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#### **CALL TO ORDER**

[Time: 00:00:10]

Mayor Ortega: So hello and welcome. I call the August 22<sup>nd</sup>, 2023 City Council Regular meeting to order. City Clerk Ben Lane, please conduct the roll call.

#### **CALL TO ORDER**

[Time: 00:00:24]

City Clerk Lane: Thank you, Mayor. Mayor David Ortega.

Mayor Ortega: Present.

City Clerk Lane: Vice Mayor Kathy Littlefield.

Vice Mayor Littlefield: Present.

City Clerk Lane: Councilmembers Tammy Caputi.

Councilwoman Caputi: Here.

City Clerk Lane: Tom Durham.

Councilmember Durham: Here.

City Clerk Lane: Barry Graham.

Councilmember Graham: Here.

City Clerk Lane: Betty Janik.

Councilwoman Janik: Here.

City Clerk Lane: Solange Whitehead.

Councilwoman Whitehead: Here.

City Clerk Lane: City Manager Jim Thompson.

City Manager Thompson: Here.

City Clerk Lane: City Attorney Sherry Scott.

City Attorney Scott: Here.

City Clerk Lane: City Treasurer Sonia Andrews.

City Treasurer Andrews: Here.

City Clerk Lane: Acting City Auditor Lai Cluff.

Acting City Auditor Cluff: Here.

City Clerk Lane: And the Clerk is present. Thank you Mayor.

**CALL TO ORDER**

[Time: 00:00:46]

Mayor Ortega: Excellent. Tonight we have Sergeant Sean Ryan and Sergeant Eric Boles and firefighter Andre Cohen if anyone needs assistance. The area to my left is restricted. And there's restrooms through the exit passage. Let's begin with the Pledge of Allegiance, calling on Vice Mayor Kathy Littlefield.

Vice Mayor Littlefield: I pledge allegiance to the flag of the United States of America, and to the

Republic for which it stands: One nation under God, indivisible, with liberty and justice for all.

Mayor Ortega: Okay. Well, 32 years ago, Ukraine declared its independence. 32 years ago this week, the children born were the first free born Ukrainians and today, these 32-year-olds and their younger siblings are fighting for their freedom and democracy against Russia. So I ask that we call to mind their sacrifice and their fight for democracy. Let's pause.

[Moment of silence]

Thank you. Well, the annual conference for the League of Arizona Cities and Towns will have a conference in Tucson next week. And the city of Scottsdale on behalf of you, we will be proposing a number of resolutions for short-term rentals regarding limiting the number of STRs allowed, density and proximity of rentals to others. You will be hearing and seeing some news about that as we bring that forward as a combined -- combining all cities together.

Secondly, I want to remind you that Scottsdale residents wanting to volunteer their time and institute positive change in Scottsdale are invited to apply to serve on city boards and commissions. Applications are now being accepted until August 31<sup>st</sup> for ten boards and commissions. Certainly, just go to [Scottsdaleaz.gov](http://Scottsdaleaz.gov), and search boards and commissions. You will also hear one round of nominations for boards in today's session. So it is vital and we depend on volunteer participation to keep our city on a steady course.

For your information, during tonight's meeting, the council may make a motion to recess into executive session to obtain legal advice on any applicable item on the agenda. If authorized by the council, the executive session would be held immediately and would not be open to the public. The public meeting would resume following the executive session. Also, as far as rules of conduct, per our council rules, citizens attending city council meetings shall observe the same rules of order and decorum applicable to the members of council and city staff. Unauthorized remarks or demonstrations from the audience such as applause, stamp of feet, whistles, boos, yells and/or other demonstrations shall not be permitted.

Violation of these rules could result in removal from the meeting by security staff -- we do this to take care of the people's business. We do this for public comment. Public comment is an opportunity for Scottsdale citizens, Scottsdale business owners, property owners to comment on non-agendized item, that are within the council's jurisdiction. They are deemed not to be within the council's jurisdiction.

[Time: 00:05:56]

No official action can be taken on public comment items and the speakers are limited to three minutes to address the council. If you wish to speak on a non-agendized item, would you just check with the clerk. And speaking with him, there's no requests for public comment. Therefore, I will close public comment.

**MINUTES**

[Time: 00:06:19]

Mayor Ortega: Next, we have the review of our minutes. I would ask for a motion to approve the special meeting minutes of July 10<sup>th</sup>, 2023; executive session minutes of July 10<sup>th</sup>, 2023; regular meeting and work study session minutes of July 10<sup>th</sup>, 2023; special meeting minutes of July 11<sup>th</sup>, 2023; executive session minutes of July 11<sup>th</sup>, 2023; and regular meeting minutes of July 11<sup>th</sup>, 2023. Do I have a motion?

Vice Mayor Littlefield: So moved.

Councilmember Durham: Second.

Mayor Ortega: And a second from councilman Durham. Please record your vote. Thank you. Unanimous.

**CONSENT AGENDA**

[Time: 00:07:04]

Mayor Ortega: Next item on our agenda is consent agenda items. Consent agenda items 1 through 13, have a full file on every matter and consist of agenda items which might be pulled to a regular agenda, should anyone have a question and therefore, consent agenda items 1 through 15 or posted as moving forward if I see that councilwoman may have a question, and go ahead, councilwoman.

Councilwoman Janik: Thank you, Mayor. I just had a question on item 14.

Mayor Ortega: Okay. Can that be answered or would you like to ask it now?

Councilwoman Janik: Yeah. It's easy.

Mayor Ortega: Please go ahead.

Councilwoman Janik: I just wanted clarification on -- I know it's to correct some changes in the numbers of the code, but you also removed owners of vacation rentals to short-term rentals shall have six months from the effective date, et cetera. Does that mean going forward that they don't have six months, that they need to be in compliance much sooner than six months?

Brent Stockwell: Yeah.

Mayor Ortega: Brent, why don't you describe the item and then --

Brent Stockwell: Sure, Mayor Ortega, members of council, Councilwoman Janik, we are trying to do two things with this ordinance. One, we are correcting a link to another section of the code and that only needs to be done because the separate code was amended after the vacation rentals code amendment. The other thing that happened is the effective date of the vacation rentals code amendment has already passed. So we don't need the language giving people six months to comply anymore because everybody has to comply as of May 23<sup>rd</sup> of 2023. That's what we did there. Thank you.

Councilwoman Janik: Thank you. Appreciate that.

