, you know, five, 10 years where we are, you know, putting 10 pounds of stuff into a 5-pound sack and we did it big time down in south Scottsdale and now we are doing it in north and surely you folks in the middle, your turn is coming. I will be voting no.

Mayor Lane: Thank you, Councilman. I just have a question, I suppose of staff, there seems to be these reports around. Now, I guess it's been identified that Howard Myers' report. Have we looked and done any analysis on this? It's often cited now, that it's a forgone conclusion that somehow or other, this type of housing doesn't pay for itself? I mean, a few years back, we made a major analysis from a professional organization that indicated that we had a real problem with the low density housing providing for itself because it was over a wide range of geography. I'm very interested, frankly, as to what conclusions were drawn and how they were drawn and how they were developed on this thinking, because this may cause for some schism, who contributes more to the coffers of city hall. I don't know that's what we are necessarily in the business of directly. But before we continue to sort of cite that as an issue, I think it would be important for us to at least take a critical look at some of the information that's being provided from the sources that may have their own agenda on it. Randy, were you going to say something. I'm sorry.

[Time: 01:44:19]

Planning and Development Director Randy Grant: Mayor Lane, thank you, Randy Grant, Planning Development Services. We haven't looked at this particular study, in particular, in general, residential, generally, does not pay for itself, whether it's large lot or small lot. The commercial and industrial employment land uses generally will carry and subsidize the other types of land uses.

Mayor Lane: So that the conclusions drawn presumably are consistent between, I'm talking about now by the city and whatever analysis we have done between low density and high density, they both have the same impact on the extent of services per dwelling unit?

Randy Grant: It depends on, somewhat on the level of services provided from a road, that are provided from a roadway standpoint, low density is more expensive because there are fewer residents that are paying the cost for the additional roadway amount. It varies by the types of services. Obviously lower density doesn't have the number of calls per emergency services that higher densities do. In general, residential does not make money for the city.

Mayor Lane: Can I ask you that in low density, is there a category that would be, I'm sorry, yeah, in low density, with large geographic area, is there a category of city services that is cheaper to supply public safety, fire, roads, water, sewer, any of those things? Any of those cheaper with low density than they are with higher density?

Randy Grant: Mayor Lane, I don't feel qualified to answer that. I'm uncertain.

Mayor Lane: Okay. I appreciate that. It would be worth looking at before we continue down that road on a regular basis. But I think we have got, yeah, it's pretty funny. But in any case, yeah, I think we have the last two items here. I don't see any further requests to speak on it. So unless, there is, I will accept a motion to approve or, a motion.

Councilwoman Klapp: I will make a motion to approve.

Mayor Lane: All right. Councilwoman Milhaven.

[Time: 01:46:46]

Councilwoman Milhaven: I just wanted to follow up on the Mayor's conversation, questions around economic value. It's my understanding that any additional infrastructure that's needed to support the development, waterlines, sewer lines and internal roads are paid for by the developer. Is that correct?

Randy Grant: Mayor Lane, Councilwoman Milhaven, that's correct.

Councilwoman Milhaven: So the average taxpayer citizen is not paying for that infrastructure.

Randy Grant: That's correct.

Councilwoman Milhaven: So when you say that commercial is subsidizing it you are talking about the ongoing use. The water and sewer, the ongoing maintenance would be paid by the homeowners, the eventual homeowners, and not by other citizens.

Randy Grant: Correct.

Councilwoman Milhaven: So then what we are talking about are General Fund expenses like libraries, parks, police, and fire, what you are saying is our commercial citizens are the ones paying the

lion's share of that?

Randy Grant: Correct.

Councilwoman Milhaven: So then to the concern that the citizens had about us as average citizens we are going to be paying for this development, it doesn't follow that logic? Is that fair to say?

Randy Grant: Yes, it's not necessarily, it doesn't necessarily follow that.

[Time: 01:48:01]

Councilwoman Milhaven: Okay. Thank you. Then in that case, I feel pretty comfortable that, you know, in terms of the concern about the economic value that as average citizens we are not paying any more by allowing this development to go through, and that it really comes down to is an appropriate land use. And give than it's less dense than what is around it, I think it seems entirely appropriate and I know while Councilman Littlefield would like to dismiss the thought that we have always imagined that the Preserve would be there, when these land use maps were drawn, we could have only hoped to have preserved 30,000 acres and so the commercial land uses were designated assuming those 30,000 acres were going to be homes and without those rooftops we can't support all of that commercial. And so we have essentially told these folks and property owners with commercial properties that their property is useless. And so I think converting this commercial to residential seems entirely appropriate and entirely consistent with what surrounds it. I know you are getting ready to make a motion. Thank you.

Mayor Lane: Did you, I'm sorry, did you make the motion?

[Time: 01:49:10]

Councilwoman Klapp: No, I haven't made it yet. I just said I was going to. I would like to make a motion to adopt Resolution 9944 approving a major General Plan amendment to the city's 2001 General Plan to change the land use designation from commercial and rural neighborhoods to rural neighborhoods and suburban neighborhoods on a 46.9-acre site, more specifically, changing 19 plus or minus acres of commercial to suburban neighborhoods, 3.8 plus or minus acres to rural neighborhoods to suburban neighborhoods 3.7 plus or minus acres of commercial to rural neighborhoods and maintain 20.4 acres of rural neighborhoods.

Councilmember Korte: Second.

Mayor Lane: A motion and a second have been made. Would the second like to speak to it? Vice Mayor Phillips?

