

**SUMMARIZED MINUTES  
SCOTTSDALE CITY COUNCIL  
REGULAR MEETING  
TUESDAY, JUNE 4, 2013**



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

**CALL TO ORDER**

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:07 P.M. on Tuesday, June 4, 2013, in the City Hall Kiva.

**ROLL CALL**

Present: Mayor W.J. "Jim" Lane  
Vice Mayor Suzanne Klapp  
Councilmembers Virginia L. Korte, Robert W. Littlefield, Linda Milhaven,  
Guy Phillips, and Dennis E. Robbins

Also Present: Acting City Manager Dan Worth  
City Attorney Bruce Washburn  
City Treasurer David Smith  
City Auditor Sharron Walker  
City Clerk Carolyn Jagger

**PLEDGE OF ALLEGIANCE** – Adapted Recreation's Scottsdale Bobcats

**INVOCATION** – Pastor John Paul Stepanian, Scottsdale Bible Church

**MAYOR'S REPORT**

Mayor Lane congratulated Scottsdale's Desert Mountain High School Division 1 State Champions for earning the championship baseball title. Desert Mountain High School is ranked No. 1 in the western United States and No. 9 in the country. Mayor Lane also offered congratulations to Notre Dame Prep as the State's division champions and to Scottsdale Community College for ranking No. 4 in the National Junior College rankings.

**NOTE:** IN ACCORDANCE WITH PROVISIONS OF THE ARIZONA REVISED STATUTES THE SUMMARIZED MINUTES OF CITY COUNCIL MEETINGS ARE NOT VERBATIM TRANSCRIPTS. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN BY THE CITY COUNCIL. DIGITAL RECORDINGS OF CITY COUNCIL MEETINGS ARE ON FILE IN THE CITY CLERK'S OFFICE.

## **CITY MANAGER'S REPORT**

Communications and Public Affairs Director Kelly Corsette presented City Web Gem awards to City Clerk Carolyn Jagger, City Clerk Assistant Chris Moffitt, and Technology Specialist Johnny Olmo for creating the City Council and City Board and Commission historic webpages.

## **PRESENTATIONS/INFORMATION UPDATES – None**

## **PUBLIC COMMENT**

- Bobbie Patterson expressed concern about how reports of animal abuse are handled.
- Michael Fernandez expressed concern about light rail in Scottsdale.

## **ADDED ITEMS**

### **A1. Added Items**

Consent Item No. 24A was added to the agenda May 30, 2013.

**Request:** Vote to accept the agenda as presented or continue the added item(s) to the next scheduled Council meeting, which is June 18, 2013.

## **MOTION AND VOTE - ADDED ITEMS**

Councilman Robbins moved to accept the agenda as presented. Councilwoman Milhaven seconded the motion, which carried 7/0.

## **MINUTES**

**Request:** Approve the Special Meeting Minutes of April 17, 2013; 4:00 p.m. Special Meeting Minutes of April 30, 2013; 5:00 p.m. Special Meeting Minutes of April 30, 2013; Work Study Session Minutes of April 30, 2013; and Executive Session Minutes of April 30, 2013.

## **MOTION AND VOTE - MINUTES**

Vice Mayor Klapp moved to approve the Special Meeting Minutes of April 17, 2013; 4:00 p.m. Special Meeting Minutes of April 30, 2013; 5:00 p.m. Special Meeting Minutes of April 30, 2013; Work Study Session Minutes of April 30, 2013; and Executive Session Minutes of April 30, 2013. Councilmember Korte seconded the motion, which carried 7/0.

## **CONSENT AGENDA**

### **1. 2 Sons Food Mart Liquor License (27-LL-2013)**

**Request:** Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 10 (beer and wine liquor store) liquor license for an existing location with a new owner.

**Location:** 1511 N. Hayden Road, Suite 100

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

- 2. EVO Liquor License (28-LL-2013)**  
**Request:** Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for an existing location with a new owner.  
**Location:** 4175 N. Goldwater Boulevard  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 3. La Petite France Liquor License (29-LL-2013)**  
**Request:** Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for an existing location with a new owner.  
**Location:** 7001 N. Scottsdale Road, Suites 127 and 128  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 4. A Twisted Rose Liquor License (30-LL-2013)**  
**Request:** Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a series 7 (beer and wine bar) liquor license for an existing location with a new owner.  
**Location:** 15040 N. Northsight Boulevard, Suite 104  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 5. Eli's American Grille Liquor License (31-LL-2013)**  
**Request:** Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for an acquisition of control change for an existing series 6 (bar) liquor license.  
**Location:** 7000 E. Shea Boulevard, Suite 140  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
- 6. AT&T WCF549 Giants Complex Club SAR Conditional Use Permit (14-UP-2012)**  
**Request:** Adopt **Resolution No. 9417** approving a Conditional Use Permit for a new Type 4 Alternative Concealment Wireless Communication Facility to be located on a new 60-foot-tall artificial palm tree, with associated ground mounted equipment, with Open Space (O-S) zoning, and finding that the conditional use permit criteria have been met.  
**Location:** 8045 E. Camelback Road  
**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)
- 7. 104<sup>th</sup> Street and Bell Road Final Plat (9-PP-2004#2D)**  
**Request:** Approve the final plat for Windgate Ranch Phase II Plat D, Unit 1, consisting of 76 single-family lots and tracts on approximately 21 acres within a Master Planned Community.  
**Location:** North of E. Bell Road and west of E. Windgate Ranch Road/E. Puerta Del Viento Road.  
**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**8. La-Z-Boy Furniture Rezoning (2-ZN-2013)**

**Request:** Adopt **Ordinance No. 4094** approving a zoning district map amendment from Commercial Office, Downtown Overlay (C-O DO) to Downtown Regional Use-Type 2, Downtown Overlay (D/DRU-2 DO), and finding that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on a 0.87± acre site.