Mayor Ortega: So clarifying that was item number 14. Councilmember Graham, did you have a question?

[Time: 00:09:17]

Councilmember Graham: Mayor, no, I just wanted to pull a couple of items from consent if you may.

Mayor Ortega: Which would those be?

Councilmember Graham: 11 and 12, please.

Mayor Ortega: Could you describe that?

Councilmember Graham: Sure. 11 is the transfer for the NCAA Men's Final Four Rournament. And 12 would be, I thought, very edifying to learn about the management of the McDowell Sonoran Preserve.

Mayor Ortega: Thank you. At this point also we invite the public to comment on any of the consent agenda items and we see that there's no public comment on these items. Therefore, I will close public comment.

So to clarify, we have remaining on consent agenda, items 1 through 10, excluding 11 and 12, and then we have consent agenda item 13, 14, and 15, remaining. Do I have a motion on approval of consent agenda.

Councilmember Graham: So moved.

Councilwoman Janik: Second.

Mayor Ortega: We have a motion and a second. Any further discussion? Seeing none, please record your vote. Thank you. We are unanimous.

**ITEM 11 – ARIZONA MAJOR EVENTS HOST COMMITTEE AGREEMENT**

[Time: 00:10:38]

Moving on, we have created or will have a full presentation on 11 and 12, and call for Karen Churchard and see who -- oh, great. So regarding the Arizona major events host committee agreement request to adopt a resolution, thank you. Please continue.

Steve Geiogamah: Yes, good afternoon, Mayor, Councilmembers, Steve Geiogamah. I will hopefully answer any questions you have following. I would like to say the Arizona major event host committee members here are well to address any questions you might have related to the activation or the agreement or the funding process. Are we not moving.

First, as a mentioned the Arizona major events host committee is requesting 432,000 in support of the regionally hosted NCAA men's final four tournament. It's played on April 6<sup>th</sup> and 8<sup>th</sup>, 2024 in Glendale at State Farm Stadium. I would like to mention on July 30<sup>th</sup>, the tourism development commission recommended allocating \$432,000 from the tourism development fund, 5% destination marketing allocation retained by the city in support of that agreement.

Just a little bit of information, you may recall in 2017, the region hosted the men's final four basketball tournament. Back then the funding was requested for the host committee, for many of the municipalities regionally as well. Different information regarding investment and economic impact to the region itself. I have a table presenting, providing some of that information. The investment by the city in 2017 was \$150,000. The estimate provided by the organizing committee was roughly \$250,000, realized value from the deliverables and I will talk about the deliverables in a moment. A.S.U. did a study and found out the economic impact to the region was roughly \$352 million. -- \$325 million.

Some more additional information on 2017, close to 60,000 visitors came for the final four tournament, stayed an average of four nights, spending average was about \$490 per day. The combined attendance was 153,000. At that time, it was the second highest in NCAA history. 23 million viewers watched the final four broadcast. This information is specific to Scottsdale. Keep performance indicators for the hotel properties. We had -- this kind of shows the increase in what we have related to the prior year to the 2017 year. We had 85% occupancy over that period of time of the tournament which is roughly about a 9%, 10% growth. Our average daily rate was \$325 which is roughly about a 43% growth. So we did see that little incremental impact.

What is not on this slide is the year after, we did additional analysis with these key performance indicators. We did find that this was a decrease in those indicators I just mentioned. Kind of showing that bump related to the event itself and that information is in your report. Some additional analysis, the host committee operating budget is \$4 million. They are requesting that from the Maricopa County cities qualifying for prop 302 funding. They utilized the prop 302

funding to identify the allocations that are requested from the municipalities whether it's the DMOs or in our case the city itself. They utilize that to come up with the \$423,000. Additional information in this table shows the increase between 2016 and '18 related to tax collections and in the lower right-hand corner you will see \$1.8 million was an additional increase related to that period of time over those two months.

Now, I would like to spend a little time talking about the deliverables of Scottsdale in this particular agreement that we are requesting approval here tonight. We -- the room nights, we're getting 4,000 Scottsdale room nights in the official block. We originally started around 2,000, but we were able through communication and working on additional incentives moving that up to 4,000 room nights, marketing inclusions are included, highlighting features within the travel information portion of their website, community engagement, may provide fan jam and cheerleaders, et cetera, mascots, if available to Scottsdale events. Coordinate with Scottsdale to communicate to all schools with unique read to the final four program. In addition, business involvement, invite qualified Scottsdale businesses to apply for the business connect program, and opportunity to highlight Scottsdale businesses participating in the program. Additional deliverables event and planning including familiarization tours ahead of the final tour, venues and host committee will encourage the use, businesses as sites and hospital invitations and ticket opportunities related to the 24 games.

Experience Scottsdale will leverage the final four through in-kind marketing and promotion. Some additional analysis bed tax investment of \$432,000 coupled with the benefits, television coverage, national media coverage, it should provide substantial or equal value regarding this mar funding request -- particular funding request this afternoon. Based on '23/24, the projection funds are available for that total payment of \$432,000.

So the action here is outlined tonight approve Resolution 12901 authorizing agreement 2023-126 for the funding \$432,000. The funding will be made in two separate payments, 216 a piece and that's coming from the 5% marketing allocation retained by the city. Any questions?

[Time: 00:16:51]

Mayor Ortega: Thank you, Steve. Really appreciate that. I like saying Scottsdale puts Arizona on the map. And certainly with this basketball participation as a host city then, we will be a host city, similar to the way we did it with the Super Bowl. Councilmember Graham. Go ahead.

Councilmember Graham: Thank you, Mayor, thank you, Steve, very good presentation. I don't know a whole lot about Arizona Major Events Host Committee. Do we have any representation on that committee?

Steve Geiogamah: Not directly. We will have representation on their marketing committee. Similar to the Super Bowl. So that's our participation. We are in close communication with them, continually throughout, leading up to the event and I'm sure economic development will have

some participation in the business programs.

Councilmember Graham: Who from our city liaisons to the -- I will pull this closer, who is the representatives or the liaisons to the host committee.

Steve Geiogamah: That's contract director Karen Churchard who is probably the main liaison.

Councilmember Graham: And then in 2017, five or six years ago, they asked us to put in -- kick in \$150,000 and this one is \$430,000 roughly.

Steve Geiogamah: Councilman Graham, it has increased. We had substantially less room nights in the block.

