
This document was created from the closed caption transcript of the April 2, 2019 City Council Regular Meeting and **has not been checked for completeness or accuracy of content.**

A copy of the agenda for this meeting, including a summary of the action taken on each agenda item, is available online at:

<https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Council/current-agendas-minutes/2019-agendas/04-02-19-regular-agenda.pdf>

An unedited digital video recording of the meeting, which can be used in conjunction with the transcript, is available online at:

<http://www.Scottsdaleaz.gov/Scottsdale-video-network/Council-video-archives/2019-archives>

For ease of reference, included throughout the transcript are bracketed "time stamps" [Time: 00:00:00] that correspond to digital video recording time.

For more information about this transcript, please contact the City Clerk's Office at 480-312-2411.

CALL TO ORDER

[Time: 00:00:03]

Mayor Lane: Good afternoon, everyone. Nice to have you here with us. I would like to call to order our April 2nd, 2019, city council meeting. Start with a roll call, please.

ROLL CALL

[Time: 00:00:13]

City Clerk Carolyn Jagger: Mayor Jim Lane.

Mayor Lane: Present.

City Clerk Carolyn Jagger: Vice Mayor Linda Milhaven.

Vice Mayor Milhaven: Here.

City Clerk Carolyn Jagger: Councilmembers Suzanne Klapp.

Councilwoman Klapp: Here.

City Clerk Carolyn Jagger: Virginia Korte.

Councilmember Korte: Here.

City Clerk Carolyn Jagger: Kathy Littlefield.

Councilwoman Littlefield: Here.

City Clerk Carolyn Jagger: Guy Phillips.

Councilman Phillips: Here.

City Clerk Carolyn Jagger: Solange Whitehead.

Councilwoman Whitehead: Here.

City Clerk Carolyn Jagger: City Manager Jim Thompson.

City Manager Jim Thompson: Here.

City Clerk Carolyn Jagger: City Attorney Bruce Washburn.

City Attorney Bruce Washburn: Here.

City Clerk Carolyn Jagger: City Treasurer Jeff Nichols.

City Treasurer Jeff Nichols: Here.

City Clerk Carolyn Jagger: City Auditor Sharron Walker.

City Auditor Sharron Walker: Here.

City Clerk Carolyn Jagger: And the Clerk is present.

[Time: 00:00:35]

Mayor Lane: Thank you. Well, just some items of business here that we need to get introduced to and that is we have cards if you would like to speak on any of the subjects or for public comment. It's the white card the city clerk is holding up over her head to my right. And then we have -- there's a yellow card if you would like to give us some written comments on any of the agenda items which we will read during the course of the proceedings.

We have Scottsdale police officer, Eric Bolles and Dustin Patrick here, as well as Scottsdale fire engineer Mike McCrone who are here to assist. We have police officers here directly in front of me and -- yeah, well, I guess -- oh, sorry. And our fire department individual right here. So thank you, gentlemen, for being here. And if you are in need of their assistance, they are here for you.

The areas behind the council dais are for council and staff. If you are in need of a restroom, they are over here to my left, over that exit sign that's indicated there. They are there for your convenience.

If you are having difficulty on hearing any part of the proceedings, as I move to adjust my microphone as I say this, there are hearing assist headsets that are available here at the clerk's desk over here, and you can just check with the clerk or her staff to receive one.

PLEDGE OF ALLEGIANCE

[Time: 00:02:02]

Mayor Lane: This afternoon, we have the Pledge of Allegiance by troop 1612, and their leader Lucy Rohani. They are right here in front of us. Ladies, if you want to rise and go to the microphone and if you can, please rise for the Pledge of Allegiance as they will lead us with it.

Troop 1612: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands: One nation under God, indivisible, with liberty and justice for all.

Mayor Lane: Thank you, ladies. If you will, just turn that microphone around. It pivots there and then just give your name and the school you go to, and maybe what your favorite subject is.

Giselle: Hi, I'm Giselle and I go to Archway Classical Academy and my favorite subject is poetry.

Isabel: Hi, my name is Isabel, I go to Anasazi Elementary and my favorite subject is reading.

Anna: Hi, my name is Anna. I go to Anasazi Elementary school and I love to dance.

Olivia: I'm Olivia, and I go to Neely, and my favorite subject is science.

Mayor Lane: Very good. Thank you, young ladies.

INVOCATION

[Time: 00:03:30]

Mayor Lane: This afternoon we have an invocation, by Azra Hussain from the Islamic speakers, Bureau of Arizona. Ezra, welcome.

Azra Hussain: Good afternoon, everyone. Thank you, council, for inviting me.

In the name of God, the compassionate, the merciful, consider the flight of time. Verily man is bound to lose himself unless he be of those who turn to faith and do good works and enjoin upon one another the keeping to truth and enjoin upon one another patience in adversity. Today, o God, of all creation, we seek your guidance and your favor as our councilmembers set out to address the issues that concern the people and the city of Scottsdale. This city that you have blessed.

Thank you all for -- thank you for all that you give us and forgive us our mistakes. Please continue to bless our city, bless our state, bless our nation, and bless the people and nations of the world.

Dear God, guide our councilmembers to make decisions today that will make our city a better place tomorrow, than it was yesterday, in justice, in kindness, and with respect to all. Amen.

Mayor Lane: Amen. Thank you, Azra. Thanks for being here.

MAYOR'S REPORT

[Time: 00:05:09]

Mayor Lane: There is no mayor's report, but we do have some proclamations to award. First is for our volunteer program.

The proclamation reads as: Whereas, Scottsdale volunteers play a critical role assisting the city of Scottsdale to execute the mission of simply better service for a world-class community; and whereas, the city volunteers program is a citywide program, that enlists the assistance of citizens who wish to make a difference no our city, to citizens and visitors in our community.

And whereas, more than 5100 volunteers contributed over 165,000 hours of service to the community; and whereas, citizen volunteers contributed a value of work that equates to more than \$4 million in savings without additional cost to taxpayers; and whereas, citizens and volunteers benefit from the experience of contributing a public service to make our city a better place, while knowing they can make a difference in the community; whereas, the national volunteer week has been celebrated each year on the national level since 1974 by presidential proclamation and by every president each year since.