**Location:** 6828 E. Camelback Road

**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**9. 60<sup>th</sup> Street and Carefree Highway Non-Major General Plan Amendment and Rezoning (1-GP-2013 and 1-ZN-2013)**

**Requests:**

1. Adopt **Resolution No. 9416** approving a non-major amendment to the Scottsdale General Plan 2001 from the Cultural/Institutional or Public Use Designation to the Suburban Neighborhoods Land Use Designation on 13.14± acres for Case No. 1-GP-2013.

2. Adopt **Ordinance No. 4088** approving a zoning district map amendment from Service Residential-Environmentally Sensitive Lands (S-R ESL) and Special Campus-Environmentally Sensitive Lands (SC ESL) to Single-Family Residential-Environmentally Sensitive Lands

(R1-7 ESL), and finding that the proposed zoning district map amendment is consistent with the adopted General Plan on 14.78± acres for Case No. 1-ZN-2013.

**Location:** South and east of the southeast corner of N. 60<sup>th</sup> Street and E. Carefree Hwy.

**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

**10. McDowell Road Bridge Widening Project Construction Bid Award**

**Request:** Adopt **Resolution No. 9370** authorizing Construction Bid Award No. 13PB001 to CS Construction, Inc., the lowest responsive bidder, at their unit price bid of \$1,703,024.40, for construction of the McDowell Road Bridge Widening Project.

**Staff Contact(s):** Derek Earle, Acting Public Works Executive Director, 480-312-2776, [dearle@scottsdaleaz.gov](mailto:dearle@scottsdaleaz.gov)

**11. Northsight Boulevard Extension Project Acquisition of Easements**

**Request:** Adopt **Resolution No. 9429** authorizing the acquisition of private roadway easements for the Northsight Boulevard Extension Project and the use of eminent domain, if necessary.

**Staff Contact(s):** Derek Earle, Acting Public Works Executive Director, 480-312-2776, [dearle@scottsdaleaz.gov](mailto:dearle@scottsdaleaz.gov)

Item No. 11 was removed from the Consent Agenda for a separate vote (see Page 7).

**12. Water and Sewer On-Call Engineering Service Contracts**

**Request:** Adopt **Resolution No. 9401** authorizing fourth year options for the following on-call engineering services contract modifications for water and sewer projects:

1. On-Call Engineering Services Contract No. 2010-085-COS-A2 with Valentine Environmental Engineers, LLC.

2. On-Call Engineering Services Contract No. 2010-086-COS-A2 with GHD, Inc.

**Staff Contact(s):** Derek Earle, Acting Public Works Executive Director, 480-312-2776, [dearle@scottsdaleaz.gov](mailto:dearle@scottsdaleaz.gov)

**13. Traffic Signal Equipment Grant**

**Request:** Adopt **Resolution No. 9424** to authorize:

1. Acceptance of an Arizona Department of Transportation grant in the amount of \$44,175 for traffic signal equipment, including pedestrian countdown signal heads.
2. A budget transfer in the amount of \$44,175 from the Adopted FY 2012/13 Future Grants Budget and/or Grants Contingency Budget; and the creation of a new cost center to record the related grant activity.

**Staff Contact(s):** Derek Earle, Acting Public Works Executive Director, 480-312-2776, [dearle@scottsdaleaz.gov](mailto:dearle@scottsdaleaz.gov)

**14. Library Services and Technology Act Grant**

**Request:** Adopt **Resolution No. 9422** to authorize:

1. Acceptance of an Arizona State Library Archives and Public Records Library Services and Technology Act grant, in the amount of \$50,000, entitled "Eureka! Welcoming the Innovation Economy to Scottsdale."
2. A budget transfer in the amount of \$50,000 from the Adopted FY 2013/14 Future Grants Budget and/or Grants Contingency Budget; and the creation of a new cost center to record the related grant activity.
3. The Library Director to act as agent of the City to execute and administer the grant.

**Staff Contact(s):** William Murphy, Community Services Executive Director, 480-312-7954, [bmurphy@scottsdaleaz.gov](mailto:bmurphy@scottsdaleaz.gov)

**15. Transit Service Intergovernmental Agreement**

**Request:** Adopt **Resolution No. 9368** authorizing Intergovernmental Agreement No. 2013-047-COS with the Regional Public Transportation Authority for the provision of express and fixed route bus service, East Valley Dial a Ride service, and New Freedom grant funding, for a total cost to the City of \$1,446,745 and revenues in the amount of \$100,000.