Councilmember Graham: I was curious how you felt about the inputs versus outputs.

Steve Geiogamah: Well, we did the analysis to make sure that we get the fair and substantial value. Leading up to the term, we will continue that process. It's made probably prior to the week prior to the game.

Councilmember Graham: Have other municipalities, has their contribution or payment gone up commensurately to ours?

[Time: 00:18:40]

Steve Geiogamah: We had a \$4 million budget. I can invite one of the members of the host committee to address the other municipalities.

Councilmember Graham: I was just curious. If you think someone else is qualified to answer the question.

Steve Geiogamah: They probably have more or a better understanding than the municipalities.

Kyle Headstrom: Councilmembers, Mayor, yes, we've been --

Councilmember Graham: Sir, do you mind introducing yourself?

Kyle Headstrom: Kyle Headstrom. I'm one of the representatives today to talk about the Final Four. To your question, Councilmember, we have been working as we do with all the major events similar to as the Mayor mentioned the Super Bowl with each municipality or their DMO, and using the Prop 302 formula for those specific requests. We do have several of those cities or CVBs signed on as partners as well.

Councilmember Graham: What are some other cities participating?



Kyle Headstrom: I think the ones I can mention would be the City of Glendale. If it is a private or CVB, we do have the visit Phoenix, that is signed onboard, Avondale, Peoria, and the City of Phoenix.

Councilmember Graham: Okay. And would you say that their contributions have increased consistently or ratably with the City of Scottsdale?

Kyle Headstrom: Correct.

Councilmember Graham: Okay. Very good. And I was also going to ask during the Super Bowl, we had, like, all the TV and the events here. I was curious what kind of TV and events would be in Scottsdale, other cities outside of Glendale.

Kyle Headstrom: Phenomenal question. As Steve had mentioned earlier, we are going to be working on a familiarization trip which is coming up here the week of September 10<sup>th</sup>, I believe. The Warner Brothers, Discovery Network, the NCAA, all of their vendors will be coming out and we'll be doing a number of tours of hotels, venues, potential site visits, to figure out where those events will -- will or can go.

[Time: 00:21:03]

There were nine events back in 2017 amongst a number of groups staying here in Scottsdale hotels. So it's a little bit, you know, to be determined. It's a different event with a different size than Super Bowl, and scope. But we're very connected and looking forward to exploring what groups want to do here.

Councilmember Graham: So the events that will happen in Scottsdale are still to be determined.

Kyle Headstrom: To be determined.

Councilmember Graham: And though our contribution is fixed?

Kyle Headstrom: Correct.

Councilmember Graham: And then this will show -- I don't know very much about college basketball. But is it the same number of games and TV presence and activity, economic activity, this compared to 2017?

Kyle Headstrom: Correct. It will be the same number of games. There's the two final four games on Saturday, April 6<sup>th</sup> with the championship game on Monday, April 8<sup>th</sup>. So that same setup, same location, state farm stadium with roughly the same attendance. The economic impact that we have seen since 2017 in other cities does seem to have grown and we expect to see some

growth as well.

Councilmember Graham: Kyle, thanks for coming and talking to us tonight.

Kyle Headstrom: Absolutely. Thank you.

Councilmember Graham: And then one last question, Steve, if I may ask.

Steve Geiogamah: Sure.

Councilmember Graham: It's just kind of a funny thing, the entity that's calculating how much benefit we are getting is the same entity that calculates how much we need to pay. Do you have any concerns with that?

Steve Geiogamah: Well, in 2017, they gave us an estimate value.

Councilmember Graham: Did you double check that?

Steve Geiogamah: Yes, we go through the report and check and allocate. For this particular ask, and most other events too, staff does an analysis. We do works related to determining whether we are going to receive fair or substantial or equal value. We have some consultants that we contract with that assist us in that regard and we try to get the best estimates as we can. But ultimately we put the deliverables in and monitor the deliverables and try to ensure that they are received.

[Time: 00:23:03]

Councilmember Graham: Thank you very much, Steve. Thank you Mayor.

Mayor Ortega: Okay. Councilwoman Whitehead.

Councilwoman Whitehead: Good questions. Could you expand a little on how the 4,000 room block works? Is that -- are those required for those rooms to be filled? How does that work?

Steve Geiogamah: Correct. Generally, the host committee will generally create a block and fill the 4,000 room nights. We will monitor that at the end of the day and determine whether that allocation was reached regarding room nights.

Councilwoman Whitehead: Okay. Thank you.

Mayor Ortega: Okay seeing no further questions, I move to adopt resolution, 12901 authorizing the agreement number 2023-126-COS with the Arizona Major Events Host Committee, a financial sponsorship agreement not to exceed \$432,000 to be made in two payments of

\$216,000.

Councilwoman Janik: So moved.

Vice Mayor Littlefield: Second.

Mayor Ortega: So that was my motion. We have one second here from Councilwoman Janik. Any further discussion? For the record, I don't see any public comment on this one. So public comment is closed. Please record your vote. Thank you. Unanimous. And we are looking forward to good times. Thank you so much.

**ITEM 12 – HEALTHY FOREST INITIATIVE GRANT**

[Time: 00:24:37]

Mayor Ortega: The next item that we are looking at is item number 12. It has to do with a resolution for a healthy forest. And this is a cooperative measure which impacts our water and sustainable issues, as well as firefighting. We have Chief Shannon.

Chief Shannon: Mayor, Councilmembers and Councilmember Graham. This is a good news story. It's a routine opportunity that we take for the last few years to collaborate with both the State Department of Fire and Forestry Management, the Governor's office, frankly through the state forester, as well as Maricopa County emergency management to lever, grant dollars, to do fuels management throughout Scottsdale.

We partner with community services, the budget office, and a number of other agencies within the city under a task force model, if you will for our open spaces and the wildland fire vulnerable areas and the crown jewel of which is our 30,000-acre preserve. So this grant essentially continues that work. Really the way it works is that we are only able to use grant funds for singular geographic. We match that with in-kind services in terms of staff time and salary and no real cash match in these transactions.

So the cash side to do the actual fuel abatement is what we use the grant dollars for, and the grant match is usually met through our staff time. And that includes everybody from myself to budget office folks time to our emergency manager who is available for comment if needed, as well as our fuels manager. So this is a great news story in that we are continuing to use the grant dollars to keep ourselves safe in Scottsdale and really try to manage fuel. So beyond that, there's not a lot to the grant. I'm happy to answer any questions that may be specific if there are any.