Therefore, I Jim Lane, mayor of the city of Scottsdale, Arizona, do hereby proclaim April 7th through the 14th as volunteer appreciation week and Scottsdale encourage our citizens to join me in celebrating the kindness and the generosity of the volunteers who serve our community.

I would like to invite Cindy Eberhardt, Bill Schrader a former mayor and volunteer to the city for 51 years and Pat Ansell, 2018, William P. Schrader volunteer impact award honoree to accept a proclamation and a photo.

[Time: 00:08:11]

Mayor Lane: We have another proclamation and this is in proclamation for Scottsdale's bike week. This is near and dear subject to a lot of folks and, of course, it reads whereas Scottsdale has a long history of promoting the benefits of bicycling and Scottsdale is rated a gold bicycling community with the league of American bicyclists for demonstrating the commitment to bicycling and where the bicycle is and economical, healthy, convenient and environmentally sound form of transformation and an excellent tool for recreation to see Scottsdale's scenic beauty. The residents of Scottsdale and its citizens will enjoy the cycle the arts, bike to work day, education programs, or by simply getting out and going for a ride.

Whereas Scottsdale in conjunction with other cities in Maricopa County and local bicycling advocacy groups will be promoting bicycling in the region for valley bike week month and during the month of April 2019.

I Jim Lane, mayor of the city of Scottsdale hereby proclaim, April 2018 as Scottsdale's bike month. In witness hereof, we have this proclamation.

I would like to invite Paul Basha, our transportation director and Susan Conklu to the front to accept a proclamation for the photo.

PRESENTATIONS/INFORMATION UPDATES

[Time: 00:10:24]

Mayor Lane: Next item of business is a presentation. We have the Environmental Quality Advisory Board's environmental achievement recognition award. We have Tammy Bosse, vice chair and Natalie Chrisman Lazarr a board member here with us today. And we have the presentation of the award. Are you going to speak toward it?

Environmental Quality Advisory Board Vice Chair Tammy Bosse: All right. I will get my own computer up here. Hopefully -- and here we go. Good evening. Mayor and council thank you for having us here tonight. We are excited, very excited to share the results of the environmental achievement recognition award, and my name is Tammy Bosse, and I am the vice chair of Environmental Quality Advisory Board.

Environmental Quality Advisory Board Member Natalie Chrisman Lazarr: And I'm Natalie Chrisman Lazarr and I'm on the board.

EQAB Vice Chair Tammy Bosse: Some of the benefits of this award are that it fosters beneficial partnerships with city-based businesses and organizations. It encourages environmental programs which enrich the lives of our residents, and it publicly recognizes exemplary environmental achievements. Since small business is a big part of our economy, tonight we are very pleased to recognize this small business with a big impact.

EQAB Member Natalie Chrisman Lazarr: EQAB's award recipient witnessing nature and food is an all organic catering company. At the helm of this is Jennifer Johnson. Jennifer is an example of business leaders doing business better, in a way that is healthy -- healthier for people and for the planet. She has followed her heart and her values and has in the process blazed a trail for those of us who want to minimize waste and incorporate eco-friendly practices into our betters. Chef Jennifer is a key reason why we are recognizing her company today.

EQAB Vice Chair Tammy Bosse: Since bond rating agencies are now considering cities sustainability focus in the Bond pricing and ranking, it's good for our community that we are raising awareness and recognizing the importance of sustainability and long-term forward thinking in all sectors. With Moody's noting that investors want to know that their 20-year based bond investment is made with

cities that show evidence of planning proactively 20 years down the road, visionary leadership that thinks long-term is essential.

Sustainability focused policy and procedures are inherently long-term thinking and for government and for business. Along with government, business integrates eco-conscious practices and products today are signaling to investors that they are also thinking long term and will be more attractive to investors and customers tomorrow and 20 years from now. Jennifer took the extra business risk of being an early adopter, eco-conscious business practices.

Let's take a moment to note that purchasing policies do have power. And by requiring the use of cleaner products, ingredients in her business, her impacts the purchasing down the way. Jennifer took the extra effort to pursue ways to purchase local food and product services that have earth-friendly practices. Some of those process requirements include local sourcing, organic, healthier ingredients, green cleaning products, recyclable and compostable serving products and recycled business materials and a commitment to minimize landfill waste at every level. Business with a culture of social responsibility can be an important part of solving many of our societal challenges. Leadership does matter in the choices we make in business and government, such as this business tonight.

EQAB Member Natalie Chrisman Lazarr: Another way that witnessing nature and food distinguishing itself is in the realm of environmental education. You remember the old adage, give a person a fish and you feed them for the day. Teach someone to fish and you feed them for a lifetime. That saying is relevant to how chef Jennifer extends the impact of her business from serving her customers eco-conscious food to teaching us how to make sustainable choices at home and in our workplaces.

Witnessing eco made food makes a significant impact in our community by sharing what the company has learned in terms of environmental awareness resources, using green cleaning products, and how to reduce waste.

Chef Jennifer partners with mission Montessori to help -- to supply healthy school lunches and teach the joy of composting to children. She also teaches a healthy eating on a budget class at the nonprofit organization New Leaf. Fundamentally witnessing nature and food is educating others about being eco conscious in our daily actions. Chef Jennifer's example shows us that it is possible to create a business, be an employer that serves a growing market of customers craving a healthier product with a higher purpose.

EQAB Vice Chair Tammy Bosse: Some quick statistics. Food waste accounts for about 22% of all waste that's landfilled, and it's the single largest source of municipal waste. Methane released by food in a landfill is greenhouse gas that's up to 86 times more harmful than carbon dioxide in terms of global warming potential. Wasted food is also an enormous waste of all the natural resources that were used to produce and transport that food. Wasted food squanders about one-fifth of the U.S. crop land, farming fertilizer and agriculture. One pound of beef requires 1800 gallons of water which is as much as a typical citizen would use for a week. Wasted food contributes to climate change and responsible for approximately 2.6% of all U.S. greenhouse gas emissions. Our municipalities think about waste a lot.