**Staff Contact(s):** David Meinhart, Interim Transportation Director, 480-312-7010, [dmeinhart@scottsdaleaz.gov](mailto:dmeinhart@scottsdaleaz.gov)

**16. City Court Jury Services Intergovernmental Agreement**

**Request:** Adopt **Resolution No. 9428** authorizing Intergovernmental Agreement No. 2006-022-COS-A2, an amendment to an intergovernmental agreement with the Superior Court of Arizona, for the provision of jury services in City Court for the term of July 1, 2013 to June 30, 2014; and establishing fees to be paid by the City for the provision of virtual private network services, if the City requires such services.

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

**17. Purchase of Property-Casualty Insurance for the Period of July 1, 2013 to July 1, 2014**

**Request:** Adopt **Resolution No. 9432** to:

1. Authorize and direct the purchase of property-casualty insurance, including liability, property, and workers' compensation coverage, for FY 2013/14.
2. Execute a letter to the Industrial Commission of Arizona requesting exemption from the requirement to post a security deposit.

**Staff Contact(s):** Ted Howard, Risk Management Director, 480-312-7841, [toward@scottsdaleaz.gov](mailto:toward@scottsdaleaz.gov)

**18. Massage Facilities Code Amendment**

**Requests:**

1. Adopt **Resolution No. 9068** declaring the document entitled "Amendments to Article VI, Massage Therapists and Massage Facilities Licenses, Chapter 16 of the Scottsdale Revised Code" a public record.
2. Adopt **Ordinance No. 4023** amending Chapter 16, Article VI, Massage Therapists and Massage Facilities Licenses, of the Scottsdale Revised Code, to regulate massage facilities.

**Staff Contact(s):** Alan Rodbell, Public Safety Executive Director, 480-312-1900, [arodbell@scottsdaleaz.gov](mailto:arodbell@scottsdaleaz.gov)

**19. Escort, Escort Bureaus and Introductory Services Code Amendment**

**Requests:**

1. Adopt **Resolution No. 9375** declaring the document entitled "Amendments to Article XIV, Escorts, Escort Bureaus and Introductory Services, Chapter 16 of the Scottsdale Revised Code" as a public record.
2. Adopt **Ordinance No. 4078** amending Chapter 16, Article XIV, Escorts, Escort Bureaus and Introductory Services, of the Scottsdale Revised Code, to regulate escorts, escort assistants and escort bureaus.

**Staff Contact(s):** Alan Rodbell, Public Safety Executive Director, 480-312-1900, [arodbell@scottsdaleaz.gov](mailto:arodbell@scottsdaleaz.gov)

**20. McDowell Mountain Ranch Community Association Settlement Agreement**

**Request:**

(Item No. 20 was removed from the agenda at the request of staff and will be brought back at a later date.)

**20A. Loxas v. City of Scottsdale Settlement**

**Request:** Adopt **Resolution No. 9420** authorizing the Mayor to enter into Contract No. 2013-066-COS on behalf of the City, contingent upon all necessary future Court approvals and the City Attorney's future approval of all settlement agreement language, terms and signatures and specifically authorizing the City Treasurer to take all future actions necessary to deposit said funds in a trust account pending all necessary future approvals and a fully executed settlement agreement in order to settle the lawsuit entitled *Loxas v. City of Scottsdale, et al.*, Case No.12-CV-02015-PHX-SMM currently pending in the United States District Court.

**Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405, [bwashburn@scottsdaleaz.gov](mailto:bwashburn@scottsdaleaz.gov)

**21. Monthly Financial Report**

**Request:** Accept the FY 2012/13 Monthly Financial Report as of April 2013.

**Staff Contact(s):** David N. Smith, City Treasurer, 480-312-2364, [dasmith@scottsdaleaz.gov](mailto:dasmith@scottsdaleaz.gov)

**22. Glass and Garden Community Church Historic Preservation Overlay and Rezoning (5-HP-2012 and 14-ZN-2012)**

**Request:** At the request of staff, continue to June 18, 2013.

**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

- 23. Holy Cross Lutheran Church Historic Preservation Overlay and Rezoning (6-HP-2012 and 15-ZN-2012)**  
**Request:** At the request of staff, continue to June 18, 2013.  
**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)
- 24. First Church of Christ Scientist Historic Preservation Overlay and Rezoning (1-HP-2013 and 5-ZN-2013)**  
**Request:** At the request of staff, continue to June 18, 2013.  
**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)
- 24A. City Manager Appointment and Employment Agreement**  
**Requests:**
1. Appoint Fritz A. Behring as City Manager effective July 1, 2013.
  2. Adopt **Resolution No. 9451** authorizing Employment Agreement No. 2013-082-COS with Fritz A. Behring.
- Staff Contact(s):** Sherry Scott, Deputy City Attorney, 480-312-7816, [sscott@scottsdaleaz.gov](mailto:sscott@scottsdaleaz.gov)

Mayor Lane explained that, at the request of Councilman Phillips, Item No. 11 was being removed from the Consent Agenda for a separate vote; and Item No. 15 was being removed from the agenda at the request of staff. (Clerk's note: Staff had already removed Item No. 20 from the agenda prior to the meeting.)