Mayor Ortega: Councilwoman Janik.

Councilwoman Janik: Thank you. Nice presentation. This is great news. Is this similar in the amount that's being allocated to past years?

Chief Shannon: It is. It comes from our new newest hire and that is Dave Ramirez. He worked at the US Forest Service for his entire career and he has relationships that help us communicate the vulnerability of Scottsdale and our open spaces a little bit more effectively. And we have had great success and those dollars levered with the general fund and community services puts Scottsdale at the front of the pack in terms of the work that needs to be done to manage fuels.

Councilwoman Janik: Another question. Are we able to count all the volunteer hours towards the amount that we have to match?

Chief Shannon: That's a great question. Troy, did you hear that question and can you pipe in and share voluntary here hours? I know annually we quantify the volunteer hours. I don't know if that's a grant match. Troy, do you know?

Troy Lutrick: Good evening Mayor and Council, hopefully you can hear me. I'm sorry I can't be there with you in person tonight. To address that question, we can include volunteer hours as long as they are tracked and they are specific to wildfire management to we haven't done that in past, but we could do that. Really the way that we are set up with this grant and the relationship that we have, the department of fire and forestry management is already well suited to be matched and to keep us moving forward. And just go back real quick on previous question, we had asked -- we had asked for \$500,000 a little over two years ago. We got \$350,000 and we spent most of that.

[Time: 00:29:06]

This new grant will be for the full amount that we're allowed to ask for, it's \$500,000, and we have been successful and we have such good relationships. We do expect to get that full amount.

Councilwoman Janik: That's great. Thank you. And one more question. Does this include any of the cleaning of the forest floor in the Preserve? You know where you go in and clean out the debris?

Chief Shannon: Yes so there is some of that. So the invasive species and things like that. There's a whole strategy that we adhere to where we prioritize the vulnerabilities and there's both mechanical, literally going out and doing landscaping, taking out and those are really to just eliminate those ladder fuels, the ones that are really not supposed to be there, or in the form that they are, would contribute to greater loss. And so there's actual thinning and we see that mostly on the roadways. It's my hope and as we talk about the protect and preserve commission work that will be coming to you, I think we need to start focusing on the interior of the preserve to really make sure that the -- the -- the fuels that are in there don't contribute to greater loss. We can predict with fairly good accuracy and the relationships that troy mentioned and some of our fuel modeling, where our greatest vulnerables are and I think we should do that.

So the intent is to place these dollars where they have been requested, which is -- and it wouldn't surprise you to know that most of our greatest vulnerabilities is on our roadways. We spend a lot of time working with community services to make sure the feeder areas are the ones that see the greatest abatement.

[Time: 00:30:47]

Councilwoman Janik: Thank you, Tom. Very informative. Thank you.

Chief Shannon: Yes, ma'am.

Mayor Ortega: Okay. Councilmember Graham.

Councilmember Graham: Sorry. Thank you, Mayor. Chief Shannon, thank you for the presentation. I had a few questions but I want to bring up. You mention Protect and Preserve. Are you talking to members of the commission about some of the things that you have been -- like what you just mentioned?

Chief Shannon: Indeed. Indeed. We had opportunities to present. We've had frequent requests from a budgetary perspective to make sure that our intentions for any future considerations are well founded and soundly placed in just things I have talked about which include fuel management and natural calls for service. So, yes, we are very much involved with them.

Councilmember Graham: Now, have you been presenting to those commission meetings?

Chief Shannon: Twice. On two occasions. Perhaps even three. I think two.

Councilmember Graham: Anything else you want to add about that?

Mayor Ortega: Excuse me, I'm getting a hand from the city attorney on this. Thank you.

Councilmember Graham: City Attorney, welcome to the meeting.

Mayor Ortega: Please go ahead.

City Attorney Scott: Yes, I hate to interrupt but I do believe we are getting a bit too far afield from this agenda item and just want to bring it back to this item in front of the council, of course. The chief would be able to update the council about those discussions at protect and preserve and we do have minutes from those meetings as well. And you will hear a presentation from them coming up, I believe in September.

Mayor Ortega: Thank you. That's an important clarification and we are required to stay on topic. Any other question?

Councilmember Graham: Thank you, Mayor and Chief Shannon. I will get back to my list of questions that I had for you.

Mayor Ortega: Okay.

Councilmember Graham: So this grant, how many acres is this going to treat of the Preserve?

Chief Shannon: I'm going to defer to Troy on this to give us a sense of what past grant comparables might give you a sense of. Troy, do you have that at the tip of your tongue?

Troy Lutrick: Yes, sir. Thanks, Chief. Mayor and Councilmember Graham, it's approximately 20 -- 2,000 to \$2,500 per acre. That really depends on the fuel load, the types of fuels that are there, how much work needs to be done and how much material needs to be chipped after his cut down or removed. So on average, it's about \$2,500 an acre. That actually used to be about half of that price.

[Time: 00:33:30]

Maybe \$1,500 an acre maybe a couple of years ago, but, along with many other items, the price of those services have gone up quite a bit. But that's -- that's probably an average going rate for you to know.

Councilmember Graham: You said \$2,500 per acre.

Troy Lutrick: Why yes, sir.

Councilmember Graham: So about 200 acres?

Troy Lutrick: Roughly. Yes. Yes. Yes, sir.

Councilmember Graham: So with the Preserve being 30,000 acres, I heard some people say it's a tinderbox up there. And how do we -- are you confident we will be able to kind of move through?

Chief Shannon: Yeah. So certainly --

Mayor Ortega: Chief, I think you have already clarified that this is pretty much street frontage and --

Chief Shannon: That's the priority now --

Mayor Ortega: It's not taking out a square acre. There's a lot of linear feet and miles possibly in

that calculation. There's also in the subject just saying that the actual decisions are still subject to the team that understands the situation and problems. So I don't know whether we can go too far in depth in terms of it seems that the boundaries are very important. Fires tend to start from sparks on roadways and that's covered here in terms of trying to mitigate with the money that we have.

[Time: 00:35:00]

Councilmember Graham: I was just reading straight from the packet, it says that the wildfire potential and severity of fire is high to very high according to Arizona wildfire risk assessment, managed by the state of Arizona -- state of Arizona's department of forestry. So I guess I'm just concerned about the safety and the condition of the overall preserve. I thought this is just a small component of that and if you wanted to say a little bit about that.