To the business owners and operations managers out there, listening tonight, here's a few questions to ponder: Do you think about the waste generated in your business and where it goes? Have you thought about the ways to reduce and reuse the amount of waste generated? Have you ever thought of redesigning your business operations to eliminate waste? And have you ever thought about changing your purchasing processes to use products that are more eco friendly?

The company that we're recognizing tonight has thought about this a lot. And she weaves the waste strategy into the processes, into the fabric of her business. Witnessing food in nature has a landfill diversion rate of 95 to 5% in 2018 and she exceeded that goal. Imagine what the benefits would be to our city, the residents if our overall land diversion rate was like witnessing food in nature results.

She carefully chooses compostable serving items or is diligently partnering with recycling city to make sure the serving items and the food is composted. She also has a zero food waste goal, and, for example, she plans ahead. She reduces the food waste from the beginning and donates uneaten food to nonprofits. This is a reduction that is even better than composting and one of her mottos is: No trash left behind. When businesses have eco-conscious business practices that minimize landfill waste, there's less landfill waste to deal with.

EQAB Board Member Natalie Chrisman Lazarr: For all the reasons we highlighted tonight, witnessing food in nature simplifies sustainability and community stewardship. Our award recipient demonstrates you do not have to be a large organization to make a positive difference for current and future generations. EQAB believes that both businesses and government can embrace the spirit of this award for current -- for the current and the future well-being of our residents.

In city of Scottsdale we can follow the leadership of our recognized recipient and commit to look at cost-saving waste reduction goals. We can make better, environmentally conscious choices when we plan and host city events. We can maintain our city's property in a manner that limits the amount of harmful toxins that we use. We can consciously initiate purchasing systems that encourage sustainable practices and rewards suppliers that promote healthier residents, a safe environment and a thriving local economy. It demonstrates Scottsdale's environmental leadership.

EQAB Vice Chair Tammy Bosse: We are proud to present this award to Jennifer Johnson, founder and owner of witnessing nature in food. And this special custom-made award was designed and created and donated by artist Paul Diefendorfer. It is inspired by witnessing food in nature's tree logo and made out of scrap metal and newspaper due to Jennifer's recycling ethic.

We all win when we protect our ecosystem in conjunction with running our cities and businesses. We hope that the spirit of this award inspires us as citizens, as the city, and as businesses in Scottsdale to embrace a higher level of stewardship in everything that we do.

Chef Jennifer: Thank you.

EQAB Vice Chair Tammy Bosse: Congratulations! Oh, okay. We get to join in the picture.

Mayor Lane: Congratulations, again, Jennifer. That's nice recognition from our EQAB board. Thank you, ladies.

PUBLIC COMMENT

[Time: 00:21:06]

Mayor Lane: Our next item is public comment, it's for which no official action will be taken on these items. Comments are limited to issues within the jurisdiction of the city council, and speakers are limited to three minutes each with a maximum of five speakers. There will be another opportunity at the end of the meeting if, in fact, it's needed. We have two requests to speak in public comment right now, and we'll start with Alex McLaren.

Alex McLaren: Mr. Mayor, members of council, Alex McLaren, 7624 east Osborn Road. This is the Reata wash product which you discussed last week at the study session. I just wanted to elaborate a little. Upstream of the apex, which is Pinnacle Peak road, there's an 8 square mile catchment area which all drains to apex and from that from 100 year storm as Ashley said last week, is 4 inches of 24-hours on that 8 square mile catchment area, excuse me, will generate 13,000cfs.

I want to remind everybody that floods happen. Think about last month and Houston in 2017. FEMA delineated the flood zone in 1993.

City staff worked on the desert green belt project from '93 to 2000. There was an improvement district that was formed, as part of the project, and most of the land at that stage was undeveloped. The council terminated the project, the green belt. The primary focus of the desert green belt was to remove the flood zone but there was also a large recreational component in there. The council terminated the project in January of 2001, directed staff to find viable alternatives. DC Ranch and Toll brothers used the desert green belt alignment through their projects, reaches three and four. It's reach two, the one immediately south of the apex which is the most dangerous area of the -- of the fan.

Council authorized a study in 2014, the flood control study, and the DCR was accepted by the council in 2018. It is on the city's website and I urge people to look at it.

I just wanted to turn your attention to another project. This is the Granite Reef wash flood control project. Thomas Road, McDowell, McKellips, there is an A zone which has been there for years. The city has been working on this project, also for many years to remove about 600 homes from that flood zone. We are in partnership with the flood control district and the SRP and MRC to remove those homes. That project is ongoing at the moment. There was never any discussion at any time during this project for the setting up an improvement district.

I would also like to remind everybody that the Indian bend wash, when it was first proposed, the general obligation bond election that failed the first time, then this was a major flood in 19 -- excuse me, 1972 and the next time it was voted on, it was approved. Thank you.

Mayor Lane: Thank you, Mr. McLaren. Up next will be Mike Neely.

[Time: 00:25:28]

Mike Nealy: Thank you, mayor and council. I'm here to be brief, but sincere in the comments. Mike Neely, executive director of the Fiesta Bowl and I'm representing the Fiesta Bowl organization, which is, you know, a handful of staff, mostly volunteers, been around. We're coming up on our 50th year and very successful anniversary.

I think from our perspective, it will bring an economic impact to the valley to Scottsdale specifically. We do have contractual relationships, but I wanted to say here as a thank you to the council, certainly the city of Scottsdale and in general to all the people that helped to make us successful. That has to do with the policemen and the places that we have -- we host people from out of time. The hotel rooms, the Experience Scottsdale group is wonderful to work with, and this is just my opportunity to come here to say thank you to all of those and all of you because we are tremendously successful in doing what we aim out to do but it's because of yourselves and Scottsdale and what we are able to do.

So this is a brief but sincere thank you for what -- everything that you do to help us be successful.

Mayor Lane: Thank you, Mr. Nealy. That completes the public comment.

ADDED ITEMS

[Time: 00:27:01]

Mayor Lane: We move on to the next order of business, which we have one consent item, 10a, that was added to the agenda on April 1st, 2019. And the request is for a vote to accept the agenda as presented, or continue the added item to the next scheduled council meeting, which would be April 16th, 2019. Do I have a motion to accept the current agenda as is presented or to continue it?

Councilmember Korte: So moved.

