

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, DECEMBER 10, 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 5:04 P.M. on Tuesday, December 10, 2013, in the City Hall Kiva.

ROLL CALL

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

Also Present: City Manager Fritz Behring
City Attorney Bruce Washburn
City Treasurer Jeff Nichols
City Auditor Sharron Walker
City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Brownie Troop 793, Troop Leader Susie Irwin

INVOCATION – Pastor Cynthia Cone, One Life Christian Church

MAYOR'S REPORT

Mayor Lane referenced a number of articles that have been in the newspaper recently regarding the approximately 6,600 Child Protective Services (CPS) cases that were not investigated. Mayor Lane asked City staff to work with CPS to determine which of these cases are in Scottsdale and to offer the City's assistance. Mayor Lane wished everyone a merry Christmas, happy holidays, and a joyous new year.

CITY MANAGER'S REPORT – None

PRESENTATIONS/INFORMATION UPDATES – None

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

PUBLIC COMMENT

Cynthia Hill, Police Officers' Scottsdale Association, commented on the Shop with a Cop Program.

ADDED ITEMS

A1. Added Items

The supporting materials for Item No. 19 will be added to the agenda less than ten days prior to the meeting and will require a separate vote to remain on the agenda.

Request: Vote to accept the agenda as presented or to continue the added item(s) to the January 14, 2014 Council meeting.

MOTION AND VOTE- ADDED ITEMS

Councilwoman Klapp moved to accept the agenda as presented. Vice Mayor Korte seconded the motion, which carried 7/0.

CONSENT AGENDA

1. Naya Mediterranean Cuisine Liquor License (102-LL-2013)

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

Location: 8877 N. Scottsdale Road, Suite 402

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

2. Pink Pony Liquor License (103-LL-2013)

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

Location: 3831 N. Scottsdale Road

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

3. Champion Field Liquor License (104-LL-2013)

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

Location: 8763 E. Bell Road, Suite 101

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

4. Albertson's Store No. 969 Liquor License (105-LL-2013)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for sampling privileges for a series 9 (liquor store) State liquor license for an existing location and owner.

Location: 15660 N. Frank Lloyd Wright Boulevard

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

- 5. Albertson's Store No. 966 Liquor License (106-LL-2013)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for sampling privileges for a series 9 (liquor store) State liquor license for an existing location and owner.
Location: 6965 N. Hayden Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. Chances on 6th Liquor License (107-LL-2013)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person transfer of a series 6 (bar) State liquor license for an existing location with a new owner.
Location: 7570 E. 6th Avenue
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 7. Bink's Liquor License (108-LL-2013)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 6107 N. Scottsdale Road, Suite C-10
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 8. Taco Haus Liquor License (109-LL-2013)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7318 E. Shea Boulevard
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 9. Salt and Lime Modern Mexican Grill Liquor License (110-LL-2013)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for a new location and owner.
Location: 9397 E. Shea Boulevard, Suite 115
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 10. Fogon of Scottsdale Liquor License (111-LL-2013)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7001 N. Scottsdale Road, Suite 147
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

11. Permanent Extension of Premises for EVO (11-EX-2013)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for a series 12 (restaurant) State liquor license.

Location: 4175 N. Goldwater Boulevard

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

12. Scottsdale's Museum of the West Rezoning and Municipal Use Permit (2-ZN-2000#4 and 8-UP-2013)

Requests:

1. Adopt **Ordinance No. 4118** approving a zoning district map amendment from Downtown/Residential Hotel Type-2 Planned Block Development Downtown Overlay (D/RH-2 PBD DO) and Downtown/Office Commercial Type-2 Planned Block Development Downtown Overlay (D/OC-2 PBD DO) to Downtown/Downtown Multiple Use Type-2 Planned Block Development Downtown Overlay (D/DMU-2 PBD DO), including amending an existing and approving a new Development Plan; finding that the Planned Block Development Overlay criteria have been met; and determining that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on 2.7± acres, for Case No. 2-ZN-2000#4.
2. Adopt **Resolution No. 9589** approving the Municipal Use Master Site Plan to accommodate a proposed cultural institution on a 2.7± acre site of City-owned properties, for Case No. 8-UP-2013.
3. Adopt **Resolution No. 9566** declaring "Scottsdale's Museum of the West Development Plan" as a public record.

Location: 7084 E. 2nd Street, 3830 N. Marshall Way, and 3840 N. Marshall Way

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

13. Scottsdale Convention and Visitors Bureau Additional Event Request

Request: Adopt **Resolution No. 9587** approving the 2014 Native Trails Event as an "Additional Event" under the Destination Marketing Services Agreement No. 2012-053-COS with the Scottsdale Convention and Visitors Bureau.

Staff Contact(s): Danielle Casey, Economic Development Director, 480-312-7601, dcasey@scottsdaleaz.gov

14. Independent Ethics Reviewers Professional Services Contracts

Request: Adopt **Resolution No. 9591** authorizing the following professional services contracts to allow retired judges to serve as independent ethics reviewers, as required by Scottsdale Revised Code Section 2-57:

1. Contract No. 2013-187-COS with Raymond Lee
2. Contract No. 2013-188-COS with Penny L. Willrich
3. Contract No. 2013-189-COS with Jonathan H. Schwartz

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

Mayor Lane opened public testimony.

- John Washington, Scottsdale citizen, commented on the ethics ordinance.

Mayor Lane closed public testimony.

15. Land Use Assumptions and Infrastructure Improvement Plans

Requests:

1. Adopt **Resolution No. 9560** approving the 2013 Water and Wastewater Land Use Assumptions and Water and Wastewater Infrastructure Improvements plans related to proposed changes to impact fees, and declaring those certain documents as public records.
2. Adopt the notice of intention to modify Water and Wastewater Impact Fees effective July 1, 2014 and establish January 14, 2014 as the date for a public hearing.

Staff Contact(s): Brian Biesemeyer, Water Resources Executive Director, 480-312-5683, bbiesemeyer@scottsdaleaz.gov

16. General Obligation Refunding Bond Issuance

Request: Adopt **Resolution No. 9569** approving the sale of City of Scottsdale General Obligation Refunding Bonds, Series 2014, in an aggregate amount not to exceed \$140 million and authorizing the negotiation, execution, and delivery of certain agreements by the City Treasurer.

Staff Contact(s): Jeff Nichols, City Treasurer, 480-312-2364, jenichols@scottsdaleaz.gov

17. Fiscal Year End 2012/13 Financial Report

Request: Accept the FY 2012/13 Monthly Financial Report as of June 2013 (fiscal year-end).

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

MOTION AND VOTE - CONSENT AGENDA

Councilman Robbins made a motion to approve Consent Items 1 through 17. Councilwoman Milhaven seconded the motion, which carried 7/0.

REGULAR AGENDA

18. Fiscal Year 2012/13 Annual Financial Audit

Request: Accept the Fiscal Year 2012/13 annual financial audit submitted by the City's external auditors, CliftonLarsonAllen LLP.

Presenter(s): Sharron Walker, City Auditor

Staff Contact(s): Sharron Walker, City Auditor, 480-312-7867, swalker@scottsdaleaz.gov

City Auditor Sharron Walker gave a PowerPoint presentation (attached) on the Fiscal Year 2012/13 annual financial audit.

MOTION AND VOTE - ITEM 18

Councilwoman Klapp made a motion to accept the Fiscal Year 2012/13 annual financial audit as submitted. Vice Mayor Korte seconded the motion, which carried 7/0.

19. WestWorld Food and Alcohol License and Marketing Agreement and Monterra Food and Alcohol License Agreement

Request: Adopt **Resolution No. 9584** to authorize WestWorld Food and Alcohol License and Marketing Agreement No. 2013-186-COS to direct food service and marketing services at WestWorld, together with the related Monterra Food and Alcohol License Agreement No. 2013-191-COS to direct food service at Monterra at WestWorld, with National Western Capital Corporation; and to authorize one of the following options:

Option A: FY 2013/14 General Fund operating budget contingency transfer in the amount of \$200,000 to the WestWorld operating budget; **OR**

Option B: FY 2013/14 General Fund operating budget appropriation contingency transfer in the amount of \$200,000 to the WestWorld operating budget to be funded by Tourism Development Fund.

Presenter(s): Paul Katsenes, Community and Economic Development Executive Director

Staff Contact(s): Paul Katsenes, Community and Economic Development Executive Director, 480-312-2890, pkatsenes@scottsdaleaz.gov

Community and Economic Development Executive Director Paul Katsenes gave a PowerPoint presentation (attached) on the proposed WestWorld food and alcohol license and marketing agreement and Monterra food and alcohol license agreement.

City Treasurer Jeff Nichols presented the funding options for the proposed agreements (attached).

Fred Unger, National Western Capital Corporation, gave a presentation (attached) outlining proposed marketing strategies for WestWorld.

Mayor Lane opened public testimony.

The following individuals spoke in opposition to the WestWorld food and alcohol license and marketing agreement and Monterra food and alcohol license agreement:

- David Scholefield, Tourism Development Commission Vice Chair (comments attached)
- Kathleen Glenn, Tourism Development Commission Chair
- John Washington, Scottsdale citizen
- David Smith, Scottsdale citizen

Mayor Lane closed public testimony.

MOTION - ITEM 19

Councilman Robbins made a motion to adopt Resolution 9584 with Option A. Councilwoman Klapp seconded the motion.

ALTERNATE MOTION - ITEM 19

Councilman Phillips made an alternate motion to adopt Resolution 9584 and to find the \$200,000 in the existing budget. Councilman Littlefield seconded the motion, but later withdrew his second.

CALL FOR THE QUESTION - ITEM 19

Vice Mayor Korte made a motion to call the question. Councilwoman Klapp seconded the motion, which carried 5/2, with Councilmembers Littlefield and Phillips dissenting.

VOTE ON MOTION - ITEM 19

The Council vote on the motion to adopt Resolution 9584 with Option A carried 4/3, with Mayor Lane and Councilmembers Littlefield and Phillips dissenting.

20. Define Operating Budget Parameters for Proposed Fiscal Year 2014/15

Requests: (1) Presentation by City Manager Fritz Behring defining operating budget parameters in the development of the City's Fiscal Year 2014/15 budget; and (2) Provide possible direction to staff regarding the City's proposed Fiscal Year 2014/15 Operating Budget.

Presenter(s): Fritz Behring, City Manager

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

City Manager Fritz Behring gave a PowerPoint presentation (attached) on the operating budget parameters for the proposed Fiscal Year 2014/15 budget.

Mayor Lane opened public testimony.

- Jim Hill, Police Officers' Scottsdale Association, commented on Police Department compensation.

Mayor Lane closed public testimony.

General direction was given to continue the current Property Tax Tort Recovery Policy and to consider budgeting three percent for salary adjustments for all City staff, based on merit performance.

21. Organization Strategic Plan

Request: Adopt **Resolution No. 9576** adopting an organizational mission statement and priorities for Fiscal Year 2013/14, and directing staff to implement the priorities and to provide regular updates on the progress of implementing these priorities.

Presenter(s): Brent Stockwell, Strategic Initiatives Director

Staff Contact(s): Brent Stockwell, Strategic Initiatives Director, 480-312-7288,
bstockwell@scottsdaleaz.gov

Strategic Initiatives Director Brent Stockwell gave a PowerPoint presentation (attached) on the proposed organizational mission statement and priorities for Fiscal Year 2013/14.

MOTION AND VOTE - ITEM 21

Councilman Robbins made a motion to adopt Resolution No. 9576 adopting an organizational mission statement and priorities for Fiscal Year 2013/14, and directing staff to implement the priorities and to provide regular updates on the progress of implementing these priorities. Councilwoman Milhaven seconded the motion, which carried 5/2, with Councilmembers Littlefield and Phillips dissenting.

PUBLIC COMMENT – None

CITIZEN PETITIONS

22. 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 agendize 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

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

With no further business to discuss, the Regular Meeting adjourned at 8:21 P.M.

SUBMITTED BY:



**Carolyn Jagger
City Clerk**

Officially approved by the City Council on

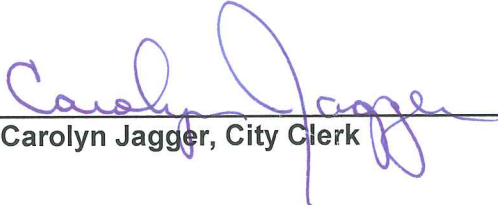
January 14, 2014

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 10th day of December 2013.

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

DATED this 14th day of January 2014.



Carolyn Jagger, City Clerk

Item 18

FY 2012/13 Annual Financial Audit

Sharron Walker, CPA, CFE
City Auditor

Contract CPA Firm: CliftonLarsonAllen LLP

What is Different This Year?