[Time: 01:49:55]

Vice Mayor Phillips: Thank you, Mayor. Well, you know, in my opinion, and I think we should be

clear about this is, you know, the Cavallieres did not have to sell that property. Yes, they did have a tax burden, but they did have other ways around it. Really what this all comes down to is money I don't blame Taylor Morrison. They want to buy property and build homes. They bought property that's commercial. So they want to rezone it so they can build homes. So we can say, I would rather see houses than commercial, of course you would rather see Greasewood Flats to stay there but the family didn't want to do that. This is a low density for this area and I would rather see low density residential than commercial in there because something else worse could be there and we don't really have a choice in the matter. It will be one or the other. So I will be voting for this.

Mayor Lane: Thank you, Vice Mayor. Councilman Littlefield.

[Time: 01:50:52]

Councilman Littlefield: Well, I think that the question of whether or not residential development pays for itself is pretty clear from a common sense point of view. Even though we do charge some fees for obvious things like water and sewer, we don't charge impact fees for things like police protection and fire protection and I remember when we approved the waterfront back in 2002, well, we turned around and had to buy new fire trucks because the fire trucks we had didn't have ladders tall enough and that wasn't something that the developer paid for. It took use years to get the sewer problem fixed down there. So the Mayor's comment, maybe we should have taken a look at that. I think we should have taken a look at that back in 2004, back during the condo approval craze which turned into the apartment approval craze which is now turning into the higher density residential in north Scottsdale craze.

So I make two points. Maybe we actually should look at that. And number two, maybe we shouldn't believe any study that's funded by a developer because that's clearly going to be self-serving. And I think if we had an independent study, we would see that the development doesn't pay for itself. That doesn't mean that we should have no development. We should have developed within the rules and we should bear that in mind that we are imposing costs on the current residents when we increase density. Furthermore, there's the cost, the subjective cost of when we increase density, and we increase crowding, we have the subjective costs of the decrease in quality of life of the surrounding neighborhoods, more traffic, views that are degraded because we are approving taller buildings, all that sort of stuff. We have never come up with a look at that. We have never done any real objective analysis of that. And I think the reason we haven't done that is because if we did an objective analysis of that, we would find out that 90% of the controversial cases we have approved are hurting our economy rather than helping them. I would look at that. I don't want a developer to fund a study by a self-serving consultant who will come back and say it's wonderful.

Mayor Lane: Obviously, describing someone as a self-serving consultant could apply to anybody who calculates another study with their own agenda. I think it's a perfectly valid argument to be opposed to higher or lower density whichever side of the fence you want to make. I don't know that people are opposed to lower density. Those kinds of positions are reasonable and understandable and there can be a different point of view on those things. But to conclude, and now as we had a further decline, or define, rather that residential housing doesn't pay for itself and to continue to use the

argument that to do it doesn't pay for itself, we shouldn't do it. And so it would mean that we would have a city that nobody lives in. The fact remains that's where it goes. What are we in business to do? Have an empty city? So with that, Councilwoman Klapp.

Councilwoman Klapp: Just a couple of short comments. First of all, there are traffic studies that tell us that there's less traffic from residential than commercial. So we know that. It isn't the other way around that there's going to be more traffic because of the residential that's going into the northern area. And secondly, the residential supports the business and retail community. It may not pay for itself from the city perspective, you know, as far as the city services are concerned, but the business owners and retail owners in the area couldn't survive if there were no residents. So there has to be a proper balance between commercial and residents and that's why the studies have shown that we are over retail in north Scottsdale and any retailer out there can tell you that. There are so many retail locations. There are so many empty stores. There's too many empty businesses. There's too many empty office buildings.

They are, the empty office buildings might be generating some kind of property tax, but they are certainly not creating any economic benefit to the City of Scottsdale if they are sitting there empty. If it's an empty shopping center or nearly empty, probably the owner is limping along trying to rent it out but eventually, the shopping center is going to probably go vacant and it can either sit there empty or it will have to be converted to some other use. So residential makes a lot of sense from the standpoint that there's less traffic and there's a need for residential in the northern areas of city because we don't have as much land available because of the Preserve. I mean, they all work together. And so my feeling is that this is not a high density use at all, this is very good use of the property. 1.7 dwelling units to the acre versus what's surrounding it, people in that area should be happy that this is being developed in this fashion because it could have been so much worse than it really is. And so I'm happy to support this project. I would like to call the question.

Councilwoman Milhaven: Second.

Mayor Lane: The question has been called then. And we are then ready to vote on this item number 6, the motion has been made and seconded. All those in favor please indicate by aye, and opposed by a nay. Motion passes 6-1 with Councilman Littlefield opposing. Thank you for the input on all of that.

ITEM 7 – CAVALLIERE FLAT REZONING (12-ZN-2014)

[Time: 01:56:48]

Mayor Lane: And we'll move on to the next item.

John Berry: We need one more on the zoning case.

Mayor Lane: We are moving on to the next item 7. Don't get overly anxious.

John Berry: Sorry. Sorry.

Mayor Lane: You are nearly home. So.....

[Time: 01:57:06]

Councilmember Korte: Mayor, I will make a motion.

Mayor Lane: Please.

Councilmember Korte: Let me find it. I move to adopt Ordinance 4179.

Mayor Lane: The motion has been made by Councilwoman Korte and seconded by Councilman Robbins. We may have a comment from Councilman Littlefield.

Councilman Littlefield: That was from the last one.

Mayor Lane: We can remove that. Then we vote. All in favor aye, and opposed nay. The motion passes 6-1 with Littlefield opposing. Thank you all for your work to go here. We have no further Public Comment cards. No Mayor and Council items.

ADJOURNMENT

[Time: 01:57:59]

Mayor Lane: I will accept a motion to adjourn.

Councilman Littlefield: So moved.

Mayor Lane: Moved and seconded. All of those in favor of adjournment please indicate by aye. We are adjourned. Thank you again. Have a good evening.