Mayor Lane: Well, I gave some options there. So with all due respect, but thank you for the motion. Moved to approve as presented then?

Councilmember Korte: Move to approve as presented.

Mayor Lane: Thank you.

Councilwoman Littlefield: Second.

Mayor Lane: The motion has been made by Councilwoman Korte and seconded by Councilwoman Littlefield. We are ready to vote for that. All those in favor, indicate with aye and register your vote. Aye. Item 10a has been approved to be continued on the agenda as has been presented.

MINUTES

[Time: 00:28:07]

Mayor Lane: Next order of business is a request to approve the special meeting minutes of March 5, 2019, and regular meeting minutes -- sorry, regular meeting minutes of March 5th, 2019 and executive session minutes of March 5th, 2019. Unless there are any adds, deletes or other comments on those, they have been presented and I would accept a motion to approve, as is stated.

Councilmember Korte: Move to approve as stated.

Councilwoman Whitehead: Second.

Mayor Lane: Motion has been made by Councilwoman Korte and seconded by Councilwoman Whitehead, right? Yes. So then the minutes have been approved. Thank you very much.

Moving on to the next item -- I like passing that one sometimes, but nevertheless, yes, we need to vote. All those indicated yes. And we have them all unanimous on that. It's just the anticipation of that result that I moved so quickly.

CONSENT AGENDA – ITEMS 1 THROUGH 10A

[Time: 00:29:12]

Mayor Lane: The next item of business is the consent items 1 through 10a. We do have a couple of requests to speak on item 2. And so let me go ahead and move to that.

First is Jessica Maceyko. Oh, I'm sorry. All right. Okay. Yes, go ahead, please.

Jessica Maceyko: Good evening. My name is Jessica Maceyko and I represent the On The Green Troon North Homeowners Association. I am here to request a continuance of this item. The Green at Troon North Homeowners Association is the owner of White Feather Lane, which is a private street that the plat before the council assumes that there's access for the owners -- or the developer of lot 5 or tract 5 or lot V, whatever you want to call it to get to their property. And the parties are currently in the middle of negotiating and working out a cost-sharing agreement for access over White Feather Lane. So with that in mind and because the parties want to get this hammered out and avoid litigation, et cetera, I'm requesting a continuance of this item until the next agenda -- until the next meeting so the parties have a chance to finalize the cost sharing agreement. Thank you.

Mayor Lane: Thank you, Jessica. We have one other individual that would like to speak on this. And it's -- I believe it's Manny Siprut. And correct me, please, if I have that wrong. And with additional time from Tom Thompson. So we'll leave it at four minutes. Is that all right, Manny?

[Time: 00:30:53]

Manny Siprut: I hope so. Again, my name is Manny Siprut, vice president of the Troon North Homeowners Association and I'm here representing our community of about 3600 people. I have a dual role, two different items related to this I want to talk to you about and I will try to move as quickly as I can.

To give you some context, Troon North has a 2,000-acre community that was -- it began development about 30 years ago, and at that time, original developer carved out 55 acres out of the 2,000 for a subcommunity to develop either residential or resort. He anticipated a very large resort coming in at the time that did not come to fruition. He was unsuccessful finding a larger resort or even a smaller resort to move in. He consequently subdivided that 55 acres, and there were four subdivisions developed, each about 10 to 12 acres sold to four different townhome developers. As a result, there now are three HOAs that cover the property -- these developments in this subcommunity. On the green is one of the four all right? But those have been developed, began 30 years ago. They are now 350 homes in there. They are all serviced by the same White Feather Street.

There are two very small parcels that remain undeveloped. One is the one of subject tonight, about three-quarters of an acre and the other one is 2.5 acres and some of you are very familiar with the other parcel, parcel 6. They applied a few years ago to develop a 62-unit resort. It came before the city. The city denied it. They appealed and went to the board of adjustment who denied it. They sued the city, saying the process and the decision were wrong. As I think most of you know, several weeks ago, in superior court, the city prevailed, and they are not allowed to build. Their 62-unit resort.

I visited with many of you last summer on behalf of our community and they sent me here to thank all of you because we know that this was great temptation to reach some accommodation for them, and we asked you to hold the line. You did. The courts -- it played out through the litigation process and the city and us were upheld and they have been silenced. All right. This parcel, we don't know exactly what they are asking for here. Our CC & Rs delineate clearly between resorts and single family, all right? Again, this is a legacy zoning issue, where the parcels in here have the flexibility to be developed as a resort or single family. On this -- the materials that I have say four lots and I don't know your permit process well enough or your decision-making process.

What we are asking you to do is if you have the authority to do that, delineate between whether you are allowing this to be developed as a resort or whether you are allowing it to be developed as a four-unit townhouse development.

Mayor Lane: All right. Thank you. I think we may have Councilwoman Littlefield, did you have a comment on this or another?

[Time: 00:35:08]

Councilmember Littlefield: Well, both, actually. I had wanted to pull from consent items number 2 and item number 3. This item number 3 I wanted to continue. The reason being the street. When we looked at this before, it came very clearly that the street was not owned by the developer. It was owned by the HOA.

Mayor Lane: Kathy, we will go ahead and pull it then. Let's go ahead and do that.

Councilmember Littlefield: Okay. Then we will come back and do this. Number two, and number three.

Mayor Lane: Pardon me, Councilwoman. Yes. What we have right now is the consent item 1 through 10a, absent item 2 and absent item 3. Do we have a motion to approve or any further comments on these at this point?

Councilman Phillips: So moved.

Councilwoman Whitehead: Second.

Mayor Lane: Okay. The motion has been made, Councilman Phillips and seconded by Councilwoman Whitehead for the consent items 1 through 10a, absent two and three. Register your vote. It's unanimous on those items. So if you are here for those consent items, you are -- we are glad to have you stay with us are, otherwise leave quietly. So we'll move on then to our regular agenda items which now we just have added items items 2 and 3 and I would ask that we have a presentation.

ITEM 2 – LOT V ON THE GREEN FINAL PLAT (10-PP-2015)

[Time: 00:29:21]

Mayor Lane: Jesus thank you very much. If you start with item 2, of course.