- Council assigned annual financial audit contract oversight to City Auditor
- Audit Committee directed City Auditor to submit financial audit reports to Council for increased transparency

Summary of Financial Audit Reports

- Annual financial audit:
 - City’s Comprehensive Annual Financial Report
 - Communication with Governance
 - Management Letter
 - Component Units’ Annual Financial Reports
 - Community Facilities Districts (5)
 - Municipal Property Corporation (MPC)
 - Scottsdale Preserve Authority (SPA)
- *Each has Communication with Governance
*Some also have Internal Control Communication

Federal & State Funding Reports

- Federal funding/compliance reports
 - Single Audit (FY 2012/13 and reissued FY 2011/12)
 - Report on Housing & Urban Development (HUD) Supplementary Data Schedule
- State funding/compliance reports
 - Highway User Revenue Fund (HURF) uses
 - Local Transportation Assistance Fund (LTAF II) financial schedule

Further information

Financial Reports:

Jeff Nichols, City Treasurer

Audit:

Sharron Walker, City Auditor

Item 19

Paul Katsenes
Presentation

WestWorld Food & Alcohol License & Marketing Agreement

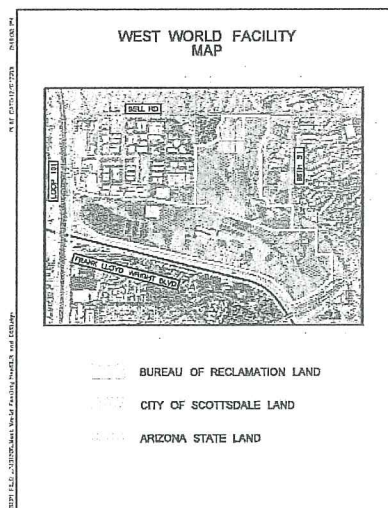
WestWorld

- Background
- From -- 100,000SF open air arena
- To -- 300,000SF enclosed climate controlled
- Big 3 Debt Service Commitment
 - Arabian Horse Association of Arizona -- \$240,000
 - Barrett Jackson Auction Company -- \$75,000
 - Arizona Quarter Horse Association -- \$45,000

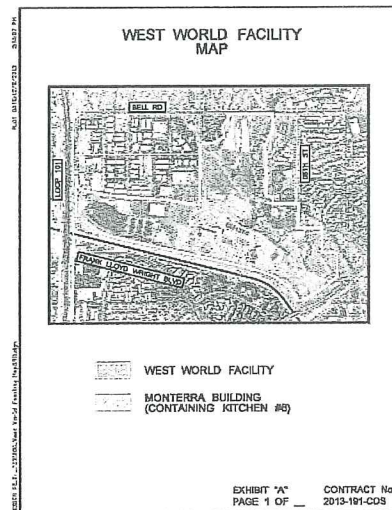
WestWorld

- We have two partners
- BOR outlined in Purple
- Monterra License

WestWorld



WestWorld



WestWorld

Monterra License

National Western Capital Corporation

- M Catering – Barrett Jackson, The Open, US Government
- What it did
 - Liquor license for WW
 - Events – Food, Beverage, and Alcohol in Monterra
 - Invitation – Food, Beverage, and Alcohol on WW
 - Sales and Marketing of Monterra

WestWorld

WW Expansion – Expanded Needs

- 5 Kitchens in Tony Nelssen Equestrian Center need to be finished with equipment (\$750,000 - \$1,000,000)
- Food, Beverage, and Alcohol Service on WW
- Sales – Marketing – all WestWorld – all year

WestWorld

Marketing Needs

- Bring new events
- Create new events
- Hire, pay, supervise staff
- Website development and update
- Create marketing material
- Travel & entertainment expenses
- Coordinate – leverage SCVB, TDC, community

WestWorld

Criteria

- Marketing Plan & Strategy
- Marketing should be Performance based
- Have actual targets for each year
- Ability to cancel if not being met
- City will pay for performance

(Included in writing in the Contract)

WestWorld

2 Agreements – National Western Capital Corporation

- Food, Beverage & Alcohol
 - Equip and Pay for 5 Kitchens
 - Quality, variety – Food
 - Unique food – event producer
 - Trained and adequate staff
 - Security cash & credit handling standards
 - Well established vendor in Phoenix market

WestWorld

- Serve Food and Beverage and pay 20% commission to WestWorld
- Serve Alcohol and pay 30% commission to WestWorld
- Pay for – build and Equip 5 Kitchens in TNEC

(In Contract)

WestWorld

2 Agreements – National Western Capital Corporation

- Marketing
 - Shows, festivals, events aimed at out-of-town tourists
 - Increase event bookings
 - National & international exposure
 - Group & individual tour business
 - Multi-day events
 - Producers to create new events

WestWorld

Annual Marketing Strategy

- Advertising
- Event and consumer promotions, data base relationship marketing
- Public relations
- Website – develop & maintain
- On-line marketing programs and promotion
- Outlining show categories and targets broadly
- To be submitted annually

WestWorld

Revenue Targets

- FY 13-14 \$3.2 million
- FY 14-15 \$4.0 million
- FY 15-16 \$5.2 million
- FY 16-17 \$5.2 million plus 4% escalation
annual
(In Contract)

WestWorld

Base Marketing Fee

- FY 13-14 \$200,000
 - FY 14-15 \$200,000
 - FY 15-16 \$200,000
 - FY 16-17 \$100,000 plus 4% escalation
 - FY 17-18 \$200,000 annual plus 4% escalation
- (In Contract)

WestWorld

**Percentage Marketing Fee paid on
Event Invoice Revenue**

- Totals up to \$3.2 million – No Fee
 - Totals next \$1 million – 10% paid
 - Totals over \$4.2 million – 15% paid
- (In Contract)

WestWorld

Request \$200,000

- FY 13-14 General Fund Operating Budget appropriation contingency transfer to the WestWorld Operating Budget to be funded by Tourism Development Fund
- FY 13-14 General Fund Operating Budget contingency transfer to WestWorld Operating Budget

WestWorld

City Team

Kelly Ward, Linda Harrington, Elaine Goetze, Kim Lank

Dan Worth, Martha West

Jeff Nichols

Brian Dygert, Gloria Storms

Rose Rimsnider, Paul Katsenes

ORDINANCE NO. 4018

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA ESTABLISHING A "SPECIAL REVENUE FUND FOR TOURISM DEVELOPMENT"; IDENTIFYING AND DIRECTING REVENUES TO BE DEPOSITED INTO SAID FUND; LIMITING PURPOSES FOR EXPENDITURES FROM SAID FUND; AUTHORIZING THE CITY TREASURER TO CREATE AND MONITOR SAID FUND; ESTABLISHING DELAYED EFFECTIVE DATE

WHEREAS, in March 2010, the citizens of the City of Scottsdale voted to increase the transient lodging (bed) tax from 3% to 5% effective July 2010; and

WHEREAS, the ballot measure directed that 50% of total transient lodging (bed) tax revenues be used for destination marketing and the other 50% for tourism-related event support, tourism research, tourism-related capital projects and other eligible uses as determined by city ordinance and state law; and

WHEREAS, the City receives into its General Fund 100% of the transient lodging (bed) tax collections; and

WHEREAS, the City receives payments into its General Fund pursuant to that certain document titled "Ground Lease" with the Scottsdale Princess Partnership, dated December 30, 1985, that could be dedicated to tourism-related capital projects; and

WHEREAS, the City Council deems it beneficial to formally designate revenues received under the Ground Lease with Scottsdale Princess Partnership (hereinafter "Princess Hotel") for tourism-related capital projects and no other purposes, and

WHEREAS, the City Council deems it beneficial to combine transient lodging (bed) tax receipts with the Princess Hotel lease revenues in a special revenue fund, for improved accounting and operational functions.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Scottsdale, Arizona, as follows:

Section 1. The City Council hereby establishes a special revenue fund, to be known as the "Special Revenue Fund for Tourism Development."

Section 2. One hundred percent (100%) of transient lodging (bed) tax revenues and one hundred percent (100%) of Princess Hotel lease payments shall be received into the Special Revenue Fund for Tourism Development."

Section 3. Funds received into the Special Revenue Fund for Tourism Development may only be spent for identified purposes, as determined by the Council through ordinance.

Section 4. The City Treasurer, or his designee, shall take all appropriate and necessary action to create this fund in the City's financial books and records and shall monitor all transactions into and out of this fund for conformity with approved purposes.

ORDINANCE NO. 4019

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA; DESIGNATING THE PURPOSES AND ALLOCATION OF REVENUES FOR THE "SPECIAL REVENUE FUND FOR TOURISM DEVELOPMENT"; AMENDING FINANCIAL POLICY 21A IN CONFORMITY THEREWITH; ESTABLISHING DELAYED EFFECTIVE DATE

WHEREAS, in Ordinance No. 4018 the City Council did establish the "Special Revenue Fund for Tourism Development" and identify which revenues it shall receive; and

WHEREAS, said ordinance expressly stated that the permitted purposes for expenditures would be established through related ordinance; and

WHEREAS, the City Council wishes to establish the permitted purposes for expenditures; and

WHEREAS, establishing the permitted purposes for expenditures necessitate an amendment to City Council's Financial Policy 21A;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Scottsdale, Arizona, as follows:

Section 1. The City Council hereby establishes that the permitted purposes of, and corollary expenditures and transfers from, the monies annually received into the Special Revenue Fund for Tourism Development" through Ordinance No. 4018 are limited to:

1. 50% of the transient lodging (bed) tax revenues approved by voters to be used for tourism-marketing;
2. \$1,500,000 for the General Fund;
3. ~~\$1,200,000 for Events and Event Development;~~
4. \$500,000 for tourism-related administration and research;
5. \$500,000 for one-time commitments to capital projects, events and event development, or administration and research; and
6. The balance for tourism-related capital projects, in the form of one-time commitments or multi-year annual commitments, not to exceed \$600,000 per project.

At the end of each fiscal year, any unused funds in the Special Revenue Fund for Tourism Development will be available for use in subsequent years for any of the non-marketing tourism categories (except the general fund category) and may be allocated without limitations, except that they may not be leveraged for multi-year commitments, such as debt service payments.

Section 2. Financial Policy 21A, as adopted through Ordinance No. 3954, is hereby amended to be in conformity with Section 1 of this Ordinance. Revised Financial Policy 21A is attached hereto as "Exhibit A", and hereby incorporated by this reference as if fully set forth herein.

Section 3. This Ordinance shall be effective for the fiscal year beginning July 1, 2012.