Chief Shannon: Well, I would say that he with manage all fuels based on their priority and the work of this task force prioritizes our vulnerabilities from greatest to least, and certainly the preserve in its entirety is of concern but there's a strategy within the preserve as to how to manage those fuels that is really a collaboration with community services. So, of course. There's -- you know, there's significant vulnerability when we have a lot of open space, of course.

Councilmember Graham: Well, thank you for talking to us tonight and educating us. The International Space Station flies all the time and they posted about flying over Phoenix and you can see the Preserve from space. Thank you, Chief Shannon.

Chief Shannon: You're welcome.

Councilmember Graham: It's definitely an asset we are proud of. Thank you, Mayor.

Mayor Ortega: Thank you. I don't see any other hands up. This is all about keeping the ecology healthy, and our custodianship and stewardship of that is a big responsibility. It's an important step.

With that, I would move to adopt resolution number 12898 authorizing acceptance of the healthy forest initiative grant item number 2, a budget transfer of up to \$200,000 to be adopted in our budget and third part, a 30% grant match requirement to be a combination of in-kind through hours of various staff members associated with the projects and item number 4, the fire chief or designee should conduct all negotiations to execute and submit all documents and other necessary and desirable instruments in connection with this healthy forest initiative grant.

Vice Mayor Littlefield: Second.

Mayor Ortega: Motion and a second. Further discussion? Thank you. Please record your vote.

We are unanimous. Thank you very much.

**ITEM 16 – THE GEORGE HOTEL CONDITIONAL USE PERMIT (16-UP-2007#2)**

[Time: 00:37:31]

Mayor Ortega: At this point, we will move on to the next scheduled regular agenda item. Item number 16, the George Hotel conditional use permit number 16-up-2007 Number 2, and the presenter is Katie Posler and the applicant is standing by with their presentation. Go ahead.

Katie Posler: Good evening Mayor, Councilmembers, my name is Katie Posler and I'm here to present case 16-up-2007 number 2, the George Hotel. The site is a half a mile north. To the northwest and are attached single-family homes and to the east is the Great Wolf Lodge Water Park and Hotel.

Here's a context aerial. The site has been operating as a hotel since the '60s and '70s and the general plan designates this area as tourism. The zoning on the site is R5-PCD which plans for multifamily planned community district. And just for context later, if you see where the word "site" is, that's the building that will be demolished. The request in front of you today is to adopt resolution number 12877, for an amendment to an existing conditional use permit, 16-up-2007, for site plan amendments for a travel accommodation, to allow for a new three-story hotel building, one-story gym and cafe, site improvements and renovations and expansions to existing hotel building.

For context, the original use permit was in 2007, and that was for 100 bedrooms. And this one before you today is for 84. Here's the proposed side plan to go over the new buildings, in red is the new 50 room hotel building. That steps from two to three stories. The two stories is closest to the resident on the west and then it steps to three as you get closer to Pima. The gym and cafe is one story. That's new. And then the existing lobby will have some smaller expansions and then the building below that is the existing 34-room hotel building and that will remain. Directly north are some existing condominiums and then to the west, as I mentioned before are some attached single family homes. And access to the site remains the same which is Pima through inner circle drive.

Here's the proposed landscape plan. Because this site has been here for a while, there's an existing perimeter screen wall and some mature trees and existing vegetation all around the site. And then additionally the applicant will provide new trees along the north, west, and south boundaries of the new hotel building. At planning commission, they were some landscape stipulations. So along Pima, there's been some additional trees added, as well as a species was switched out for one that has less breakage.

Here are the building elevations for reference. You can see at the top, that's what faces the residential to the west. So it's two stories and then steps to three. And then the image below



that is what faces Pima Road at three stories. The south elevation is on top. That's what would face internal to the toe tell -- hotel site and then the north is what would face the existing condominiums.

The max height in this district is 36 feet and they are proposing to be at 35 exclusive of mechanical equipment. So this is a conditional use permit request, it's an amendment to the existing one and there's a criteria for the CUP. First is damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination. So the hotel enforces quiet hours, has strong existing perimeter regular vegetation and so no impacts are anticipated in the lighting.

[Time: 00:42:15]

The second is that the impact on surrounding area from unusual volume or traffic. So this site is currently operating as a hotel. And remains to be accessed from Pima Road which is a minor arterial and is set to handle this traffic. The last is that the characteristics of proposed conditional use are reasonably compatible with the uses in the surrounding area. So as mentioned, we have residential to the north, west, and south and then another tourism use to the east of great wolf lodge.

Some key items are the use permit. The past one was 100 and then one is 84. It steps two to three stories away from the residential. There's existing perimeter landscaping. We have received public comment on this case. Approval will allow for the new hotel building, renovations, and improvements on the site. And then planning commission heard this case on July 12<sup>th</sup> and voted to approve it with a vote of 4-2. That concludes staff presentation, but the applicant is here to present their project as well.

Mayor Ortega: Thank you. Please come forward. Then we will have public comment and further clarification. Please state your name and up to the mic and we will –

John McCulgan: Hello, my name is John McCulgan and I'm here to present the George Hotel. What we are here to do is to amend the existing use permit.

Mayor Ortega: Come up to the mic.

John McCulgan: We are here to amend the existing use permit to do this, we are proposing to decrease the hotel room count from 100 to 84. We are proposing to increase the existing landscaping. We wish to retain the existing mature landscaping. We wish to densify and supplement that landscaping and we wish to increase the buffer for the surrounding neighbors. This is an existing hotel. We wish to remain a hotel. This will be a commercial hotel.

When we started this project with our owners group, there were difficult things associated with this project and we wanted to make it better. We are doing this in a few ways. One way is we're proposing to move from a value-oriented hotel and move it to an upscale boutique hotel. To do

this, our ownership group is investing in Scottsdale with this 84 rooms. We are proposing to -- to really maximize health and wellness and market towards that clientele.

To the north, our 40 condominiums that are not a part of this work. Their parking lot is a part of this ownership group. They have 59 parking spaces which previously were not deeded or designated or a benefit of these condominiums and we are proposing that they become a part of that. Those parking spaces are these covered parking spaces. These parking spaces are directly adjacent and there are four additional spaces which will be designated and will have signage stating that they are specifically for this condominium group. This property needs work to realize its potential.