Senior Planner Jesus Murillo: Good evening, Mayor Lane and members of the city council. Again, Jesus Murillo, I will be presenting on 10-PP-2015, known as Track V on the Green.

This preliminary plat received approval back in 2013 and was supported by everybody. The case expired and even after receiving one extension, the applicant later came back and resubmitted the case. It was approved back in 2016 by the Development Review bBoard, and has been in the process for review, and now it is here before you again tonight.

So as you can see here, the site is located just on the north side of East Dynamite Boulevard and it's got 103rd and 104th on two of its frontages. If you see -- as you can see from the graphic, there is right-of-way located along the entire perimeter of the site. There is public access along East Dynamite and a portion of 100 and north 104th and East White Feather are private access areas.

This is the plat that originally approved, tract v that you see there located and highlighted in the yellow. We are going to zoom into that dashed area. Initially as you can see, when the plat was originally approved, it met all of its NAOS requirements. Despite the requirement, the applicant back in 2013 and again in 2016 still dedicated NAOS in the northern portion of the lot.

During final plans, the applicant decided that they would go back to the review board to have the unnecessary, as far as ordinance and requirements, requirement for the NAOSB be stricken and the development review board agreed with that and this is the site plan that the development review board approved in that location that previously had an NAOS, and we will zoom into that so you have the closer version of it. After that approval, the applicant then be presented the project that you see here tonight with no longer requiring any of the NAOS, meeting the density inventive and the plat requirements. It resembles a plat that was approved back in 2016 by the development review board.

I don't know if you would like to hear first from the applicant or whether you would like me to address some of the concerns that you have this evening. Okay, I will call up the applicant to give their presentation.

Mayor Lane: Do we have an applicant?

Senior Planner Jesus Murillo: They were here. I just saw them. They were just sitting down right here. I feel like they might have thought they were approved three the consent agenda.

Mayor Lane: There may be comments. I will start with Councilwoman Littlefield. If there was initially from one of the individuals a request to continue. I don't know if that's an option we want to consider under presentation or not. But there may somebody conversations still further on this for the rest of us on council, but I will start with Councilwoman Littlefield.

[Time: 00:40:29]

Councilmember Littlefield: Thank you, mayor. I'm sorry I went ahead of the schedule here. I apologize for that.

I do want to continue this. This is what I wanted to pull it for. And the reason is because of the street, not because of the four townhouses, but because of white feather street and now from what the association had to say, I think we should give them the time to work out these differences with the developer, and the HOAs and make sure that they have smoothed over all of the troubles here, because this have been, I know, over the past couple of months quite a few disagreements regarding white feather lane and the use of it and how it can be used and how it should be used. So I would like to give them the opportunity and the time to work through these issues, and then to come back with us with both sides being satisfied.

Mayor Lane: Councilwoman Littlefield, if I might, just for clarity, are we talking about both of these, two and three in the same?

Councilmember Littlefield: No, I'm talking about two. Troon.

Mayor Lane: So that motion is on the table to continue item 2?

Councilmember Littlefield: Yes, it's a motion to continue item 2.

Mayor Lane: For the reasons you just stated?

Councilmember Littlefield: Yes.

Mayor Lane: Any comments on this, Councilman Phillips? Were you looking to second or comment?

Councilman Phillips: I was going to go ask a question.

Councilmember Korte: I will second it.

[Time: 00:42:03]

Councilman Phillips: I was wondering what -- looking at your picture there, what's the problem with white feather? There's not -- it's not a two-way street or what's the issue with adding four townhomes?

Senior Planner Jesus Murillo: Mayor Lane and Councilman Phillips, from what I understand from speaking with Ms. Maceyko, they believe that because the HOA has ownership to the parcel, that that means that they can dictate who does or doesn't travel on that lane. From inception, from the previous rezoning case, Development Review Board cases, and all the subsequent plats, they have all identified parcel v that you see here and they have all shown parcel v being accessed off of white feather lane, which is why staff felt that it met the requirements for the plat requirements and which is why we moved the plat forward.

Back in 1987, even before this was platted, there was a one foot vehicular non-access easement dedicated along east Dynamite and that the staff further showed that the intent was never to access the point, the site from Dynamite, but from internal to the site. We felt from the title report and easements that we pulled that were recorded against the property that there was access, Ms. Maceyko and Mr. Rothmiller have been discussing that in a civil matter as well. So we proceeded forward and notified the public that it was coming before you.

Councilman Phillips: So the issue is between the HOA and the builder.

Senior Planner Jesus Murillo: That is correct.

Councilman Phillips: And the HOA doesn't want former houses and they will use the right of owning the road to stop it?

Senior Planner Jesus Murillo: You would have to ask them. They feel that this -- this tract does not have authority no access off of White Feather Lane.

Councilman Phillips: All right. Thank you.

Mayor Lane: Mr. Washburn, did you have a comment on that?

[Time: 00:44:06]

City Attorney Bruce Washburn: Yes, thank you, mayor. At this time, there's a dispute between the tract owner and the HOA about whether the tract has access to White Feather. That's a civil dispute between two parties. It's not something that the city can adjudicate one way or the other. There's legal arguments on both sides. When someone comes in on a plat approval, the determination is whether they met all the city's requirements and as staff has indicated in the submission to council, they believe that it has met the -- that the politic has met all of the legal requirements.

So I guess the point I want to make is that the council is not going to be in a position to adjudicate between these two parties, whether or not this has access to white feather and people do have a right to have their -- you know, the final determination made. So if there is going to be a continuance of this item, I would strongly recommend that at least it be to a date certain in the near future so that the applicant will have a chance to have a final termination from this council, whether they met all the city's requirements and not whether this are particular issue has been resolved between the parties. They might end up having to go to court to resolve that issue between themselves. But, again, that's not the type of thing that the council can adjudicate.

My final point is if there's going to be a continuance of it, then please let's make it to a date certain in the near future.

Mayor Lane: Just so I'm clear on this, you are saying this may be something that may need to be adjudicated between these two parties not something to be decided by this council?

City Attorney Bruce Washburn: Right. Whether or not they have legal access to white feather is a legal issue. There's arguments on both sides. And it's -- again, it's not the kind of issue that the council can decide.

Mayor Lane: So whether or not, we approved it or not, if we approved it, they would still have whatever legal action might be prescribed?