City of Scottsdale
Tourism Program Proforma
July 31, 2013

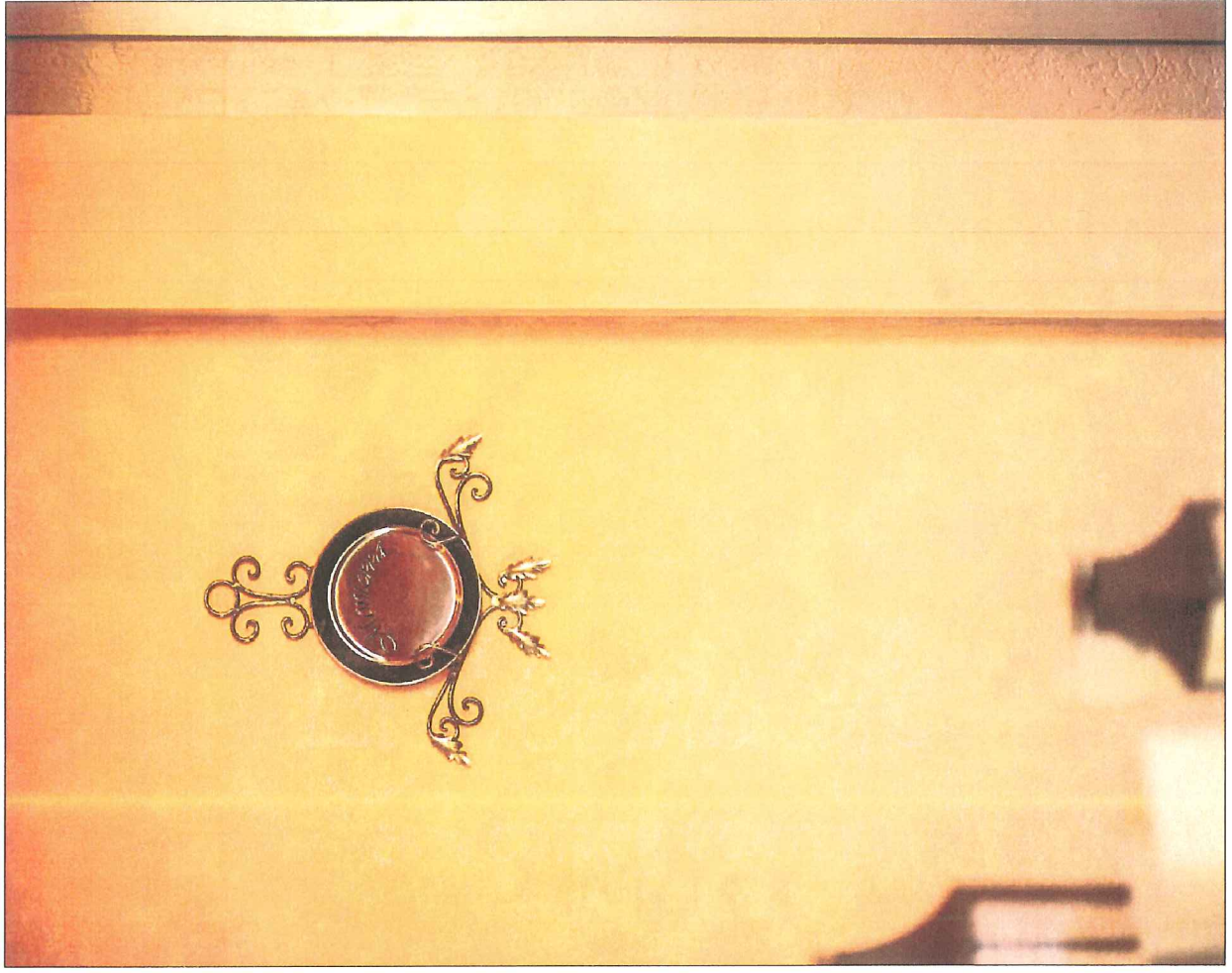
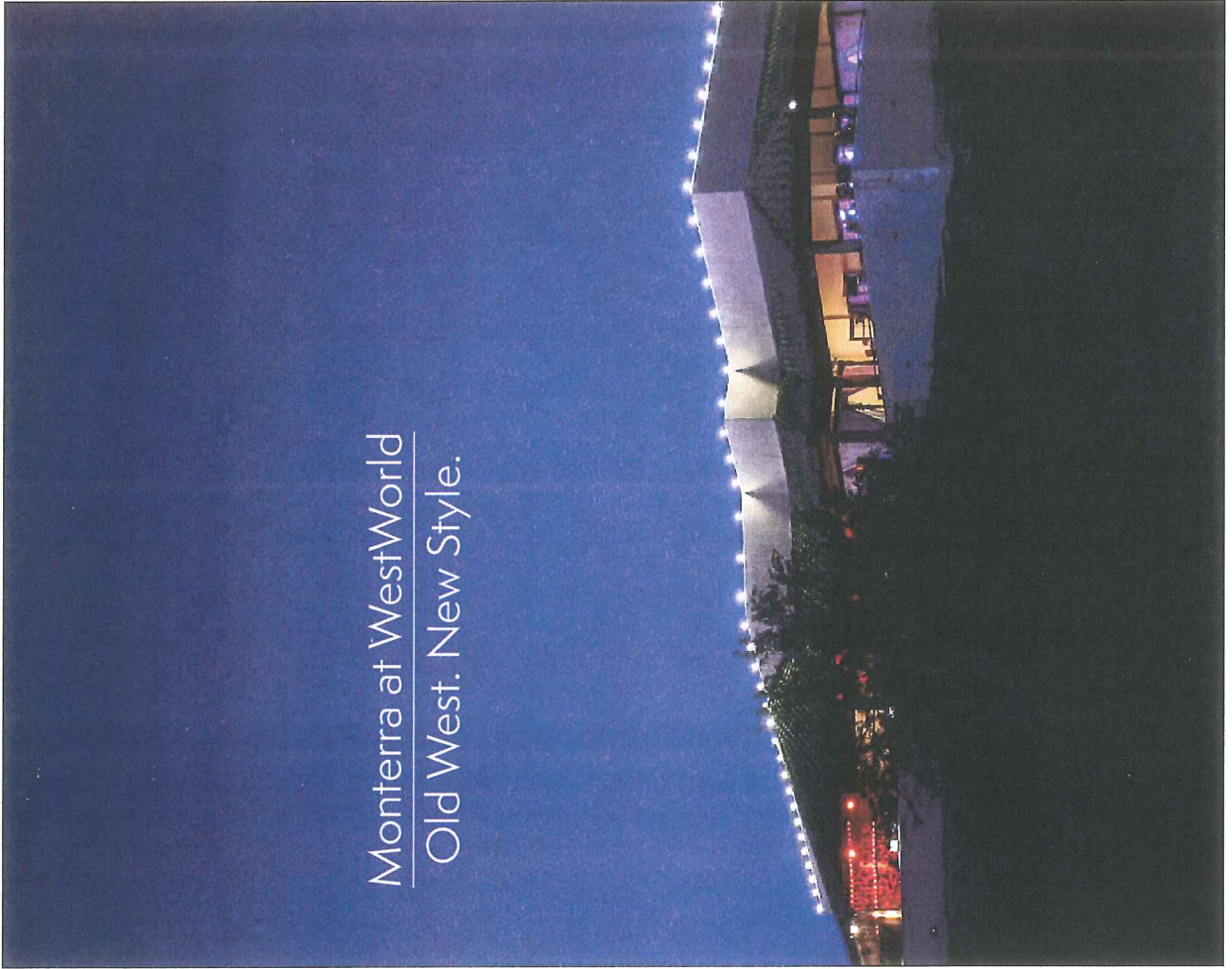
Attachment No. 3

	2012/13 <u>Pre-Audit</u>	2013/14 <u>Estimate</u>	2014/15 <u>Estimate</u>
5% Bed Taxes (one month lag)	\$ 13,851,417	\$ 13,989,000	\$ 14,716,000
Princess Lease Revenues	1,439,195	1,600,000	1,600,000
Event Notification Banner Revenues	10,800	16,000	16,000
Trolley Sponsorship Revenues	70,207		
TOURISM REVENUES	15,371,619	15,605,000	16,332,000
EXPENSES			
Destination Marketing (50% of bed taxes)	(6,925,708)	(6,994,500)	(7,358,000)
General Fund Allocation	(1,500,000)	(1,500,000)	(1,500,000)
Capital Projects (Debt & One-time Capital Projects)			
<u>Multi-year Commitments:</u>			
• WestWorld debt service (started FY06/07, 80-acres)	(600,000)	(600,000)	(600,000)
• TNEC Equestrian Center debt service (started FY12/13)	(588,503)	(1,200,000)	(1,200,000)
• Museum of the West debt service (\$900k/yr est. start FY13/14) 1/		(900,000)	(900,000)
• TPC renovations debt service (\$900k/yr est. start FY14/15)		(900,000)	(900,000)
• Tourism Related Capital Project (TDC reserved \$600k/yr for DDC)			
• Tourism Related Capital Project (uncommitted)			
<u>One-time Commitments (Capital/Event/Admin):</u>			
• Tourism Related Project			
<u>Multi-or One-time Commitments (Capital/Event/Admin):</u>			
• Tourism Strategic Plan (Council approved 5-14-13 for FY13/14)	-	(500,000)	-
Total Capital Projects	(1,188,503)	(4,100,000)	(3,600,000)
Event Retention and Development			
New Event Development		(202,374)	(266,320)
Event Notification Program	(15,198)	(16,000)	(16,000)
Fiesta Bowl	(265,717)	(276,346)	(287,400)
AZSBHC Sponsorship Super Bowl (proposed 3 year commitment-\$215,280 per year FY12/13; FY13/14 and FY14/15)	(215,280)	(215,280)	(215,280)
Rock n'Roll Marathon	(113,550)	(60,000)	(60,000)
Women's Half Marathon		(30,000)	(30,000)
Competitor Group Marathon Series (barricades, public safety, st. maint)		(25,000)	(25,000)
Horse and Horsepower Polo Event	(75,000)	(75,000)	
Event Support Funding Program	(160,022)	(200,000)	(200,000)
Baseball Festival	(75,000)		
PGA Schwab Cup	(50,000)		
Community Events	(70,000)	(100,000)	(100,000)
Total Events	(1,039,767)	(1,200,000)	(1,200,000)
Administrative/Other Professional Services			
Administrative Expenses	(246,752)	(367,000)	(367,000)
Tourism Research	(32,061)	(33,000)	(33,000)
5-yr Tourism Strategic Plan	(99,926)	(100,000)	(100,000)
Total Admin/Other	(378,739)	(500,000)	(500,000)
TOURISM EXPENSES	(11,032,718)	(14,294,500)	(14,158,000)
CURRENT YEAR UNSPENT	\$ 4,338,901	\$ 1,310,500	\$ 2,174,000
CARRYOVER BALANCE:			
Beginning Balance	\$ 3,018,292	\$ 7,203,910	\$ 3,201,410
Additions			
Current year unspent carryover	4,338,901	1,310,500	2,174,000
Uses			
Hospitality Trolley Expenses (FY13/14 has not been approved by Council)	(153,283)	(180,000)	
Desert Discovery Phase III (CC approved 4-2012)		(60,000)	
Tourism Strategic Plan (Council approved 5-14-13)		(125,000)	
Museum of the West 5-yr match of donations up to \$400k/year 1/		(2,000,000)	
Museum of the West debt service reserve (est. funding FY13/14) 1/		(900,000)	
TNEC Equestrian Center		(2,048,000) 2/	
Ending Balance	\$ 7,203,910	\$ 3,201,410	\$ 5,375,410

1/ Museum of the West pending further City Council approval 2013.

2/ Per Council action on 3/20/2012, the lower of (a) the 2011/12 unspent carryover or (b) \$2.048 million will be used to fund TNEC shortfalls during the construction phase (FY12/13 and FY13/14).

ITEM 19
APPLICANT PRESENTATION



Featuring breathtaking views of the McDowell Mountains, Monterra at WestWorld is north Scottsdale's premier special event venue.

With more than 16,000 square feet of newly remodeled indoor/outdoor meeting space, experience modern luxury in a classic Arizona setting. Perched above the Polo Fields at WestWorld, Monterra is an ideal destination for any occasion:

- Corporate Events
- Meetings and Seminars
- Weddings
- Birthdays and Milestones
- Fundraisers
- Holiday Parties
- Company Picnics
- Equestrian Events
- Multi-day Festivals
- Concerts

As the exclusive caterer and venue operator, M Catering by Michael's provides exceptional event experiences for clients and attendees. Trust M Catering to exceed your highest expectations from inception to execution. Our globally-influenced cuisine is rivaled only by our indulgently personal service, and their combination will leave everyone with fond memories of their unique experiences.

Please visit www.monterracatering.com and contact us to learn more about hosting your next event at Monterra.

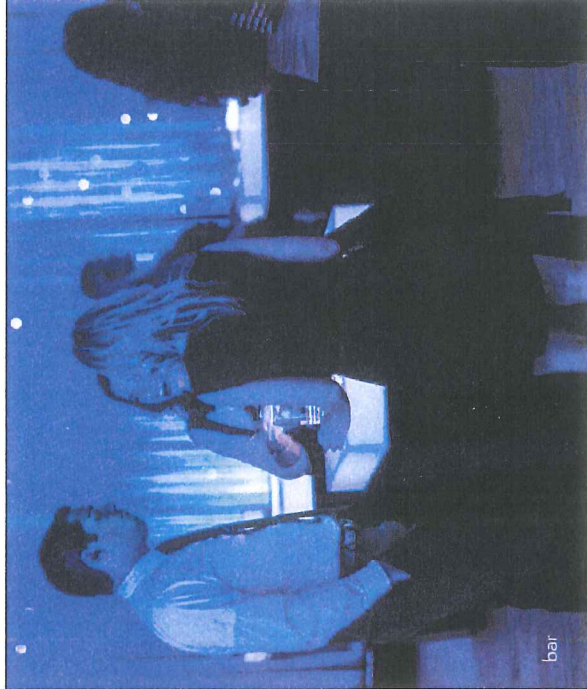
	banquet	classroom	breakout	reception	reception	reception	reception	reception	reception
	seating	seating	seating	seating	seating	seating	seating	seating	seating
ballroom	500	100	400	250	1200+	n/a	n/a	n/a	5,850
wedding only	300	80	250	150	n/a	n/a	n/a	n/a	3,100
ballroom only	300	40	150	90	n/a	n/a	n/a	n/a	2,750
bar	100	2432	80	48	100+	24	24	24	1,300
greenroom	n/a	n/a	10	n/a	n/a	n/a	n/a	n/a	350