[Time: 00:46:43]

When our ownership group purchased this hotel, they realized this and they took that on. Part of this is there's an existing park and we are proposing to retain that use and have it as a benefit for the neighbors. It is in disrepair currently. There's issues with the sidewalks paving, some landscape maintenance items and issues with the streetlights on inner circle drive. And also over on the -- on the corner nearest the condominiums.

Part of the commitment of this ownership group is to remedy those items. So repair the irrigation systems, repair the streets, maintain them, repair the broken sidewalks and curbs, and provide landscaping maintenance, remove the you stumps by grinding them down and providing new landscaping.

Let's see, odor. There is an existing kitchen here, which we are keeping in place. It is closest to Pima Road, and away from the residential neighborhood. We are proposing to keep it in that location. Garbage. There will be garbage which is also located along Pima Road and it will be screened. Noise. For quiet hours for the hotel that are proposed and it will be enforced by the hotel security on the property. Daytime will also be enforced.

If there's unruly behavior or intoxicated people on the property, the hotel security can address those items. There are also proposed to be security around at night. So there is -- there will be someone in a golf cart or in an automobile that circulates around the property, around inner circle drive, but through are the property to make sure that those items are addressed in case there is someone, a guest out in the parking lot having an issue. That needs to be addressed. Do you have any questions?

Mayor Ortega: Okay. Thank you. At this point, then we will look for public comment.

John McCulgan: May I introduce our owner. He also has --

Mayor Ortega: Oh, excuse me. Continuing. I missed that. Sorry. Continuing. This is the owner, I believe.

Andre Golnarzarian: Hello, Mr. Mayor, Madam Vice Mayor, my name is Andre Golnarzarian, I'm the managing member looking to complete this George Hotel in Scottsdale. Before I answer any questions, Mayor Ortega, I know you wanted an agreement with the condo association. I don't know if you want me to pass this along to you, but you were asking about it. We do have an agreement in place. It goes in perpetuity where I completely manage the exterior of the property, and then as you can see, we're also -- and then the condominium complex has access to our amenities, currently as it is and then we will continue doing that. We are at our own expense adding an extra pool over there in case, you know, it gets -- if there's too many people or too crowded in the main pool area, all the neighbors would have access to the pool in the northwest corner up there. And as far as, more -- just to do more in the community, we're completing redoing inner circle drive.

[Time: 00:50:53]

We will be redoing the pavement, all at our own expense, the curbing, adding lighting as John mentioned. Security in and around the property at all times. That's essentially what we are planning to do. All at our own expense and none to the condo or the homeowners or anything.

Mayor Ortega: For clarification, the inner circle properties have separate ownership.

Andre Golnarzarian: Yes, sir.

Mayor Ortega: And this is approximately a 53-year-old property. So those property holders also had some vested rights, say with the club house and the former Pima Inn. Those run with the land. And therefore you are as the new owner, what two years, assuming all of those obligations for the crossover and I heard you say that there are some gives that you were going to go off property and take care of the streetlighting for your compatible nearest that -- the inner circle group.

Andre Golnarzarian: Yes, sir.

Mayor Ortega: So what I had requested was just a verification of that, which are all deeded rights or so forth. The other clarification is that the original pool, which is the large one near the Pima inn or the clubhouse, they have now added another smaller pool, is that correct?

Andre Golnarzarian: Yes, sir.

Mayor Ortega: And that's for the convenience and use of that group, if they didn't want to go into the larger.

Andre Golnarzarian: Yes, sir.

Mayor Ortega: So they seem to be club members of this group.

Andre Golnarzarian: Yes.

Mayor Ortega: That's the clarification that I asked for.

Andre Golnarzarian: Yes.

Mayor Ortega: And we have all the supporting material for that. With that, were there -- I have -- did you want to continue with your presentation? Or --

Andre Golnarzarian: No, sir. I was going to say, I'm a member of the household community, to the homes long the hotel and just west of the hotel. We purchased three of those. So I mean, I'm basically a member of that community too, as far as having a residence goes. It's all to our advantage as well, to the neighbors as well.

[Time: 00:53:10]

Mayor Ortega: Okay. So what I also noticed is that this properties is vested and has been used as a hotel and rental, and they had the lucky timing of getting the approval just before the great recession. So in 2007, they got that and it's been dead in the water since and you are the new owner as of when, approximately?

Andre Golnarzarian: March of 2021.

Mayor Ortega: Well, thank you very much for taking this on.

Andre Golnarzarian: The pleasure is mine, thanks.

Mayor Ortega: At this point, I would just -- I think it's useful to go to public comment if I may and then we'll come back to perhaps some other questions from council. So if you could please be seated. I show two requests to speak, James McDearmon. And you have three minutes. Appreciate you coming by. Jim McDearmon.

Jim McDearmon: My Jim McDearmon. Thank you for the opportunity to speak. I'm a resident of the Sands Scottsdale patio home community, which is just adjacent and to the west of this property. I think it's fair to say that for the last several years this hotel has been a nuisance to the community that I live in. We've had numerous incidents to include people climbing over the wall from the property into our community on a regular basis. Some on a daily basis. We -- they actually set up a chair on one side and a stool on the other side to make the trip that much easier. We have video cameras of this happening on a daily basis, people climbing over the wall and walk down the street to go wherever they go.

There's been numerous police incidents. One about a year ago in which there was a domestic dispute at the hotel. Someone with a gun climbed over fence and climbing through the yards of the people in my community. Police came and arrested them, but not without completely freaking out several people who live in the community. We had a situation where an intoxicated person climbed over the wall and passed out in one of my neighbor's yards. And the police were called for that as well. Excuse me.

[Time: 00:55:42]

We ultimately wound up, put a 4-foot metal fence to prevent people from climbing over the fence into our property. So that's kind of a little background. Now have a current perspective -- a current situation, awareness kind of thing, due to these problems, you know, we were excited to find out that there's going to be a renovation of the property, okay? So that's kind of the good news.

We did participate in the Planning Commission, at least my wife and I did, we were involved in the Planning Commission meeting a couple of months ago and the property, the renovation only includes the motel property itself. The condominiums to the north and then the houses along inner circle or not really a part of this project. There's no planned physical separation between the condominium building and the hotel building, which the condominium building is what is adjacent --

Mayor Ortega: Stay close to the mic. You are wandering.