City Attorney Bruce Washburn: Correct.

Mayor Lane: And if we were to disapprove it, it would be on the basis of a desire to circumvent whatever legal action they --

City Attorney Bruce Washburn: If you disapprove it, it would have to be because you determined that they had not met all the city's requirements, which, again, the staff has indicated that, in fact, they have.

Mayor Lane: It's been a troubled piece of property for a long time. So I mean, as far as -- okay. All right. Well, I think we have a clearer picture as far as what the issues are, as far as I can see. So we do have a motion and a second on the table to a continuance, but we would look for a date certain?

Councilwoman Littlefield: Yes, to the next meeting.

Mayor Lane: Okay. Motion has been made and seconded to the next meeting, a continuance of item number 2. I think we are ready to vote. No further comment. All those in favor, please indicate by aye. All those opposed with a no. No. The motion passes 4-3. And so this will be continued to the next meeting.

Next item, I should first probably say in fairness to anyone who might be here for item 12, the telecommunications code amendment, it has been removed at the staff's request.

So that is -- that is not on today's -- tonight's agenda.

ITEM NO. 3 – 118TH & RANCH GATE REZONING (15-ZN-2018)

[Time: 00:47:45]

Mayor Lane: So next item would be item number 3.

Senior Planner Jeff Barnes: Mayor Lane, members of the council, I have got an indication that there's an issue PowerPoint. I apologize for that.

Number 3 is case 15-ZN-2018, which is located at the corner of 118th Street and Ranch Gate Road. The property -- or the site currently consists of five parcels that make up the 68.6-acre site area that is currently zoned R1-130, that is being proposed to be rezoned to R1-43 and ESL district with the creation of 42-lot single family residential subdivision.

If I can get the projector, I can at least show you their conceptual site plan that ultimately they would be stipulated to with this zoning case application, and they would come back through the preliminary plat case process. With something conforming to this if approved. This did go before the Planning Commission. They recommended approval, 5-0. I would be happy to answer any questions or have the applicant come up and speak if you would like.

Mayor Lane: Councilwoman Littlefield, you requested to pull this item. So I would ask if you want to have the applicant --

Councilwoman Littlefield: Sure.

Mayor Lane: Now this again is for consideration for a continuance? All right.

Applicant Representative John Berry: Mayor, members the council for your record, John Berry, 6750 East Camelback Road in Scottsdale. I feel very old because when the president of the Troon North HOA came up and said some 30 years ago this property had been rezoned -- that was me. And it used to be all 5-acre zoning. Then now it's as you heard them say, it's a point of pride for our community for 3600 residents and beautiful golf course and plays an important role in our community.

You know, we were lucky tonight. We had two points of pride in our history here tonight. One was Bill Schroeder and the other is Lyle Anderson and I had the privilege of working with Lyle Anderson on this case this evening and Desert Mountain is another point of pride in the far northern reaches, the very far northern part of it. And Lyle is the builder who had a vision and recognized before it was popular, before there was an ESL ordinance that said the Sonoran desert is unique and we need to do things differently than when it was done 30 years ago, which is do a grid pattern. Don't be responsible to the topography. Don't do building envelopes, don't do plant nurseries. Don't do narrow roads that respond to the terrain.

Lyle Anderson is the individual who pioneered that in Scottsdale that eventually became our environmentally sensitive lands ordinance. And he tells me that there were times when he wasn't

very popular with his fellow builders because he is the person who pioneered that in north Scottsdale and now is an internationally recognized community for the way it develops with the Sonoran desert.

And this is another project that Lyle is involved in. It is 69 acres, at 118th street and ranch gate. It has in typical Lyle process a general plan. You can see the site here. A general plan that would allow up to one unit to the acre. One house to the acre. So you can imagine on 69 acres there's the potential according to the general plan to put 69 homes on that property.

What is Lyle proposing for this property? What is the fellow who helped to pilot ESL, who created the desert highlands model for all of us. What is he proposing? Not 69 homes according to the general plan. He's proposing 42 tomorrows on 69 acres. Building envelopes. Substantial setbacks. A portion of this property is zoned open space, not even residential but open space to preserve and conserve an important topographical feature. It's not even zoned residential. It's zoned open space to preserve that in perpetuity. It's a project, like Lyle's history that is preserving more desert than required. So there's more natural area open space on this property, than required under the city's already strict and stringent environmentally sensitive lands ordinance.

Mayor, members of the council, throughout this process, we in and our team -- and Lyle, would you just raise your hand for a second. There may be some folks who don't -- he embarrassed. He will be angry at me after this is over.

As is the case with our team, we try to work very hard with the community and the neighbors. We go above and beyond whatever the requirements are that the city imposed for outreach. And in this process, at the planning commission, last week, this was nobody who spoke in opposition. I think you have one card from the planning commission in your packet in terms of concerns, and that was from a person who actually lived down, I think on Legacy Boulevard. Some several miles away from here. So we have worked hard with the community. Those neighbors that are most proximate to this proposal, that we're aware of, according to our community outreach are not opposed to this project.

We're finishing infrastructure that needs to be completed in the area, the developer is doing his or her job, completing half streets on 118th Street and Ranch Gate, putting in the utilities that need to be put in. Mayor and members of the council this is a project that is developing at less than what the general plan allows, it's preserving more desert than is required and is completing infrastructure for the benefit of all of our citizens.

Mayor, members of the council, I am happy to answer any questions that anybody would have. But with all due respect, we would appreciate a vote this evening. Thank you.

Mayor Lane: Thank you, Mr. Berry. Councilwoman Whitehead.

[Time: 00:54:48]

Councilwoman Whitehead: It's my understanding that all the land around this is zoned R1-130?

Senior Planner Jeff Barnes: Mayor Lane, Councilwoman Whitehead, primarily that is the case. I

believe -- and it's not shown on my zoning map, but there's a strip of land north of the subject site and then a residential subdivision to the north of that, that that has some specific zoning that is not R1-130 to it, but across to the east and west is R1-130 ESL still.

Councilwoman Whitehead: Question. Thank you, mayor. I guess my question is since the -- since the developer -- the applicant is putting fewer homes on this land than is -- than it could be built, is it because they are natural stone -- or rocks or -- are there reasons for the lower density and yet the request for higher density, I'm trying to get an understanding of why you are requesting a different zoning here.