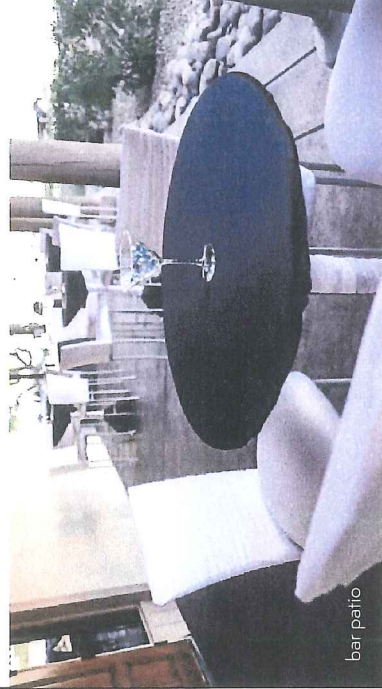
M CATERING
BY MICHAEL'S
monterracatering.com



monterracatering.com



bar



bar patio



Blue Note Lounge

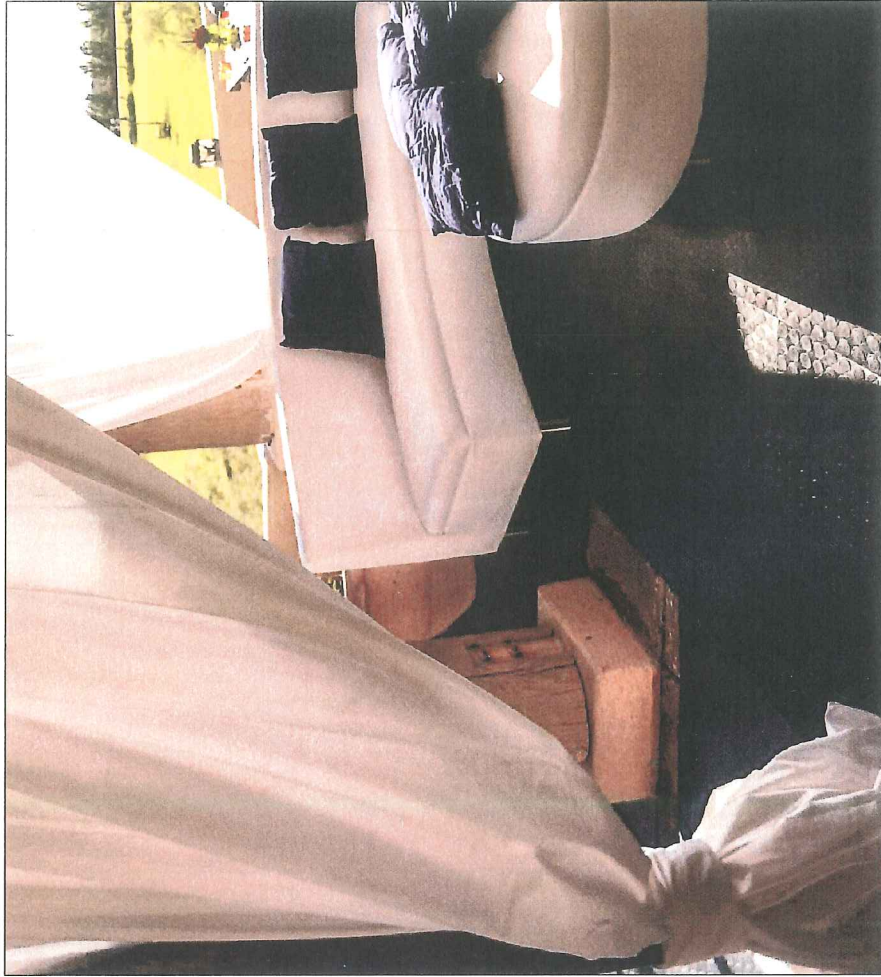
The blank canvas of the Monteria Bar is painted with broad strokes of cool blues, creating an ultra-lounge that draws people with an electric yet relaxed vibe. High-tops and splashes of light beg for a martini to be sipped while surrounding party-goers mix and mingle.

VENDOR: Merestone



HB

Harley Bonham
• PHOTOGRAPHIC ARTIST •
www.HarleyBonham.com

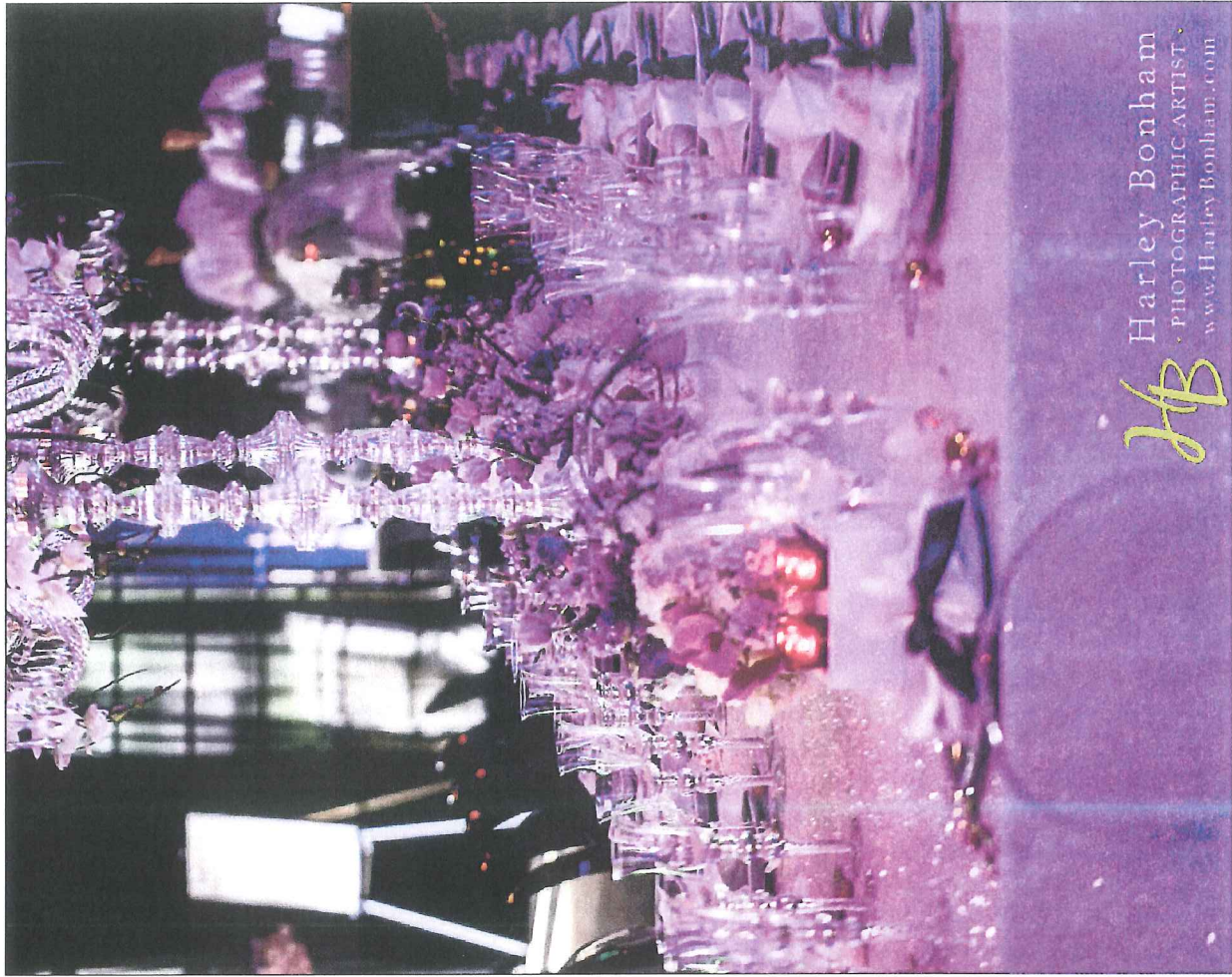


Food & Fashion

Bringing together fine cuisine and haute couture, a "Food & Fashion Show" in the East Ballroom and Patio offers an original use for indoor/outdoor event spaces. Models wearing the latest "fashions" in table linens and textiles capture everyone's attention inside while luxurious cabanas offer VIP treatment and relaxation outside. Have a jet set experience without ever leaving the ground.

VENDORS: Cre8ive Event Rentals / Distinctive Event Productions

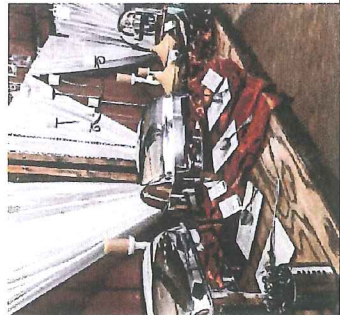




Harley Bonham
- PHOTOGRAPHIC ARTIST -
www.HarleyBonham.com



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- PHOTOGRAPHIC ARTIST -
www.HarleyBonham.com

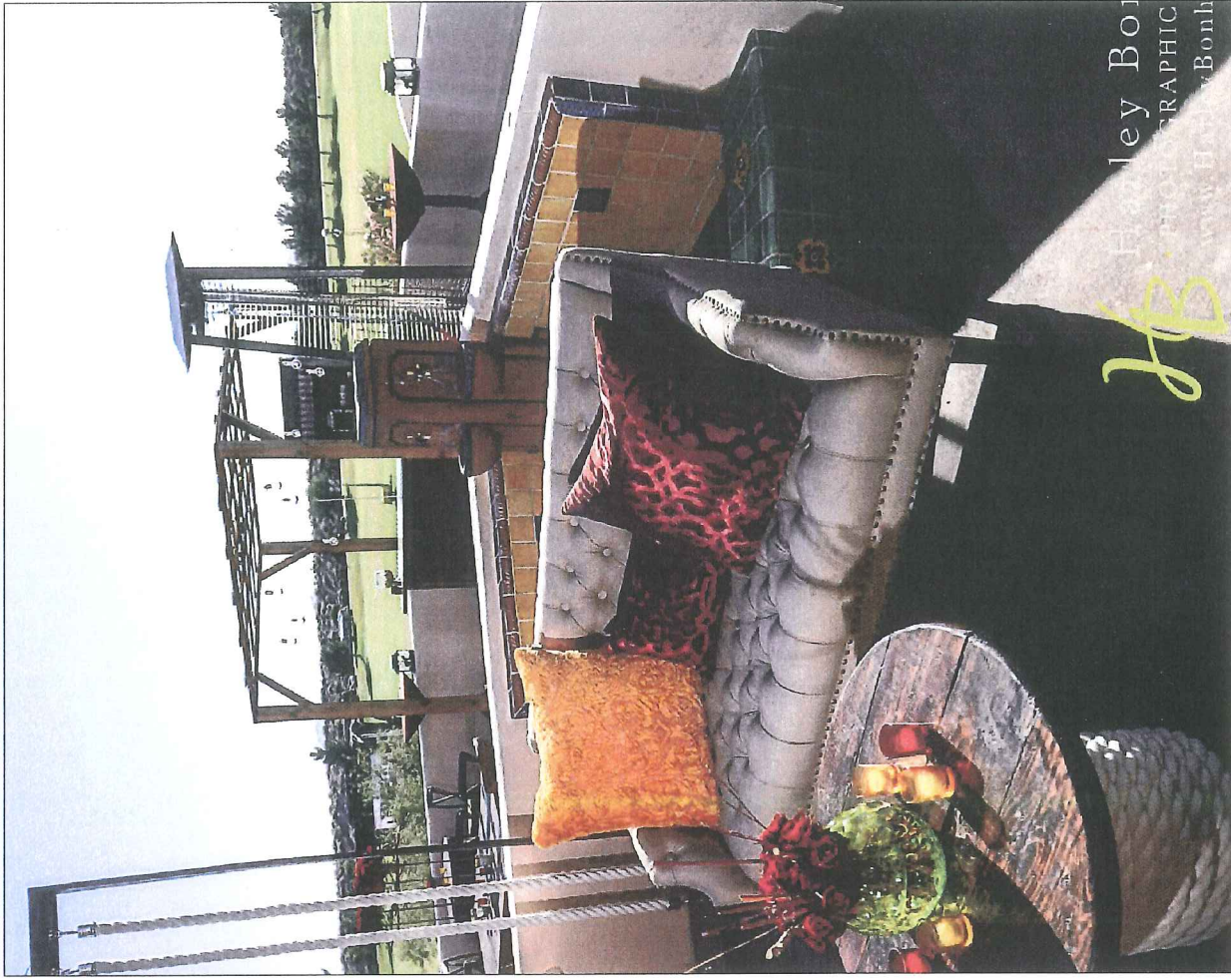
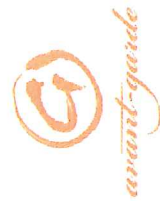




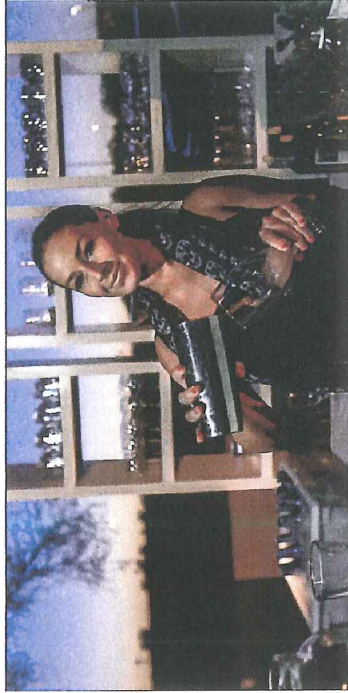
Light-Meets-Dark Wedding

Luxury abounds in a room divided. To one side, stark white. To the other, enveloping black. A study in contrast, the West Ballroom becomes the most elegant and intriguing venue for a singular dining experience. A world-class DJ mixes music while master mixologists concoct worldly cocktails, and the lucky few invited to the dining table experience the power of light and mystery of dark.