#### **MOTION AND VOTE - CONSENT AGENDA**

Councilmember Korte moved to approve Consent Items 1 through 24A, absent Items 11 and 15. Councilman Phillips seconded the motion, which carried 7/0.

#### **MOTION AND VOTE - ITEM 11**

Councilwoman Milhaven moved to adopt Resolution No. 9429, authorizing the acquisition of private roadway easements for the Northsight Boulevard Extension Project and the use of eminent domain, if necessary. Councilmember Korte seconded the motion, which carried 4/3, with Councilmembers Littlefield, Phillips, and Robbins dissenting.

#### **REGULAR AGENDA**

- 25. Villas 136 Non-Major General Plan Amendment and Rezoning (2-GP-2013 and 4-ZN-2013)**  
**Requests:**
1. Adopt **Resolution No. 9418** approving a non-major amendment to the Scottsdale General Plan 2001 from Commercial Land Use designation to Urban Neighborhoods Land Use designation on 8.8± acres for Case No. 2-GP-2013.
  2. Adopt **Ordinance No. 4092** approving a zoning map amendment from Planned Neighborhood Center, Environmentally Sensitive Lands, Hillside District (PNC ESL HD) to Medium Density Residential, Environmentally Sensitive Lands (R-3 ESL) district, and finding that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on 8.8± acres for Case No. 4-ZN-2013.

**(Item No. 25 continued from previous page)**

**Presenter(s):** Keith Niederer, Senior Planner  
**Location:** 11755, 11675, 11615, and 11601 N. 136<sup>th</sup> Street  
**Staff Contact(s):** Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

Senior Planner Keith Niederer gave a PowerPoint presentation (attached), on the proposed Villas 136 non-major general plan amendment and rezoning (2-GP-2013 and 4-ZN-2013) request. He explained that the proposed height and finished floor elevations for each building are outlined in the stipulations.

Applicant representative John Berry explained that the applicant's request downzones a failed shopping center to a residential quality, high-end condominium community. He believes that the reduced building heights will address neighbors' concerns about loss of scenic views.

Mayor Lane opened public testimony.

The following individuals spoke in support of the proposed Villas 136 non-major general plan amendment and rezoning project:

- Jim Steimer, Scottsdale citizen
- Howard Pynn, Scottsdale citizen
- Catherine Gardiola, Scottsdale citizen - read letters on behalf of Scottsdale citizens Harvey and Lorraine Chimerine and Fred Romley (attached)

The following individual spoke in opposition to the proposed Villas 136 non-major general plan amendment and rezoning project:

- Jay Burwell, Scottsdale citizen

Mayor Lane closed public testimony.

Mr. Berry stated that the applicant is willing to further reduce the height of Building C and Building J by one foot and to continue discussions to address Mr. Burwell's concerns.

**MOTION - ITEM 25**

Councilwoman Milhaven moved to: (1) Adopt Resolution No. 9418 approving a non-major amendment to the Scottsdale General Plan 2001 from Commercial Land Use designation to Urban Neighborhoods Land Use designation on 8.8± acres for Case No. 2-GP-2013; and (2) adopt Ordinance No. 4092 approving a zoning map amendment from Planned Neighborhood Center, Environmentally Sensitive Lands, Hillside District (PNC ESL HD) to Medium Density Residential, Environmentally Sensitive Lands (R-3 ESL) district, and finding that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on 8.8± acres for Case No. 4-ZN-2013. Councilman Robbins seconded the motion. No vote taken.



### **ALTERNATE MOTION AND VOTE - ITEM 25**

Councilman Littlefield made an alternate motion to: (1) Adopt Resolution No. 9418 approving a non-major amendment to the Scottsdale General Plan 2001 from Commercial Land Use designation to Urban Neighborhoods Land Use designation on 8.8± acres for Case No. 2-GP-2013; and (2) adopt Ordinance No. 4092 approving a zoning map amendment from Planned Neighborhood Center, Environmentally Sensitive Lands, Hillside District (PNC ESL HD) to Medium Density Residential, Environmentally Sensitive Lands (R-3 ESL) district, and finding that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on 8.8± acres for Case No. 4-ZN-2013; and (3) amend Stipulation No. 3 in Exhibit 1 to Ordinance No. 4092 by adding the line "Building heights of Building C and Building J shall be further reduced from the heights identified on Exhibit B to Exhibit 1 by twelve (12) inches." Councilmember Korte seconded the motion, which carried 6/1, with Councilman Phillips dissenting.

### **26. Truth in Taxation Hearing and Public Hearing on the Proposed Fiscal Year 2013/14 Property Tax Levy**

#### **Requests:**

1. Solicit public testimony on the proposed Fiscal Year 2013/14 property tax levy.
2. **By a roll call vote**, approve a motion to levy the proposed property taxes, taxes to be assessed by ordinance on June 18, 2013.

**Presenter(s):** Lee Guillory, Finance Manager

**Staff Contact(s):** David N. Smith, City Treasurer, 480-312-2364,  
[dasmith@scottsdaleaz.gov](mailto:dasmith@scottsdaleaz.gov)

Finance Manager Lee Guillory gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2013/14 property tax levy.