Jim McDearmon: Yeah, I do that. So what we were hoping to see is some kind of a fence or barrier between the condominium building and the hotel building to prevent people from, you know it would make it more difficult for them to climb over the wall into our property. We also understand that the motel has agreed to -- as was mentioned to update the streets and the lights and the sidewalks and the area there off of inner circle, which we think is great, but when we participated -- when we were involved in the planning commission meeting, we got the sense that this was a one-time deal.

Now, I think you clarified that tonight. The plan is to do some long-term maintenance and keep that up. That's an area that's kind of sad, unfortunately, and it really does need to be -- not just spruced up, but maintained over the long haul. So I -- over the long haul. What we would really like to see is a more comprehensive plan that brings all of these properties to go, and creates an environment that's less segmented than there is going to be. I understand there's property ownership issues associated with that.

Mayor Ortega: Thank you, James. Thank you very much. Moving on to the next speaker, Andy Baresford, please.

[Off microphone comment]

Mayor Ortega: Well, as you may be aware. I didn't realize he gave you your time. Did you want to add on a little more. I want you to be aware that this is a conditional use permit. And the next step will have to go through Development Review Board. Now, you may have some ideas on property which may or may not work in the whole scheme of things. But it's my understanding that, of course, the public pools, or the pool of the hotel must be fenced, for instance.

So we will see how it evolves at the next step and you will certainly be welcomed to participate at that point. I have two -- accordingly, I will close public comment. Next, we will go to Councilmember Durham and then Councilwoman Whitehead.

[Time: 00:59:08]

Councilmember Durham: Thank you, Mayor. I watched the Planning Commission hearing this afternoon. And there was a 4-2 vote in favor of this project. And I just want to hear from either Katie or the applicant on what -- how you would summarize the opposition. I think part of it was what Mr. McDearmon just stated, that they wanted greater integration of the project I'm not sure that's really possible at this stage or appropriate under a CUP and I think Mr. Gonzalez was worried about the parking situation. So if either or both of you want to address those and sort of express what your views were on the opposition at the planning commission.

Mayor Ortega: Thank you, Councilmember Durham. And per our rules, the applicant will respond first. So you have, I believe, five minutes.

Andre Golnarzarian: Thank you for your question. So let me start by saying I agree with Jim. I believe he said there are issues that need to be taken care of and that's why I'm trying to kind of associate all the properties to go to be like an association manager without any expense to the homeowners. As far as some of the things -- well, I simply don't own those condominiums or those houses on the southwest corner.

There's only a limitation of how much we can possibly do outside of our particular property. Let me also add that they are worried about -- there's less than ideal people jumping over their wall and things like that. I mean, we're investing upwards about \$20 million into the property if you include the land purchase. So it's going to be a brand new, like boutique hotel. It hasn't been touched in 50 years and people have gotten used to that. I totally intend on changing that in the next 12 to 15 months if that helps to answer your question.

Councilmember Durham: Right, that helps. Thank you.

Andre Golnarzarian: Of course.

Mayor Ortega: Next, we will go to Councilwoman Whitehead and then Councilwoman Janik.

[Time: 01:01:37]

Councilwoman Whitehead: Thank you, Mayor and thank you, Katie and the applicants for being here. And the sands. I'm really familiar with the sands. But I have to say -- and I pride myself in knowing all the neighborhoods. So I biked on down and I did not know that neighborhood, the inner circle neighborhood existed. So that was news to me. And, I mean, this is such a cool nook and I mean that park is a disaster. There's so much potential in this 50 plus year property, and so I really, I'm grateful that you and your partners decides to invest money in it. You think in the 1960s and '70s, all of that tourism stuff across the street, frankly, you don't get taxes wasn't even there. I think more than ever Scottsdale needs a high-end boutique hotel in this spot.

So I'm very, very supportive of that. Another trend that I really liked in -- that I have been seeing over the years is that hotels are no longer for guests alone. They are really part of the community. I will not name hotels but there are a lot of hotels that allow neighbors, townhome residents that live across the street to use their facilities, especially during the down time. I think that's a neat thing. We are making -- the hotels are truly not only funding our taxes but they're also community assets.

So I love the idea that you are putting in that extra pool. I think that's really cool. I like the 24-hour security. That was the most bizarre thing. I think if you have a 50-year-old property that hasn't been managed for 50, or the last 30, weird things happen and you have been the victims. Wow! So I wish we had a guy in a golf cart managing all of our short-term rentals. But we don't. But I'm really glad we will have that at your hotel.

The landscaping on the east side is beautiful and lush. And so I liked that you specifically mentioned you are keeping all of that. And yeah, the rest of it, please invest. And so, yeah, I mean this was a real learning experience for me, because -- because I didn't know they were back there. Lots of potential. I love our historic older areas, and I love when there's investment. Thank you, you have my support.

Mayor Ortega: Councilwoman Janik and then Graham.

Councilwoman Janik: Just quick questions. Do you have experience with this type of redevelopment or adaptive reuse with your company?

[Time: 01:04:30]

Andre Golnarzarian: Yes to answer your question, yes. We've -- my whole background, professional background is multifamily you know, redevelopment, rehab. It has not been -- I have never built a brand new 50 units but we remodeled more than 50 before, a to z with all the plumbing. This is first time that we will do foundation ground up. Yes, this is my professional background is essentially this in the multifamily facet.

Councilwoman Janik: Thank you. I'm very supportive of your project.

Andre Golnarzarian: Thank you.

Councilwoman Janik: I think you have a lot of great ideas. I like the fact that you are renovating and not tear everything down. You have worked with the community. You will continue to work with the community. So I'm very, very supportive of this. So thank you.

Andre Golnarzarian: Thank you.

Mayor Ortega: Councilmember Graham and then Councilwoman Caputi.

Councilmember Graham: Thank you, Mayor. Thank you, John and Andre for talking to us tonight.

Andre Golnarzarian: Thank you.

Councilmember Graham: Can you talk about resident feedback and the kind of thing you heard from the neighbors?

Andre Golnarzarian: Well, what Jim said over there was essentially some of the issues that we heard about. We had an open house. We had like, 40, 50 residents and neighbors around.

Councilmember Graham: The open house seemed pretty well attended.

Andre Golnarzarian: Yeah. Yeah. We haven't heard any backlash to anyone against it. I think the issue is the uniqueness of the community.

Councilmember Graham: You said that you haven't heard anything bad from the residents?