VENDOR: Avant-Garde Floral Studio



Hey Bot
GRAPHIC
Bonh



CLASSIC
PARTY
RENTALS
EVENT SPECIALISTS



Wine Launch Party

The Upper & Lower Patios are transformed into the terraces of a Tuscan villa, complete with antique European furniture and hand-crafted wood elements. Red roses and red grapes catch the eye, while fine wines and delectable cuisine delight the palate. Lush lawns below and leafy trees along rolling hills beyond inspire thoughts of the Italian countryside, and enjoying an elegant affair with special guests.

VENDORS: Petal Pusher / Event Rentals

petal pusher *Event Rentals*

ham
ARTIST
am.com

Rustic Wedding

The Beehive Patio on the west side of the building is an ideal setting for modern luxury in a relaxed atmosphere, complete with gorgeous sunsets on the horizon. The hand-hewn pavers and beehive fireplace – a fixture in Arizona architecture – provide the backdrop for rustic furnishings, creating a casually elegant environment for wedding ceremonies and cocktail receptions.

VENDOR: Classic Party Rentals



PROVEM **kool.**
PARTY & EVENT RENTALS





Miami to Ibiza

Experience a Mediterranean oasis fused with the energy of South Beach. Imagined for lounging and libations, resident mixologists pour cocktails while innovative chefs serve up tantalizing tastes that create the perfect mix of elegance and international flair. White furniture and treatments throughout add to the electricity of the space as guests overlook the Polo Field. This is a one-of-a-kind experience that can only be had on the Southwest Patio at Monterra.

VENDORS: PRO EM / kool. Party Rentals



A Festival Reimagined

The Polo Field at Monterra provides sophistication under starry skies. A unique "saddle-span" enclosure creates a backdrop for projecting subtle yet elegant lighting. The festival comes alive as the hydraulic stage beyond unfolds to reveal a 30-foot video screen that creates added energy and emotion to the space. Above all, the outdoor elements of the desert Southwest captivate everyone in attendance. Own the night.

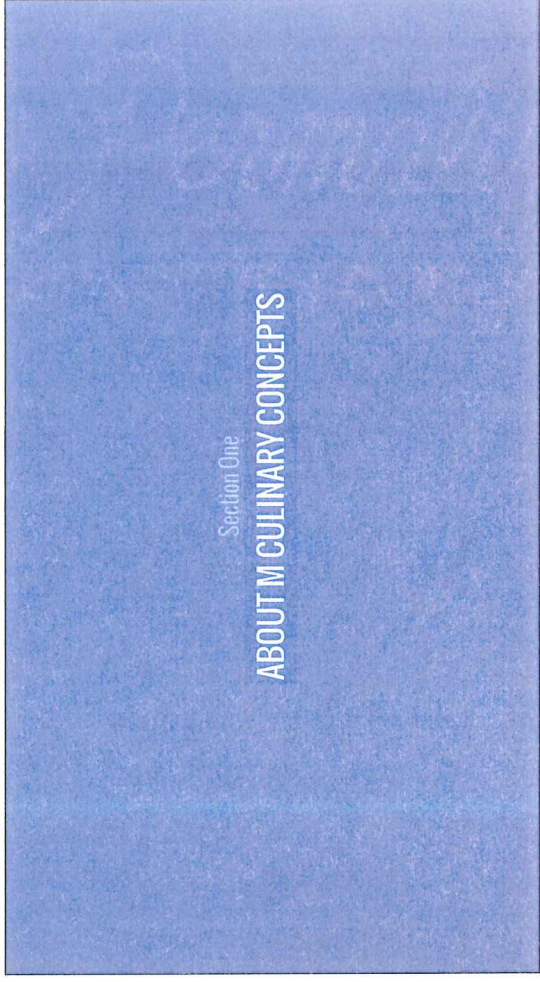
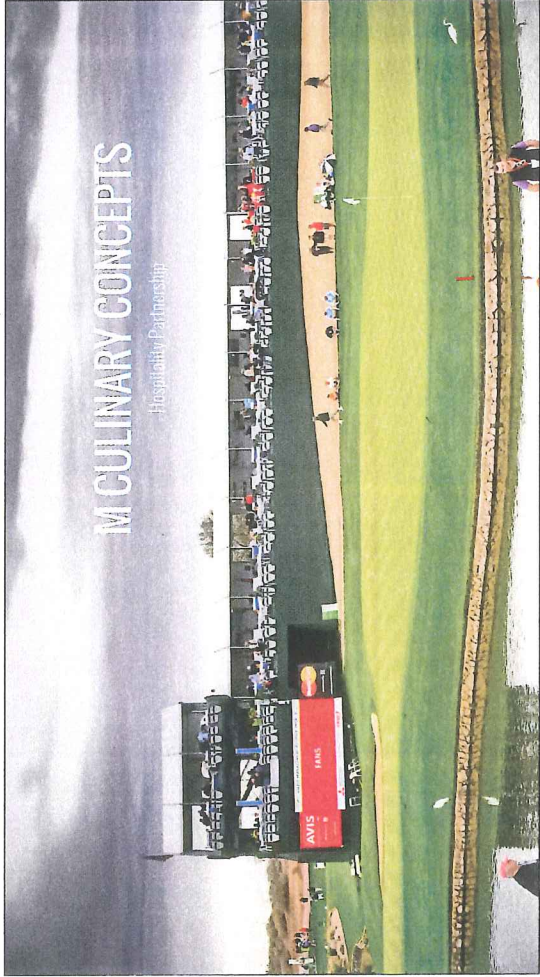
VENDORS: Richier Scale Productions / kool. Party Rentals

HB
Harley Bonham
• PHOTOGRAPHIC ARTIST •
www.HarleyBonham.com



M CATERING
BY MICHAELS
mcateringaz.com

 MONTERRA
AT VINTWORLD
monterracatering.com



INTRODUCTION

Founded in 1997, the company known today as M Culinary Concepts has grown to become one of the most respected catering, restaurant and venue operators in Arizona and beyond. With seven hospitality divisions employing over 150 full-time employees in metropolitan Phoenix/Scottsdale, M Culinary Concepts has the diversity, stability and scope to serve as the ideal food service partner.

CATERING AND EVENT SERVICES

M Culinary Concepts, a chef-driven company, is the largest off-premise caterer in the southwestern United States. With a full-service special event caterer, a limousine-service catering company, and a delivery service catering company, M Culinary Concepts has the capability to meet all of the successful fulfillment of catering needs, when opportunities to host special events at off-site locations and premier venues arise. M Culinary Concepts will impress even the most discriminating client with premier hospitality and event planning services.

CONCESSIONS SERVICES

M Culinary Concepts strives to reinvent concessions development, sales and management at public events in Arizona and beyond, serving a diverse array of consumers. Whether operating our own concepts or serving as master concessionaire for subcontractors, M Culinary Concepts has a proven track record of offering exceptional, tailored services and transparent, responsible reporting.

HOSPITALITY CONSULTING

Recognizing a need in the market for a better approach to food service, M Culinary Associates provides comprehensive hospitality consulting services on the local and national levels. Working with hotel chains, restaurant groups and airport master concessionaires, M Culinary Associates places emphasis on the balance between the client's experience and business contribution, all delivered with measurable results.

COMPANY MILESTONES

1997-2004

- 1997 | Opened Michael's at the Citadel, our first restaurant (Scottsdale, AZ)
- 1999 | Launched Michael's Catering in direct response to clients' repeated requests
- 2000 | First catering services at Phoenix Open and Countrywide Tradition
- 2002 | First catering services at Barrett-Jackson Collector Car Auction
- 2004 | Awarded on-site food service for Brophy College Preparatory

2005-2010

- 2005 | Opened new-build 36,000sqft Company HQ (Phoenix, AZ)
- Awarded on-site food service contract for PHL (Scottsdale, AZ)
- First services at PGA Golf Tournament (Las Vegas, NV)
- 2007 | Awarded interim catering contract for JW Marriott Camelback Inn during new ballroom construction
- 2008 | Awarded exclusive hospitality catering contract for U.S. Olympic Team Trials - Track & Field (Eugene, OR)
- 2009 | Opened Heirloom, second fine dining restaurant (Scottsdale, AZ)
- Opened Mid-City Kitchen in downtown corridor (Phoenix, AZ)
- 2010 | Awarded on-site food service contract for SFP (Tempe, AZ)

2011-PRESENT

- 2011 | Awarded contract for Fiesta Bowl and BCS Events - College Footballs Biggest Party (Glendale, AZ)
- Co-produced Bud Light Fiesta, new week-long event (Scottsdale, AZ)
- 2012 | Produced Stanford Pre-Fiesta Bowl Pep Rally (Scottsdale, AZ)
- Mid-City Kitchen selected as local restaurant partner by SSP America (Sky Harbor Terminal 4) (Phoenix, AZ)
- Awarded contract for Fiesta Bowl - College Footballs Biggest Party (Glendale, AZ)
- Awarded exclusive catering and concessions contract for U.S. Olympic Team Trials - Track & Field (Eugene, OR)
- Awarded contract for Buffalo Wild Wings Bowl - Tailgate Party (Tempe, AZ)

Section Two
OUR FAMILY OF COMPANIES

M CULINARY CONCEPTS
Our Family of Brands



CULINARY CONCEPTS



M CATERING
BY M.C.C.



MAIN COURSE
INNOVATIVE BUSINESS DINING



CULINARY
ASSOCIATES



MONTEIRA
AT WESTWORLD

Nibblers
Catering



CULINARY CONCEPTS

M CATERING - FULL-SERVICE CATERING

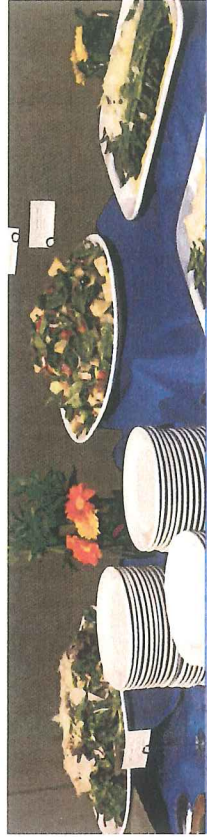
Event Planning, Management, Catering, Bar Services



From the intimate to the elaborate, M Catering by Michael's provides exceptional event experiences for corporate, private and not-for-profit clients in Arizona and across the United States. Whether planning a company celebration or a fairy-tale wedding, a backyard BBQ or a black-tie gala, trust M Catering to exceed your highest expectations. Our globally-influenced cuisine is rivaled only by our incalculably personal service, and our combination of the two will leave you and your guests with cherished memories.

NIBBLERS/MAIN COURSE - LIMITED-SERVICE CATERING

Corporate Catering, Delivery Service



For meetings and small in-office events, trust us to provide catering that exceeds expectations. Priced very competitively, the Nibblers and Main Course menus provide delicious options for breakfasts, lunches, receptions and meeting breaks. Basic services feature eco-friendly disposable serveware including biodegradable plates, utensils, napkins and cups; upgraded serveware, including china plates, stainless flatware and glassware, and buffer materials are available upon request. Delivery and pick-up (when necessary) fees vary by geographical zone, and our fleet covers the entire Valley of the Sun. Most importantly, we approach our delivery-service catering with the same focus on quality, presentation and service that we provide for full-service special events.