Applicant Representative John Berry: The general plan is a guide for future development and for a long-time, this has shown this area, this entire area allows up to one unit, one home to the acre. It doesn't mean that it has to develop that way. But it is -- it has the potential for that and each case has to come through for rezoning and be measured against the general plan and other policies and plans that the city and the citizens have put in place over the last several decades.

And your city staff and the applicant look at those and work together collaboratively to preserve environmental features and in this case, more preservation than is required under the environmentally sensitive lands ordinance. And in working with the staff and with the developer and the community, we actually have come up with the plan.

Keep in mind that when we first came through the process and started this process, there were more units. In fact, there were some clustered townhome units of the type that Lyle had developed in Desert Mountain. And when we went out to the neighbors and had our initial community outreach meetings, the neighbors said, you know, we like what you are doing but we don't like those townhome clustered units, even though it resulted in more preserve desert than this plan, they didn't like the idea of townhomes clustered to go. We lowered the density, by I think 20%. We were pretty close to that one to the acre but we came back through after listening to folks and responding and collaborating. Not with confrontation but listening and collaboration, working with staff, and we have come back with this plan that you see before you this evening.

And it's a plan, again, that I don't think you have any cards, Mr. Mayor, in opposition or to speak in this case and, again, no one spoke on it at Planning Commission. It's not because it was misleading or incorrect community outreach. We complied with the all the city's tremendous community outreach projects and we went beyond that and went door-to-door with folks. I'm not sure if that sufficiently answers your question.

But property owners have the right to come forward and see if they can continue to add value to the community, just as we did with Troon North. That was a case that as all five-acre zoning. At some time it could have stayed that way, but it was brought forward and the result is a Troon North community with lots of your citizens and residents who call it home and are very proud of that master plan community.

Mayor Lane: Thank you, Mr. Berry. Thank you, councilwoman. I see no further requests to speak. So if there a motion. Okay, Vice Mayor Milhaven.

[Time: 00:59:20]

Vice Mayor Milhaven: Thank you, mayor. You know, 42 lots on 69 acres sure sounds pretty rural to me.

So I will go ahead and make a motion to adopt ordinance 4385 approving the zoning map amendment. I think that should do it.

Councilmember Korte: Second.

Mayor Lane: Motion made by Vice Mayor Milhaven and seconded by Councilwoman Korte. Would you like to speak toward it at all? Okay. All right.

Then I don't know that councilwoman -- or Councilman Phillips or Councilwoman Littlefield, we have a motion on the table. Any further comment?

Councilwoman Littlefield: I just wanted to say the reason I pulled this for consideration is because I had been approached by a number of different people who are concerned about this project, not because so much of the immediate density but because of its location so close to the Preserve, so close to other areas that are 130 and this one is not. And they are concerned that this is simply one more spike in the north, if you will and they wanted to have a discussion. They wanted to have more public outreach because they didn't feel that enough of the community had been met, probably the legal requirement has been met. I know John, he would not do that.

But they felt like they needed to have a word too because this was the entire area of the north that is once again being compacted down into smaller and smaller lots than was originally planned. And because of its near location to the Preserve that worries them. Because they don't want to see six different trails going off into the preserve with no control whatsoever and that's what some -- some of what we are seeing up north is happening. And so they just had general concerns about this and they wanted to have more public outreach and more ability to talk and visit with John and make sure that their views were heard and that they could be reassured that this wasn't going to happen.

Mayor Lane: Thank you, councilwoman. Councilman Phillips?

[Time: 01:01:38]

Councilman Phillips: Thank you, mayor. So to let me understand, R1-130, that's like 4 acres, one home in four acres.

Applicant Representative John Berry: Mayor Lane, Councilman Phillips, it's approximately one home per 3 acres.

Councilman Phillips: And you are changing it to --

Applicant Representative John Berry: .61 per acre. So .61 homes per acre. So it's -- the average size of our lot is Alex, what, 60,000? Pardon me? A little over an acre is the average size of our lots.

Councilman Phillips: Because I was confused because you were saying before that it was a 69-acre parcel and one house per acre that would be 69 homes, and you said 42. So it's less than that.

Applicant Representative John Berry: Mayor, Councilman Phillips, you are exactly correct even as bad at math as I am, you are absolutely correct. I was referring to the general plan map. It calls for all of this area to be up to one unit to the acre. So if we followed the maximum permitted by the general plan, it could be up to 69 homes on 69 acres.

Interestingly, this area right here is the Troon community, which I also had the privilege of zoning. So you can see it's a little bit higher density than what's shown over here on the general plan. And the Preserve, I would note is over here. So this is the Preserve. It does not butt up to the Preserve.

Councilman Phillips: Okay. Well, you know, I got some concern on it too from some people, but it was kind of at the 11th hour and I'm wondering why we didn't hear about it earlier. You know, you mentioned Troon and I have done a lot of work up in Troon and I'm surprised how some of those zonings got passed and especially on all Dynamite road, there's that community there that they've got to be an eighth of an acre or something. They are very tiny houses and almost touching each other. How did that one get passed? And then recently the Greasewood Flats one.

So to me, this doesn't look like a bad project. I'm -- you know, house per acre. An acre is a pretty big property. You know, full disclosure, I have three-quarters of an acre and I can't take care of it. It's too big.

So I guess -- you know, I would like to help out but I really don't see a problem with one home per acre. I'm sure it will be set in such a way that it will look nice and, you know, conform with the surrounding area. So I don't have a problem with it. Thank you.

Mayor Lane: Thank you, councilman. Councilwoman Korte.

Councilmember Korte: I call for the question.

Mayor Lane: The question has been called. No further comment. We probably should -- [Off microphone comments] All of those in favor, aye, opposed with a nay. Aye. Motion passes 5-2 with Councilwoman Whitehead and Littlefield opposing.

Applicant Representative John Berry: Thank you.

Mayor Lane: Thank you, Mr. Barry and the applicant. And members of the council. That takes care of the two items that were moved from consent and we'll move on to our regular agenda items. As I mentioned a little earlier, item 12, the telecommunications code amendment has been removed at the request of staff.