#### Discussion:

- Ms. Guillory said the Truth in Taxation notice that was published in the Arizona Republic stated the Council may increase the property tax rate by 2%. The Council's decision on whether to include the 2% allowance will determine whether there is a Truth in Taxation hearing tonight. If the total primary levy amount exceeds the prior year's levy, after added growth into the FY 2013/14 year has been taken out, a Truth in Taxation hearing is required.
- In response to a question, Ms. Guillory advised that if the Council decides to lower the tax rate, thus reducing the levy, the budget will not be in balance.
- Ms. Guillory confirmed that the increase in the levy is due to \$237,000 in new construction. There is also a slight reduction due to tort recovery.
- In response to a question, Ms. Guillory confirmed that the average homeowner may see a slight increase in property taxes, even if their assessed value remains exactly the same as last year, because the overall City's valuations dropped.

### **MOTION AND VOTE - ITEM 26**

Councilmember Korte moved to levy the proposed property taxes, taxes to be assessed by ordinance on June 18, 2013. Councilwoman Milhaven seconded the motion, which, by roll call vote, carried 5/2, with Councilmembers Littlefield and Phillips dissenting.

**27. Public Hearing on Proposed Fiscal Year 2013/14 Municipal Streetlight Improvement District Expenses and Property Tax Levy (by District)**

**Requests:**

1. Solicit public testimony on the proposed Fiscal Year 2013/14 Streetlight Improvement District proposed expenses and tax levy.
2. **By a roll call vote**, approve a motion to adopt the proposed Fiscal Year 2013/14 Streetlight Improvement District tax levy, by district, to be assessed by ordinance on June 18, 2013.

**Presenter(s):** Lee Guillory, Finance Manager

**Staff Contact(s):** David N. Smith, City Treasurer, 480-312-2364,  
[dasmith@scottsdaleaz.gov](mailto:dasmith@scottsdaleaz.gov)

Finance Manager Lee Guillory gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2013/14 Streetlight Improvement District expenses and property tax levy.

Ms. Guillory explained that up until two years ago, APS and SRP districts performed their own maintenance and built the cost into the billing for each district. SRP no longer maintains their streetlight districts. The City must absorb the cost of maintaining SRP's districts because State Statute restricts the City's billing to energy costs only.

**MOTION AND VOTE - ITEM 27**

Councilman Robbins moved to adopt the proposed Fiscal Year 2013/14 Streetlight Improvement District tax levy, by district, to be assessed by ordinance on June 18, 2013. Councilmember Korte seconded the motion, which, by roll call vote, carried 7/0.

**28. Final Public Hearing on the Fiscal Year 2013/14 Budget**

**Request:** Solicit public testimony on the FY 2013/14 Operating Budget and Capital Improvement Plan, as tentatively approved on May 14, 2013, with adjustments for contingencies and reserves, per approved financial policies.

**Presenter(s):** Daniel Worth, Acting City Manager; David N. Smith, City Treasurer

**Staff Contact(s):** Judy McIlroy, Budget Director, 480-312-2603,  
[jmcilroy@scottsdaleaz.gov](mailto:jmcilroy@scottsdaleaz.gov)

Acting City Manager Dan Worth gave a PowerPoint presentation (attached) on the Fiscal Year 2013/14 Operating Budget and Capital Improvement Plan.

**MAYOR AND COUNCIL**

**29. Request to Agendize a Hearing to Determine Conditional Zoning Stipulation Compliance (Blue Sky Zoning Case)**

**Request:** At the request of Councilman Phillips, discuss and provide possible direction to staff on whether to agendize a hearing to: 1) determine whether Gray Development complied with the conditional zoning stipulation (Stipulation 41) set forth in Ordinance No. 3909 conditionally approving the Blue Sky zoning case (65-ZN-1992#7 and 2-II-2010) provided that construction began within 24 months of Council's adoption of Ordinance No. 3909; and 2) potentially initiate an application for future zoning hearings to either revert the zoning to its former zoning classification or amend or remove the conditional zoning stipulation (Stipulation 41).

### **MOTION AND VOTE - ITEM 29**

Councilman Littlefield moved to agendaize a discussion and possible hearing to staff on Conditional Zoning Stipulation Compliance (Blue Sky Zoning Case), to include: (1) Determining whether Gray Development complied with the conditional zoning stipulation (Stipulation 41) set forth in Ordinance No. 3909 conditionally approving the Blue Sky zoning case (65-ZN-1992#7 and 2-II-2010) provided that construction began within 24 months of Council's adoption of Ordinance No. 3909; and (2) Potentially initiating an application for future zoning hearings to either revert the zoning to its former zoning classification or amend or remove the conditional zoning stipulation (Stipulation 41). Councilman Phillips seconded the motion, which failed 2/5, with Mayor Lane; Vice Mayor Klapp; and Councilmembers Korte, Milhaven, and Robbins dissenting.

### **30. Boards, Commissions, and Task Force Nominations (Note: Interviews and appointments scheduled for June 18, 2013)**

Airport Advisory Commission (*two vacancies*) - Councilman Robbins nominated Michael Goode and William Schuckert.