MONTERA AT WESTWORLD

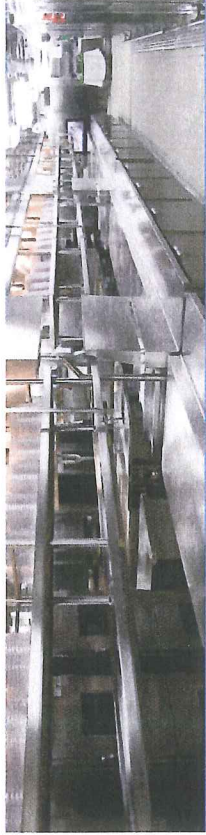
Scottsdale, AZ



Located in the shadows of the McDowell Mountains in North Scottsdale, Monterra at Westworld is one of the Valley of the Sun's premier event venues. Spectacular panoramic views of the surrounding mountains and stunning desert sunsets provide dramatic backdrops for truly special events. View and download our electronic magazine at https://www.flupix.com/showbook.asp?ID=1004475_595535

MCULINARY ASSOCIATES - HOSPITALITY CONSULTING

Serving Local, National, International Clients



- Exclusive consultant to Cambria Suites, premier brand of Choice Hotels - complete redesign and implementation of brand-wide food and beverage program, service training, facility design
- Local partner for SAS - America at Phoenix Sky Harbor International Airport - Terminal 4 (Mid City Kitchen)

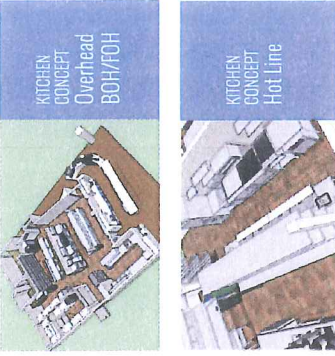
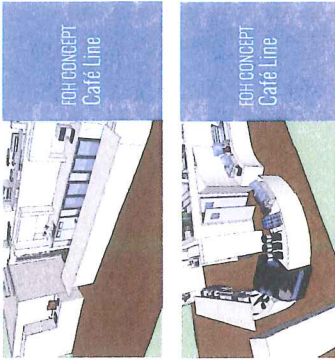
M CULINARY ASSOCIATES
Hospitality Consulting Across the United States



Comprehensive Analysis | Efficient Design | Measurable Success



M CULINARY ASSOCIATES
Hospitality Consulting Across the United States



Section Three
OUR TEAM

OUR EXECUTIVE TEAM



J. BRANDON MAXWELL
PRESIDENT & CHIEF EXECUTIVE OFFICER

- 30+ years in hospitality industry
- Graduate of Cornell University, School of Administrative Studies
- 7 years, New York, City, Dallas, Utah, Texas
- 10 years, Las Vegas, Nevada
- Renaissance Super Club, 3 years, Partner in Night Club, Santa Monica
- Operated 2 boutique hotel restaurants, Loni's at the Hermosa and T. Cook's at the Royal Palms



MICHAEL DEMARIA
CHIEF CULINARY OFFICER & OWNER

- 30+ years of experience
- Michael J. et the Grubbi, 1997-2007
- 2002-2007, Michael J. et the Grubbi - President
- 2007-2010, Michael J. et the Grubbi - President
- Over 20 years of hotel culinary experience in Arizona, and California
- 2002 Arizona Culinary Hall of Fame Inductee
- 1973 Culinary Olympics USA Team, Gold Medal Winner
- Began his career in 1976, at the school of hard knocks - apprentice program at the 2-star Arizona Biltmore Resort & Hotel
- and by "intuitum" - each in a career path



DOUG JANISON
MANAGING PARTNER

- Joined in Culinary Concept in 1999 and lead operations of all large scale events
- Coordinated all operational needs for The Phoenix Open Golf Tournament, The Phoenix Open Golf Tournament, the Sun Valley Golf Tour, The Grand Prix & Duce Tour
- The Eugene Tract and Field Championships in Oregon started to 5,000 fans over 8 days and ran public concessions to 10,000 guests
- Developed his passion for all things food at the Sourdough Culinary Club
- One State Run - 65 BUCKLES!



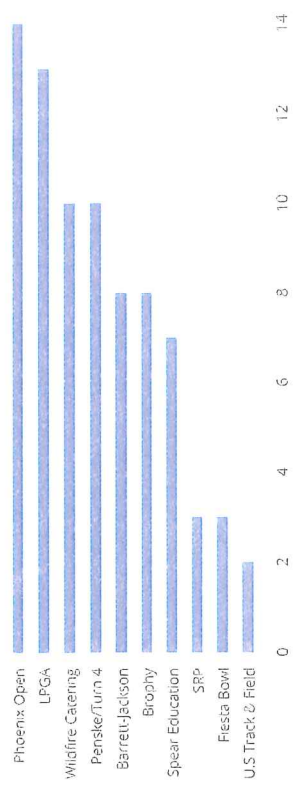
MICHAEL STAVROS
DIRECTOR OF SALES & MARKETING

- Joined in Culinary team in January 2010 with 15+ years of Catering Industry experience from his tenure at Avventura Catering, a division of Avamark
- 2002-2007, Michael Stavros - General Manager - New Orleans - 15,000
- 2003-2007, Michael Stavros - General Manager - Las Vegas - alcohol management
- Commission for 5,000 international guests
- 2004 President's Club Holiday Ball - Reno - 1,500 VIP guests
- 2003 Sugar Bowl Gala, Sugar Bowl - Phoenix - 2,500 attendees
- 1989-1995, Michael Stavros - President, Phoenix Triathlon Club
- 2007, National Conference - Phoenix - 54,000 attendees over 16 & 17 days

Section Four
OUR PORTFOLIO

ACTIVE PARTNERSHIPS

Active Contracts and Years of Engagement



WM PHOENIX OPEN PGA GOLF TOURNAMENT

2000 - Present



- Exclusive hospitality caterer for Corporate Village, Sky Boxes, Greenskeeper Tents, Members Tents, Partners Pavilion
- Serving 40,000+ attendees at PGA Tour's most highly-attended tournament.

BARRETT - JACKSON AUTO AUCTION

2002 - Present



- Exclusive hospitality caterer for Sky Boxes, Muscle Lounge.
- Concessions management/participation.

U.S. OLYMPIC TRIALS – TRACK AND FIELD

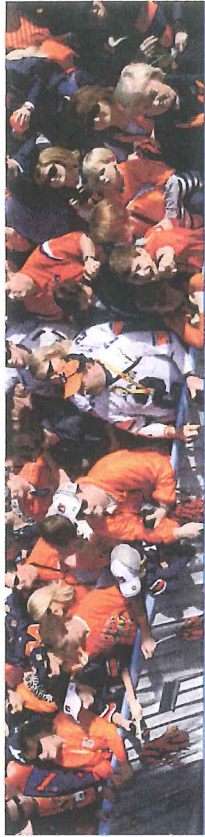
2008 & 2012



- Exclusive Hospitality Caterer for Sky Boxes, VIP areas, sponsor areas
- Master concessionaire

COLLEGE FOOTBALL – FAN EVENTS

2011 - Present



- Fiesta Bowl – College Football's Biggest Party, VIP pre-game catering
- Buffalo Wild Wings Bowl – Sponsor catering, production, management, service
- BCS Championship – College Football's Biggest Party, VIP pre-game catering
- Bud Light Fiesta

Section Five
CONNECT WITH US

**WE ARE SOCIAL
CONNECT WITH US**

ADDRESS

20845 North 28 Street, Phoenix, AZ 85050

PHONE

602.200.5757

WEBSITE

www.mculinary.com

EMAIL

info@mculinary.com

FACEBOOK

We share amazing posts and updates at [facebook.com/mcatering](https://www.facebook.com/mcatering)

TWITTER

Our small musings in 140 characters or less. [@mcatering](https://twitter.com/mcatering)





ETZEL is an experiential marketing agency.

We believe in innovation, teamwork and exceptional execution to create premium experiences that connect brands with their audiences. We are passionate about pushing creative boundaries, captivating audiences and elevating brands.

PORTLAND, OR * LOS ANGELES, CA



"It's not ETZEL's idea versus my idea; it's a team deal. They're adaptable. They're fun people to be around and work with."

Michael Doherty
Global Presentation Creative Director

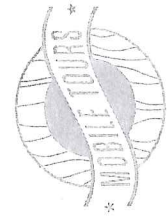
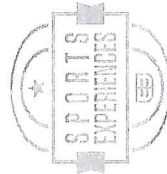
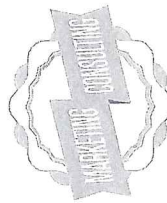
"What you find in working with ETZEL are all these things you would expect and more - efficient operations, exceeding expectations and being very responsive. They are great at bringing creative + innovative thinking to every process."

Mike Mincek
President of Marketing & Advertising
Saleway

"The 2011 BCS National Championship, Bud Light Fiesta ranks as one of the best pre-bowl game environments we have ever been a part of at ESPN."

Tom Hagel
Senior Director Sports Management
ESPN

FROM GREAT TEAMWORK,
COMES GREAT VICTORIES.



PROJECT MANAGEMENT

- Project timelines, objectives & deliverables
- Budget management & reporting
- Partnership sales & contract negotiation
- Staffing plans & on-site execution
- Hospitality booking & management
- Travel logistics
- Vendor management
- ROI/Asset evaluation & post-event reports

COMMUNICATIONS & CREATIVE

- IP & concept creation
- Strategy & message development
- Graphic design & production
- Scripting & copywriting
- Digital & social media management
- Environmental design & decor
- Event photography & videography

OPERATIONS & LOGISTICS

- Site research, maps & diagrams
- Venue scheduling & permits
- Power analysis & distribution
- Heavy equipment & service vehicles
- Signage layout, design & install
- Temporary structure build-out
- Custom fabrication
- Union & non-union local labor
- EMT/Inter-Agency security
- Shipping, storage & delivery

STAGING & SHOWTIME

- Production & run-of-show management
- Layouts & technical plans
- Stage/set & truss build-out
- Lighting & audio systems
- Media screens, projection & content
- Talent procurement, including celebrities, DJs, music acts and Emcee's.
- Back stage & green room management



JIM ETZEL

FOUNDER, CEO & PRESIDENT
 Jim has 25 years of experience in experiential marketing with a focus on sports, entertainment and lifestyle. His expertise roots itself in a sales, business development and account management background. As the founder and CEO of ETZEL, Jim has provided strategic leadership and hands-on management. Prior to ETZEL, he worked at the Western Region Director for Agency Productions by Rytec. There he managed account sales, promotional and development for events such as the Sugar Bowl, Back to Back and the Rytec Cup. He also spent time as the Director of Sales for the Rytec Cup, where he was responsible for the development of the sales and marketing programs and helped to launch the Internet start-up company, Rytec.com.



TOM ETZEL

EXECUTIVE VICE PRESIDENT
 Tom has over 17 years of experiential marketing expertise. As one of the founding members of ETZEL, he has been a crucial player in its success and development. He guides the company by exercising his keen eye for both successful, innovative experiences and opportunities for business development. Through strategic sales and account management, Tom has established meaningful, lasting relationships with Nike, ESPN and other global brands.



PAUL THOMPSON

CEO & COO
 Paul has 20 years of executive financial and operations experience, specializing in the growth of emerging companies. His resume includes the management and direction of two service-related companies from start-up to IPO listing. As a successful entrepreneur, Paul founded and managed his own Internet company that was sold to The Golf Channel and even more recently sold an Internet marketing services company. He has been an active investor, advisor and board member to numerous emerging companies including board representation for a venture capital fund. In the beginning of his career, Paul spent 8 years in public accounting.



MIKE BELLAS

VICE PRESIDENT
 Mike has over 25 years of sales and partnership experience. Since joining Etzel in 2007, Mike has been involved with sponsorship sales for numerous events. Through his initiative with the 2006 and 2012 Olympic Track & Field trials, he secured over two million dollars in partnership support for each Olympic year. Prior to working with Etzel, Mike led and managed many different sales teams working with a variety of clients that range from emerging to Fortune 500 companies. His focus has always been on high value and strategic partnerships. He has led sales teams across the golf, e-commerce, healthcare and legal industries.



THE MANAGEMENT TEAM



JOE MAHER

CHIEF EXPERIENCE OFFICER

Joe joined Etzel in 2006, bringing with him over 20 years of experience in entertainment and TV production. As Creative Director, Joe's unique ability to visualize events from both the brand and audience perspective ensures a truly remarkable experience. He has overseen events, from concert through to execution, that include the BCS National Championship, Best Light Fiesta and Nike Soccer 'The Chance. Prior to ETZEL, Joe worked 15 years as an independent producer partnering with agencies, brands and broadcasters. He was also a national event-winning producer of sports and entertainment programming at Portland NBC and ABC affiliates.



SUSAN ETZEL CORDELL

PROJECT DIRECTOR

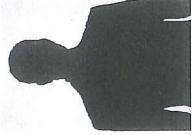
Susan has over 17 years of account and project management experience. Her management expertise and impeccable event planning instincts have led to the success of the US Triax & Fiat Olympic Trials in 2008 and 2012, the Salsbury Invitational, Oregon Sports Awards, Nike Women's Marathon for Salsbury, Best Light Fiesta and the 2011 BCS National Championship. Prior to her time at ETZEL, Susan worked as a sales executive and strategic planner for Levi Strauss & Co and a Sales and Project Coordinator at Peas Johnson Productions including brand representation for a venture capital fund. In the beginning of his career, Paul spent 9 years in public accounting.