**ITEM 11 – PUBLIC HEARING ON THE BIENNIAL CERTIFIED AUDIT OF LAND USE ASSUMPTIONS,
INFRASTRUCTURE IMPROVEMENTS PLAN AND DEVELOPMENT IMPACT FEES**

[Time: 01:05:20]

Mayor Lane: And item 11 is the public hearing on the biennial certified audit of land use assumptions, infrastructure, improvements, plan and development impact fees. We have our city auditor, Sharron Walker here. Welcome.

City Auditor Sharron Walker: Thank you mayor and members of council, I will give a background on the biennial certified audit. Tony Hairston and Joe Williams are here from Raftelis, the consultant who presented the audit. They will present the results for July 1st, 2016 to June 30, 2018.

So you may recall in 2011, a new state law put several requirements on development impact fees. For example, there are limitations on what development fees can be assessed and used for, and there are several required steps that a city has to go through to adopt the land use assumptions. The infrastructure improvements plan and the resulting development impact fees. And the city of Scottsdale follows these requirements in adopting development fees for water and wastewater.

So the state law also requires that the city either appoint an infrastructure improvements advisory committee and the law has several specific duties that they assign to that committee, or the second option is to have a biennial certified audit which is what we do. The state law also says that the audit cannot be conducted by an employee or a City official.

Therefore, my office went through an RFP process and selected Raftelis as a qualified professional to conduct the audit, and my office administers the audit contract.

So once the biennial certified audit is completed, the city is required to post it on the website and hold a public hearing within 60 days and I have outlined on the slide for you a few of the relevant dates. On March 8th we first posted the biennial certified audit to the city's website. On March 18th, the audit committee unanimously voted to accept the report and to proceed to the public hearing. What I don't have on the slide is after we posted the report, then again to a second location, the audit reports page on the city's website, the office of communications put a news item on the city's home page informing the public that the report was available and that this hearing was scheduled.

And so with that, unless you have any questions on the background, I will ask Joe Williams to present Raftelis' analysis and specific results.

Mayor Lane: Thank you, Ms. Walker.

[Time: 01:08:22]

Raftelis Senior Consultant Joe Williams: Thank you, Sharron. Mayor, members of the council. We have a fairly brief presentation for you on this.

So first is some of the audit parameters and as Sharron mentioned, it's the ILL pack fee statute. You must look at the land use assumptions, infrastructure improvements and the development fees and essentially review the progress of these plans and make sure that things -- that you are collecting money and spending the money on the way the plan was designed when you adopted it.

So a couple of quick definitions. We have DIF, development impact fee, LUA is the land use assumptions plan which is adopted, the IIP is infrastructure improvements plan, which is a separate plan that's adopted. And equivalent dwelling unit is a way and impact fees to put everyone on level playing field between residential and nonresidential growth.

So our audit parameters look at the various city documents that you have adopted and set the plans in place. And this audit is as it stays biennial two years, it's for fiscal years 2017 and 2018. And we also review the reports that the city publishes at the end of each year, which says how much revenue was collected and what projects were -- the money was used for.

So the focus, we looked at LUA growth, and the LUA plan that puts a ten-year forecast plan in place for development over ten years. So we compared actual ten years to the plan. We looked at how revenues were assessed to make sure that as new growth comes, it's assessed appropriately per your city code, and expenditures make sure when you are collecting this money, you are spending it on projects that it's specifically collected to do.

And so our findings, we will go through three tables showing the findings and then I will illustrate the findings for you. So first is the LUA audit and you can see in first column of numbers is the actual number of EDUs equivalent dwelling units that happen. So on the top table is water. There were 2342 EDUs. If we look at the LUA plan, it had anticipated over 4200 EDUs. It was occurring a little slower than you planned back when your plans were adopted and on wastewater, a similar trend, there were around 2,200 EDUs that occurred versus 6,400 that were planned. So you can see that's about a third of the plan.

And on the revenue audit, what we did is we got all your permit data and we did an independent calculation and said, here's where the city code says you should apply fees to growth. And compare it to how you actually applied the fees. And you collected about \$12.2 million over the two years, and there was an additional in the footnote there, \$1.2 million collected from black mountain sewer, which is a separate sewer provider who you had a contract with. And they weren't subject to the audit.

And finally, the expenditures, you see here we have on the left side, we have each of the different funds that you collect, the fees for and then the two years of how the money was spent and on the next slide -- and you can see I will point out that most of your money is going to debt service. You spent a significant amount of money to have money in place to serve customers in the future as development occurs. Most of impact fees you are collecting are going to pay for that capacity that's already been set forth.

And so our findings as you saw in the LUA slide, it was growth had occurred slower than the plan anticipated, but we don't see this as a major issue right now. Especially because you have built the capacity already. So it's more of a buy-in approach, as opposed to putting major improvements in your plan and not having the growth to support it. So we -- again, we don't see an issue here. We just recommend that as you update plans in the future, review the growth forecast a little closer and see if there is a way to try to calibrate that.

The revenue audit, we found no material discrepancies as your city code is adopted, is how you

applied the fees. So that looked great. And then as you collect and spend the fees, as reported in your annual reports all of your expenditures were alignment with the adopted IIP. And so with that, I will take any questions.

Mayor Lane: Thank you, Mr. Williams. I see no questions on it at this present time. So thank you very much for the presentation. Ms. Walker as well.

City Auditor Sharron Walker: And so mayor, the only action that's -- for tonight is just to hold the public hearing.

Mayor Lane: So we have -- we have complied with that. So we are in good shape.

[Time: 01:14:13]

City Attorney Bruce Washburn: Mayor? If I could, I would just like the record to reflect that this is the time and place for the public hearing, and that no members of the public have asked to speak.

Mayor Lane: Okay. Very good. Thank you very much, Mr. Washburn for that.

So that then does complete our business for tonight. We have no public petitions, no further comment, or council items. Hearing none, I will ask for a motion to adjourn.

ADJOURNMENT

[Time: 01:14:38]

Councilwoman Klapp: Move to adjourn.

Vice Mayor Milhaven: Second.

Mayor Lane: And we are adjourned. Thank you very much.