Building Advisory Board of Appeals (*two vacancies*) - Councilwoman Milhaven nominated Mike Bergfeldt and Bill Schweikert.

Human Services Commission (*one vacancy*) - Mayor Lane nominated Ronald King and Vice Mayor Klapp nominated Enid Seiden.

Neighborhood Advisory Commission (*one vacancy*) - Councilmember Korte nominated Joe Meli; Councilman Robbins nominated Todd Mazon; and Mayor Lane nominated Daniel Russell, III.

Transportation Commission (*one vacancy*) - Mayor Lane nominated Michael Liburdi and Councilmember Korte nominated Matthew Wright.

**PUBLIC COMMENT** - None

### **CITIZEN PETITIONS**

#### **31. Receipt of Citizen Petitions**

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

**Staff Contact(s):** Carolyn Jagger, City Clerk, 480-312-2411, [cjagger@scottsdaleaz.gov](mailto:cjagger@scottsdaleaz.gov)

No citizen petitions were received.

**MAYOR AND COUNCIL ITEMS** - None

**ADJOURNMENT**

With no further business to discuss, the Regular Meeting adjourned at 6:46 P.M.

**SUBMITTED BY:**



**Carolyn Jagger**  
City Clerk

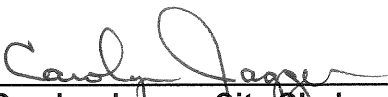
Officially approved by the City Council on July 1, 2013

### CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 4<sup>th</sup> day of June 2013.

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

**DATED** this 1<sup>st</sup> day of July 2013.



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Carolyn Jagger, City Clerk

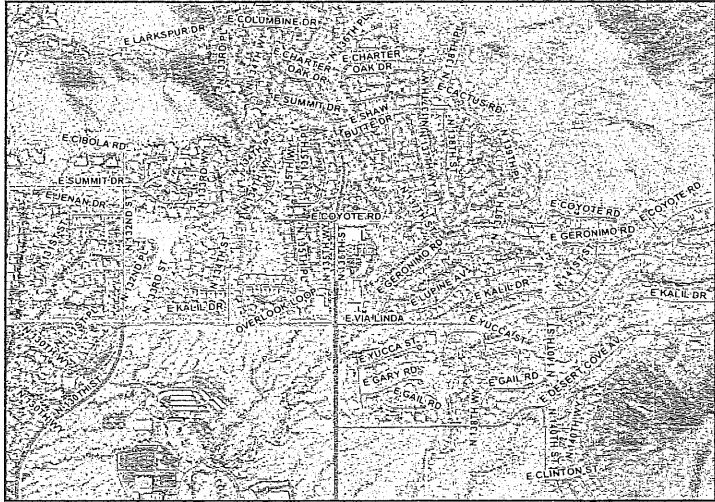
Villas 136

2-GP-2013 / 4-ZN-2013

City Council  
June 4, 2013

Keith Niederer

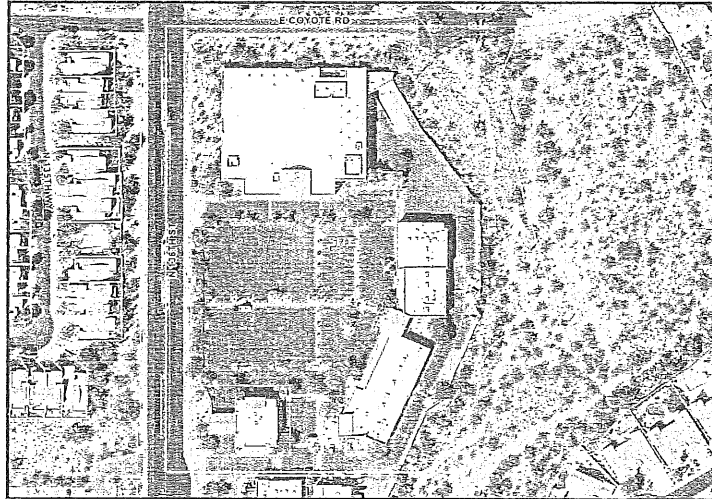
Villas 136



CONTEXT AERIAL

2-GP-2013 / 4-ZN-2013

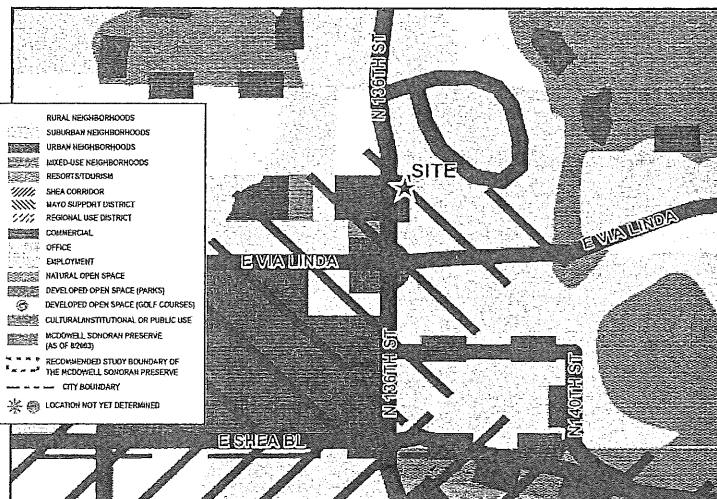
# Villas 136



CLOSE AERIAL

2-GP-2013 / 4-ZN-2013

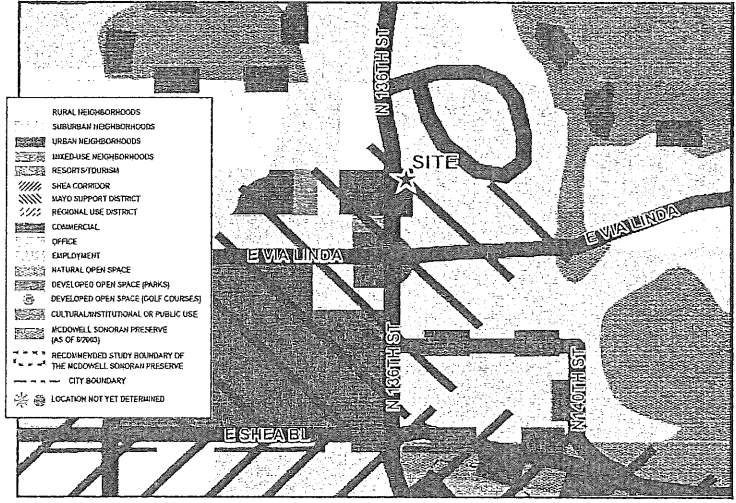
# Villas 136



EXISTING LAND USE

2-GP-2013 / 4-ZN-2013

# Villas 136

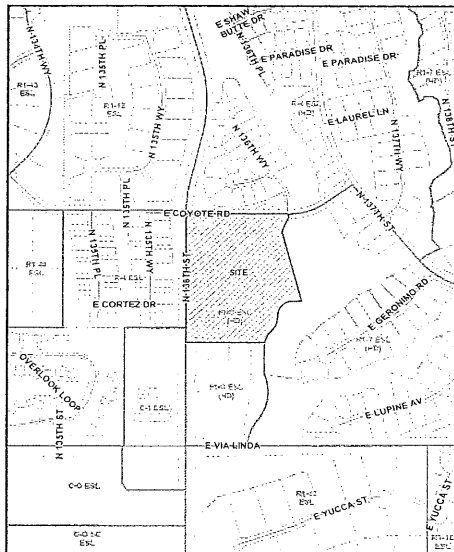


Request 1:  
 Minor GP  
 Amendment  
 From  
 Commercial  
 To  
 Urban  
 Neighborhoods

PROPOSED LAND USE

2-GP-2013 / 4-ZN-2013

# Villas 136



- Property has been zoned PNC since 1979.
- Shopping center was approved in 1998.
- Request 2 is for a zoning map amendment from PNC ESL to R-3 ESL.

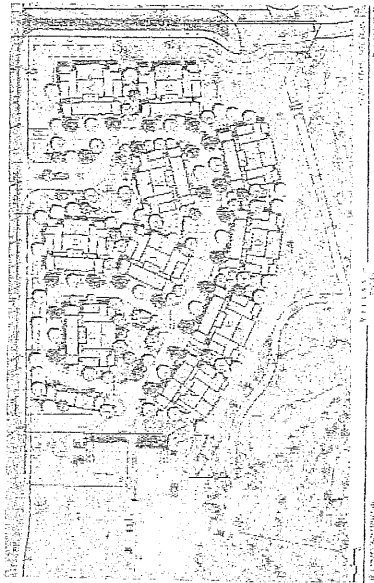
ZONING MAP

2-GP-2013 / 4-ZN-2013



## Villas 136

- 90 units
- 10 main buildings
- 1 carriage building
- 1 garage building
- 1 amenity building
  
- 25' from FFE
- 30' above natural grade



**SITE PLAN**  
2-GP-2013 / 4-ZN-2013

## Villas 136

Development Standards	Existing PNC Zoning	Standard R-3 Zoning	Proposed R-3 Zoning
Density	4 units per gross acre (35 units max)	12.95 du/ac, 114 units	10.23 du/ac, 90 units
FAR	102,326 s.f. of floor area at a .3 FAR 64,500 s.f. exist today	N/A	N/A
Building Height	25-feet built, with tower element to 35-feet above finished floor	30-feet above natural grade	25-feet above finished floor, 30-feet above natural grade
NAOS	3.14 acres	2.55 acres	2.59 acres
Open Space	51,163 s.f.	122,791 s.f.	122,802 s.f.
Parking	215 spaces required, 264 spaces existing	Varies by floor plans	91 garage spaces and 17 surface spaces 82 spaces behind garages
Traffic	5,107 daily trips estimated	662 daily trips estimated	527 daily trips estimated

Villas 136

# Applicant's Presentation

2-GP-2013 / 4-ZN-2013

-----Original Message-----

From: Lorry [<mailto:lhchime2@cox.net>]  
Sent: Wednesday, May 01, 2013 1:06 PM  
To: Niederer, Keith  
Subject: We now agree to the latest villas 136 proposal.