TONY FORNER

OPERATIONS DIRECTOR

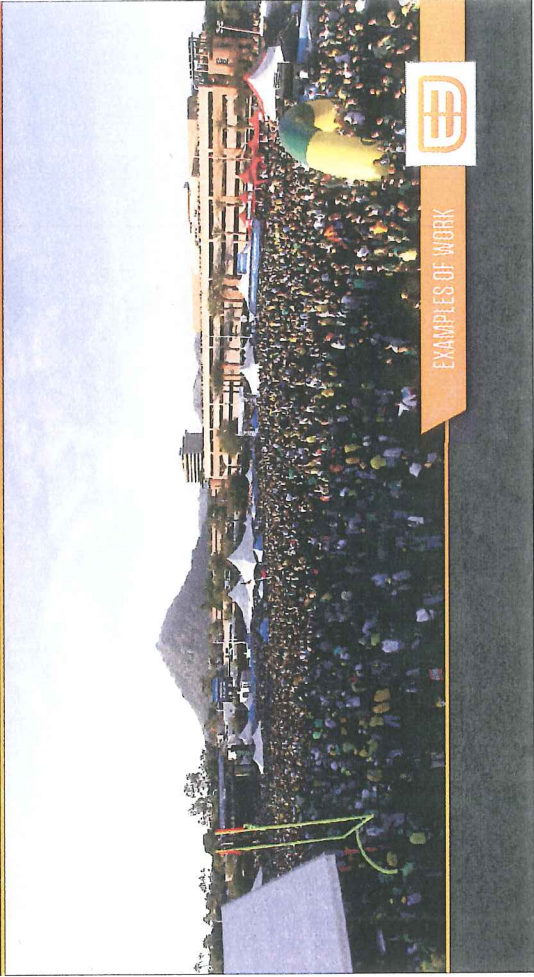
Tony is highly experienced in the direction, operation and execution of brand experiences. He has led the charge on the Olympics Trials and Fiat Trials in both 2008 and 2012, Salsbury Game Day activations, Nike Women's Marathon, the Oregon Sports Awards and more. Plus he worked on Super Bowl XLVII. With a deep sports events background, Tony readily crosses separate settings, audiences and sponsors. Before his time at ETZEL he worked for Nike on their SPALDING initiative, specifically in the Event Marketing department. His involvement in public events and operations began with his alma mater, the University of Oregon, where he was the Football Operations director.



ANTHONY PITTENGER

REGIONAL DIRECTOR, LOS ANGELES

Anthony is a master event professional with over 15 years relevant experience in diverse facilities worldwide. He is skilled at operating non-traditional events in obscure locations. Prior to joining ETZEL, Anthony spent 15 years with ESPN and served as the X-Games Event Director in Barcelona, Spain and Tignes, France. Domestically, Anthony served as the Director of Operations for ESPN X-Games and the ESPN's Best Carpet Under his leadership with ESPN and the X-Games. Anthony managed a \$10 million year budget across multiple business units, operations and international companies.



EXAMPLES OF WORK





U.S. Olympic Trials - Track and Field (2008 & 2012)

Location: Eugene, OR
 Clients: Oregon Track Club, Nike, USATF



NCA National Championship Fun Festivals - Pop Culture (2011)

Location: Scottsdale, AZ
 Clients: Scottsdale Convention & Visitors Bureau, ESPN, Fiesta Bowl



Safeway Game Day Experiences (2006 - Present)

Location: various NCAA and NFL football games
 Client: Safeway



Wing Women's Marathon - Safeway Sponsorship (2009 - Present)

Location: San Francisco, CA
 Client: Safeway



The Safeway Foundation Gala (2012)
Location: San Francisco, CA
Client: The Safeway Foundation



The Safeway Invitational (2009 - Present)
Location: Monterey, CA
Client: Safeway, The Safeway Foundation



The Olympic U.S. Trials (2008)
Location: Nike World HQ - Beaverton, OR
Client: Nike Soccer



The Oregon Sports Awards (2000 - Present)
Location: Nike World HQ - Beaverton, OR
Client: Nike



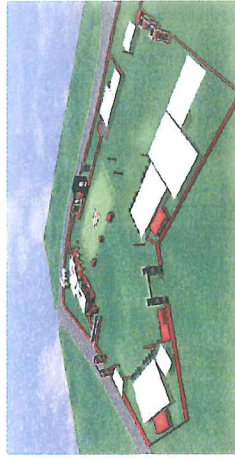
ESPN EXPERIENCE (2016)
Location: Los Angeles, CA
Client: ESPN



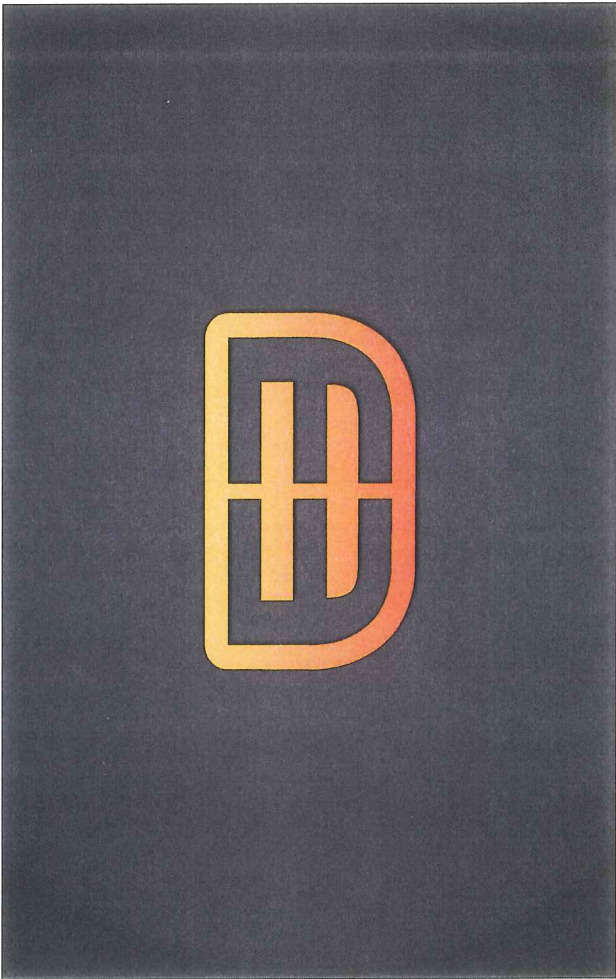
Hood To Coast: Finish Festival (2013)
Location: Seaside, OR
Client: Hood To Coast



ROSE BOWL FAN EXPERIENCE (2014)
Location: Pasadena, CA
Client: IMG, Rose Bowl



USC HISTORICAL CAMPUS TOURSIP ESTIMATE INSULATE (2014)
Location: Pasadena, CA
Client: ESPN



ITEM 19

PUBLIC COMMENT:
DAVID SCHOLEFIELD

Good evening Mayor Lane & City Council

Focus solely on the issue
of funding

My name is David Scholefield, a resident of Scottsdale, employed in the hospitality industry in Scottsdale and your Vice Chair of the Tourism Development Commission.

As defined by the City of Scottsdale, Code of Ordinances; the TDC's powers, duties, jurisdiction is to recommend to the city council conditional approval, *or denial* of all uses of funds from that portion of revenues from Special Revenue Fund for Tourism Development.

On behalf of my fellow Commissioners, I am here tonight to champion the TDC motion to **NOT** approve the funding of the Westworld Food & Alcohol License & Marketing Agreement through a General Fund Operating Budget appropriation contingency transfer to be funded by Tourism Development Fund.

Prop 200 does allow for funding of tourism related capital projects and to-date the TDC has supported substantial requests from the Desert Discovery Center, Museum of the West and the TPC of Scottsdale improvements.

All these entities have their own internal infrastructure, operating budgets, business plans, management teams and sales activities. They receive no funding, approved through the TDC, for their operational necessities or shortfalls.

If you do vote to support the Westworld Food & Alcohol License & Marketing Agreement through Bed Tax dollars – it is the consensus of the TDC (and we understand, also echoed by the Scottsdale Convention & Visitors, Bureau Board of Directors) that this could set a precedent whereby any City of Scottsdale - owned or operated facility could request funding through the TDC.

Buses transport tourists, garages accommodate tourist vehicles, parks welcome tourists. If you approve the Motion before you, all these and other City owned and operated facilities could conceivably make a request for funds through the TDC, for your final approval. They all form part of the tourism package Scottsdale has to offer, however they should **not** qualify for consideration of Bed Tax dollars.

Please know that these comments are in no way reflective of the supplier. Nor are they a comment about the Marketing & Sales Plan that has been submitted but not seen or reviewed by the TDC.

Your TDC believes strongly that this is not the intended purpose of the Prop 200 funds as approved by the citizens of Scottsdale.

Item 20

**FY 2014/15
City Council Input to
Define Operating Budget Parameters**

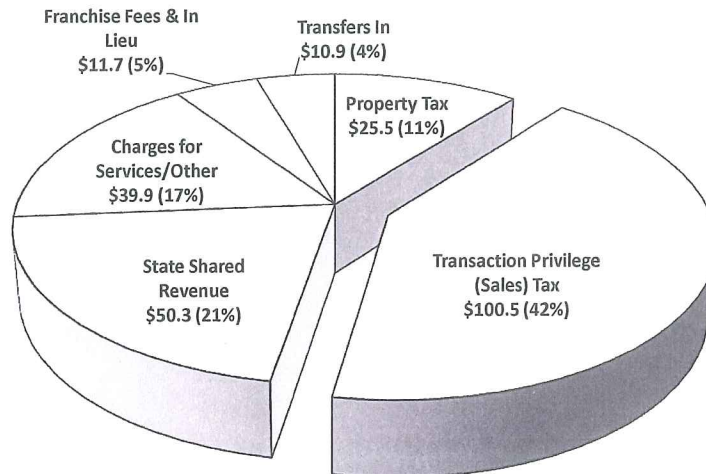
City Council
December 10, 2013

**FY 2014/15 – Revenues
City Council Policy Decisions**

1) Local Sales Tax

2) Property Tax

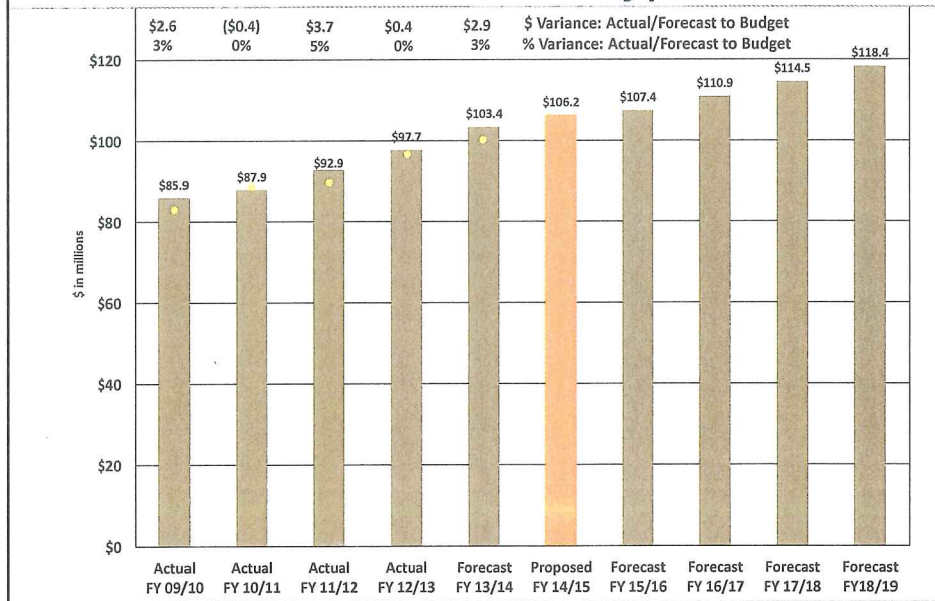
1.1% Local Sales Tax FY 2013/14 General Fund Sources (\$238.8M)



1.1% Local Sales Tax

Adopted FY 13/14	Forecast FY 13/14	Source	Proposed FY 14/15			Forecast FY 15/16 Amt	Forecast FY 16/17 Amt	Forecast FY 17/18 Amt	Forecast FY 18/19 Amt
			\$ Amt	\$ Chng Fav/(Unfav) vs. Adopted	% Chng Fav/(Unfav) vs. Adopted				
<i>Consumer Spending:</i>									
\$16.8	\$17.0	Small retail stores	\$17.9	\$1.1	6.3%	\$18.8	\$19.8	\$20.7	\$21.8
10.5	10.2	Large retail stores	10.4	(0.1)	(0.6%)	10.8	11.0	11.2	11.4
7.3	8.3	Misc goods & services	8.5	1.2	17.0%	8.7	8.9	9.0	9.2
7.2	7.3	Grocery & convenience	7.4	0.2	2.4%	7.6	7.7	7.9	8.0
13.0	13.3	Auto sales & maint.	14.4	1.4	10.4%	15.1	15.8	16.6	17.5
<i>Tourism/Entertainment:</i>									
5.1	5.3	Hotel & misc sales	5.6	0.5	10.2%	5.8	6.1	6.4	6.8
9.1	9.2	Restaurants & bars	9.6	0.5	5.2%	9.9	10.3	10.8	11.2
<i>Business:</i>									
10.8	12.0	Construction	11.2	0.4	4.0%	8.9	9.0	9.1	9.2
13.5	13.8	Rental	14.2	0.6	4.8%	14.6	15.0	15.5	15.9
5.0	4.8	Utilities	4.8	(0.2)	(3.2%)	4.8	4.9	4.9	4.9
2.2	2.2	License, Penalty & Int	2.3	0.1	3.9%	2.3	2.4	2.4	2.5
\$100.5	\$103.4	Total 1.1% Sales Tax	\$106.2	\$5.8	5.7%	\$107.4	\$110.9	\$114.5	\$118.4

1.1% Local Sales Tax General Fund 10 Year History/Forecast



1.1% Local Sales Tax

Arizona House Bill 2111

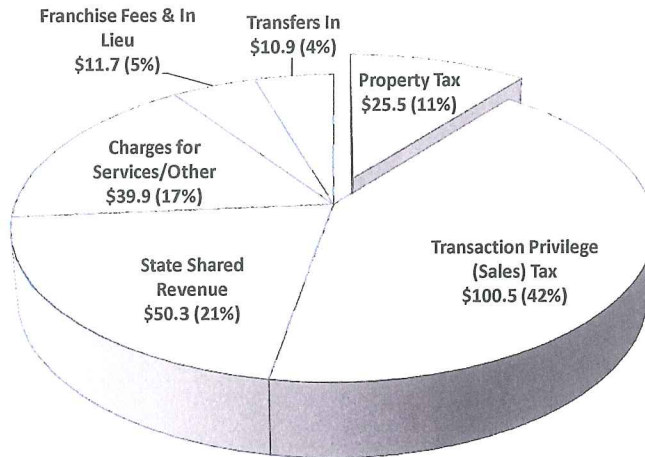
Centralizes the administration of local taxes. Under prior law, Scottsdale collected their own transaction privilege tax (TPT) and performed their own audits. Under the new law, the Department of Revenue (DOR) is required to modify its online portal so that taxpayers can pay state, county, and municipal taxes online. The new law simplifies and centralizes the taxpayer experience.

- **Audit and Payment Changes**
- **Contractor Tax Change**

Phased In Impact:

(\$1.0 million) FY 2014/15 (5 months activity)
(\$2.4 million) FY 2015/16 (annual)

Property Tax FY 2013/14 General Fund Sources (\$238.8M)



Property Tax – Primary*

Approved FY 13/14	Revenue	Proposed FY 14/15			Forecast FY 15/16 Amt	Forecast FY 16/17 Amt	Forecast FY 17/18 Amt	Forecast FY 18/19 Amt
		Amt	\$ Chng Fav/(Unfav)	% Chng Fav/(Unfav)				
<u>Property Tax – Primary:</u>								
\$25.3	Prior Year Base	\$25.5	\$0.2	0.9%	\$28.0	\$29.3	\$30.8	\$32.3
0.2	New Construction	0.5	0.3	108.3%	0.7	0.9	0.9	0.9
\$25.5	<i>Subtotal</i>	\$26.0	\$0.5	1.9%	\$28.7	\$30.2	\$31.7	\$33.2
<u>Optional Increases:</u>								
n/a	3 Prior Years: 2% /yr	1.6	1.6	nm	-	-	-	-
-	Current Year: 2%	0.5	0.5	nm	0.6	0.6	0.6	0.6
0.1	Tort Recovery (Risk Fund)	2.1	2.0	2000%	2.0	0.3	0.3	0.3
\$25.6	<i>Total</i>	\$30.2	\$4.6	17.9%	\$31.3	\$31.1	\$32.6	\$34.1

* Secondary Property Taxes are assessed annually in amounts necessary to service outstanding G.O. Debt.

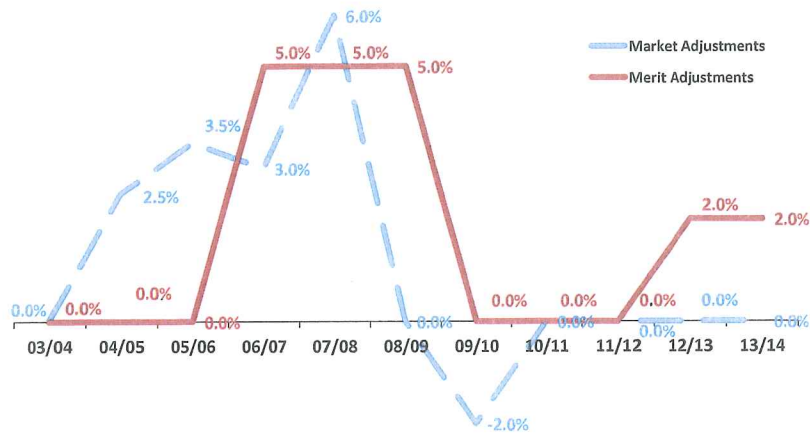
**FY 2014/15 - Revenues
City Council Policy Decisions**

- | | | |
|--------------------------------------|------------|-----------|
| 1) Local Sales Tax Increase? | Yes | No |
| 2) Property Tax 2% Allowance? | | |
| FY 2014/15 | Yes | No |
| Previous 3 fiscal years | Yes | No |
| 3) Property Tax Tort Recovery | Yes | No |

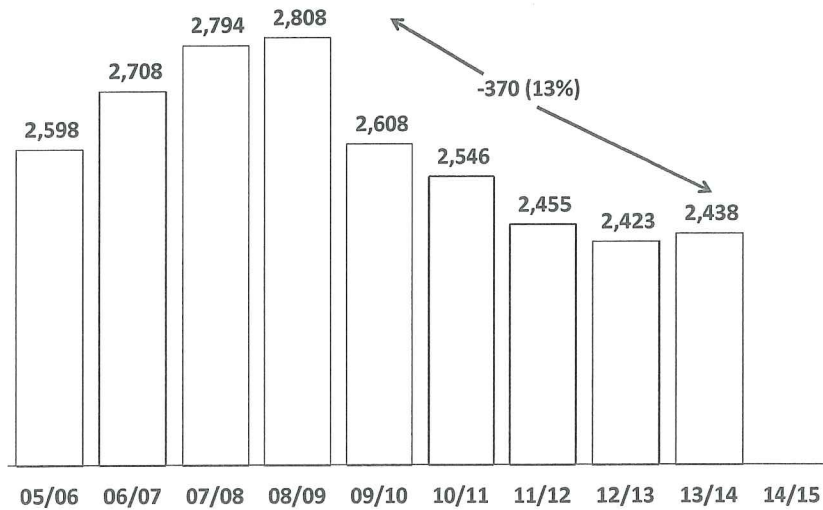
**FY 2014/15 - Expenditures
City Council Policy Decisions**

- 1) Salary Adjustments**
- 2) Staffing Levels**
- 3) City Court 2.00 FTEs Transfer to GF**
- 4) Cultural Council Mgmt. Services Agreement**
- 5) CIP Contribution**
- 6) Programs/Services -- Add, Keep, Delete**

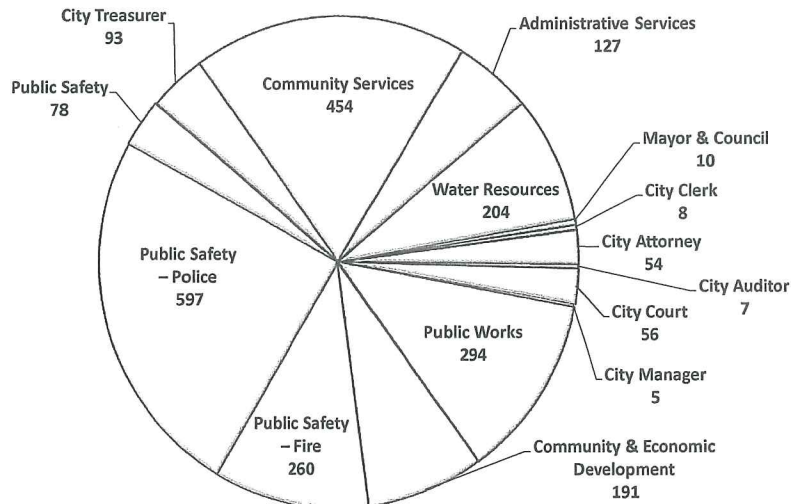
Salary Adjustments



Staffing Levels



Staffing Levels



City Court 2.00 FTEs Transfer to GF

9.5 FTE's moved into CE Fund in FY 2009/10 with city promise to move back in 1 - 2 years

To date, no FTE's moved back to General Fund (.5 Interpreter FTE eliminated as part of downsizing)

From FY 2009/10 – FY 2012/13, CE Fund spent approximately \$300,000 on average more each year than it brought in

\$2.08M - Fund balance beginning of FY 2013/14

City Court 2.00 FTEs Transfer to GF

Of the remaining 9 FTE moved from General Fund, 3 IT positions to remain in CE Fund

FY 2014/15: Move 2 FTE from CE Fund to General Fund
–Approximately \$185,000

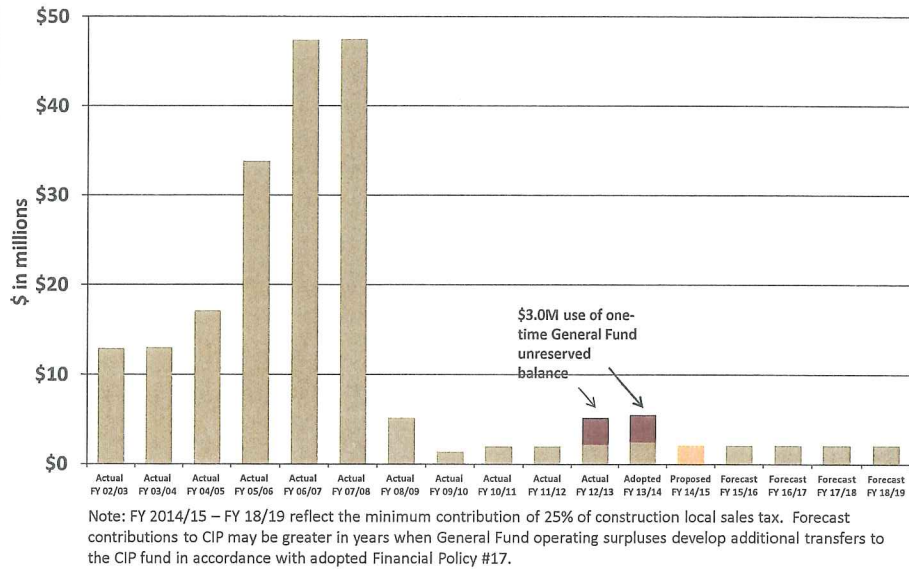
Move 2 FTE in FY 2015/16 & 2 FTE in FY 2016/17 until 6 FTE are funded from General Fund

Cultural Council Mgmt. Services Agreement

	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14
Community & Economic Development	\$4.08	\$4.21	\$4.00	\$4.00	\$4.12
<i>% Change</i>		3%	-5%	0%	3%

(\$ in millions)

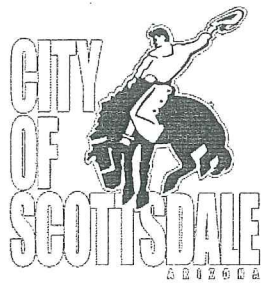
Contribution to CIP



FY 2014/15 – Expenditures City Council Policy Decisions

1) Salary Adjustments	Yes	No
2) Staffing Levels	Yes	No
3) City Court 2.00 FTEs Transfer to GF	Yes	No
4) Cultural Council Mgmt. Svcs. Agmnt.	Yes	No
5) CIP Contribution	Yes	No
6) Prgms./Srvcs.--Add, Keep, Delete	Yes	No

Item 21



Organization Strategic Plan

Dec. 10, 2013 City Council Meeting

Proposed Mission Statement

1. Simply better service for a world-class community.



Options

1. Simply better service for a world-class community.
2. The mission of the City of Scottsdale is to cultivate citizen trust by fostering and practicing open, accountable, and responsive government; providing quality core services; promoting long-term prosperity; planning and managing growth in harmony with the city's unique heritage and desert surroundings; strengthening the city's standing as a preeminent destination for tourism; and promoting livability by enhancing and protecting neighborhoods. Quality of life shall be the city's paramount consideration.
3. To provide enhanced safety, livability and services for all Scottsdale residents.



3

FY 2013/14 Priorities

- A. Partner with residents and businesses to revitalize the McDowell Road corridor
- B. Provide strategic support of tourism and visitor events
- C. Create and adopt a comprehensive economic development strategy
- D. Develop a transportation strategy that anticipates future needs
- E. Prepare and adopt fiscally sustainable operating and capital budgets
- F. Reinvest in a high performance organization and work culture



4



Tonight's Agenda Item

Adopt Resolution No. 9576 adopting an organizational mission statement and priorities for Fiscal Year 2013/14, and directing staff to implement the priorities and to provide regular progress updates.