We have met with Geophry and John from villas 136 and agree with the latest proposal they showed to us. Harvey & Lorraine Chimerine. We wish them luck. They. Have done everything possible to comply with our questions and concerns and those of the scottsdale mountain homeowners association. We are the closest property to the project. 13669 E. laurel lane.

**From:** FRED ROMLEY [<mailto:fromley@msn.com>]  
**Sent:** Tuesday, April 30, 2013 5:11 PM  
**To:** Niederer, Keith  
**Subject:** RE: Villas 136, Case 4-ZN-2013, 2-GP-2013

Mr. Niederer,

I have been in close contact with the developers John and Jeff. What they showed me that there architect had done and i feel much better that this project will not harm my view and may even better them. It will be good to get this space changed and get rid of this eye sore of the vacant shopping center. Please feel free to call if you have any questions and i thank you for listening to me.

Thanks you.

Fred Romley  
[\(480\) 248-7652](tel:4802487652) office  
[\(972\) 345-7809](tel:9723457809) cell

# Item 26

## FY 2013/14 Property Tax Rates and Levies



City Council, June 4, 2013

## Primary Levy

	FY 12/13	FY 13/14
Prior year levy (before torts)	\$25.015M	\$25.272M
2% annual allowance	Declined	Declined
Growth due to new construction	<u>.257M</u>	<u>.237M</u>
Levy (before tort recovery)	\$25.272M	\$25.510M
Tort recovery	<u>.213M</u>	<u>.145M</u>
Total Primary Levy	\$25.485M	\$25.655M
Rate per \$100 of AV:		
Primary Assessed Valuation	\$5.070B	\$4.802B
Primary Tax Rate	\$.5027	\$.5342

## Secondary Levy

	FY 12/13	FY 13/14
Secondary Levy (GO Debt Service)	\$36.702M	\$36.712M
<u>Rate per \$100 of AV:</u>		
Secondary Assessed Valuation	\$5.080B	\$4.828B
Secondary Tax Rate	\$.7225	\$.7604

3

## Combined Levy

	FY 12/13	FY 13/14
Total Primary Levy	\$25.485M	\$25.655M
Total Secondary Levy	\$36.702M	\$36.712M
Total Levy	\$62.187M	\$62.367M
<u>Rate per \$100 of AV:</u>		
Primary Tax Rate	\$.5027	\$.5342
Secondary Tax Rate	\$.7225	\$.7604
Combined Tax Rate	\$1.2252	\$1.2946

4

## Action

By roll call vote, approve a motion to levy the proposed FY13/14 property taxes, taxes to be assessed by ordinance on June 18, 2013

# Item 27

## FY 2013/14 Streetlight Improvement District (SLID) Property Tax Levies



City Council, June 4, 2013

## Background

	FY 12/13	FY 13/14
Estimated Streetlight Energy Costs	\$572,308	\$565,508
Less: Accumulated Reserves *	<16,068>	<159,370>
Less: FY 11/12 Maintenance Refund	0	<9,363>
Net Levy:	\$556,240	\$396,775

\* estimated to have approximately \$50,000 in reserves for FY 2014/15

- 355 Streetlight Districts, approximately 33,750 properties

## Action

By roll call vote, approve a motion to consider adoption of the proposed FY 2013/14 Streetlight property tax levies during Council's June 18, 2013 meeting

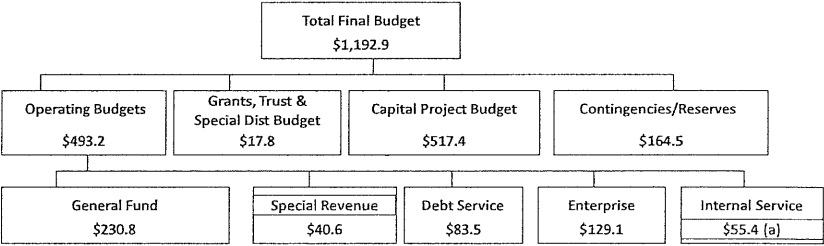


**FY 2013/14 Final Budget Adoption**



City Council  
June 4, 2013

**Final FY 2013/14 Budget**  
(\$ millions)



(a) Internal Service Fund Charges of \$46.0 million are included in the budgets of other funds and are, therefore, eliminated in the total Operating Budgets of \$493.2.

## General Fund Plan (in millions)

<u>Sources</u>		<u>Uses</u>	
Operating Revenues	\$227.9	Services/Programs	\$227.6
Transfers	<u>10.9</u>	Debt/Contracts	<u>3.2</u>
Total Sources	\$238.8	Subtotal	\$230.8
Unrsvd Funds Appld	<u>9.4</u>	Transfers Out	<u>17.5</u>
Total Sources & UFB	\$248.2	Total Uses	\$248.2

### Fund Balance at 6/30/14

General Fund Reserve	\$25.4
Operating Contingency	5.0
Unreserved Fund Balance	<u>2.1</u>
Total Fund Balance	\$32.5

## FY 2013/14 Final Budget Adoption



City Council  
June 4, 2013