Andre Golnarzarian: No. No. Not yet. It's just issues like that we agree and we are trying to fix too.

Councilmember Graham: Yeah.

Andre Golnarzarian: I think it's more of the -- any questions we got is the uniqueness of the property, whereas the condos kind of falls in the middle and then the street goes around and the parking goes around. Like I said, we already have an agreement in place to manage the exterior and do all that and share the amenities and so on and so forth. That's essentially what some of the issues were, but nothing of anyone saying that we shouldn't be doing this.

Councilmember Graham: Can you talk about the road maintenance. There was maybe some ambiguity and you talked about that or John did.



[Time: 01:06:53]

Andre Golnarzarian: Yeah.

Councilmember Graham: How was the in perpetuity, how was the road maintenance -- the ownership and who is responsible?

Andre Golnarzarian: Yeah, it's technically going to be us. Technically, again, it's such an unorthodox property, because whatever happened 30, 40 years ago when they sold it off completely, I don't think they parceled it out right because the road is a private road, but --

Councilmember Graham: But who owns the road?

Andre Golnarzarian: I believe it falls under our jurisdiction -- the road falls under our jurisdiction. We will be repaving the whole thing. The house -- all the neighbors use it, but we will be repaving the whole street and redoing the curbing and the landscaping over there and adding the lights and all that and we will be managing it. Like I said the road apparently -- I didn't know they were private roads until this --

Councilmember Graham: Oh, yeah, there's a few private roads around here.

Andre Golnarzarian: This is all new to me. Yes, we are in -- it falls on our property and I have no issues taking care of it in perpetuity.

Councilmember Graham: I saw the residential feedback and the roads are in disrepair.

Andre Golnarzarian: Yeah, yeah. There were no problems with the project itself. It was just the areas around it, people were -- I think they have been trying to get this figured out for decades. I just said, I'll do it.

Councilmember Graham: So you said you will do that but is it written somewhere.

Andre Golnarzarian: When I said I will do it, I thought it was just the city road. So I mean, it's mine and my company, and so we have to upkeep it.

Councilmember Graham: The city manager can't send his staff out there.

Mayor Ortega: I think what we are getting to is there may be a private agreement that we're not party to and we -- we are not -- so that means that the ownership of those remaining lots or properties would have some sort of agreement with this development. It's different than -- if we had a development agreement for frontage improvements to our street, or the public street. The other thing is it got to be complicated because I asked for the file knowing a bit that they

had crossover trespass rights, so to speak, from those properties over. Now, we can't -- we can't codify that. That's already in their deed and that's already had -- they've had experience with that.

Councilmember Graham: I mean that was brought up in the presentation. I'm allowed to ask about that.

Mayor Ortega: Of course. I'm just trying to say we can't necessarily handle or referee --

Councilmember Graham: I guess I wanted to get on -- get an understanding of --

Andre Golnarzarian: Yeah, yeah. No, no. At the end of the day, the road falls on to the -- the road falls on to our responsibility.

[Time: 01:09:51]

Councilmember Graham: Okay.

Andre Golnarzarian: And we totally intend to update it as much as possible.

Councilmember Graham: Well, very good. Did you have any feedback or conversations with McCormick Ranch Homeowners Association?

Andre Golnarzarian: I have not. No one has reached out to me from there. McCormick Ranch?

Councilmember Graham: It's not in McCormick Ranch but it abuts McCormick Ranch?

Andre Golnarzarian: No, no one has reached out to me in that facet.

Councilmember Graham: I would have thought that would have been a conversation that happened along the way.

Andre Golnarzarian: No.

Councilmember Graham: There was citizen feedback about some of the trees are dead or dying. Do you -- any truth to that or what do you -- what's your response to that?

John McCulgan: That is correct. There's trees that are dying and water parched that require replacement or an arborist's opinion to determine if they need to be replaced but that's true in the park, and around the inner circle drive.

Councilmember Graham: Are there specific plans? To replace them or you hope to get it done?

John McCulgan: Thank you for the question. No, there are specific plans to replace the dead Lippo pines with native Palo Verde or Mesquite or other trees that came up in the building commission meeting that those are prone to breakage and so this had some other selections. So they would be replaced with a tree of that nature. The stumps would be ground out, there are existing large level pine stumps and they would be round out and replaced with a new tree.

[Time: 01:11:43]

Councilmember Graham: Do you know how many trees you are talking about?

John McCulgan: About 17. About 17.

Councilmember Graham: You took an inventory, haven't you?

John McCulgan: There's been a landscaping plan prepared, yes.

Councilmember Graham: I guess my concern or doubt about the project is cohesion with the surrounding community. It's -- it was kind of, you know, separated or divided. That whole area was divided up long ago, wasn't it?

Andre Golnarzarian: Yeah, way before my time.

Councilmember Graham: Is there any consideration or efforts -- the project has changed hands multiple times. It's been an eye sore. I know you want to invest in it, but your impact can only go so far and I'm your product will look great. Was there anything to put the whole thing together?

Andre Golnarzarian: Yes, absolutely. I met with H.O.A. president of the condos and we have tried to you know, discuss potentially our company, you know, potentially buying that out as a whole, but it's just not feasible. There's way too many owners. And you would have to get 80% of them to agree to sell, and then force sell the other ones.

Councilmember Graham: It sounds like you tried.

Andre Golnarzarian: I have spoken to them, if you are willing to sell. We were able to purchase the three houses that are right next to the hotel. You know, we reached out to everyone if they are interested, you know, we would like to talk, but you can't do much further than that.

Councilmember Graham: I guess the next best thing is what take to cohere as far as the architectural material and design is there a flow or synchronicity.

Mayor Ortega: At this point, we are dealing with the CUP, from 100 units down to the -- you are getting into the off-property questions.

Councilmember Graham: Mr. Mayor, these are all in the packet. They're in the packet.

Mayor Ortega: I'm trying to clarify for you, that we are speculating and you are asking whether architectural standard for these other separate properties are relevant.

[Time: 01:14:05]

Councilmember Graham: This is in the packet.

Mayor Ortega: They don't own those areas. It's an interesting area to explore.

Councilmember Graham: And these are questions that residents want answers to, Mr. Mayor.

Mayor Ortega: Well, there's fragmentations and there's many owners and trusts and other involvement that are not a part --

Councilmember Graham: The residents and the neighbors want to hear these answers.

Mayor Ortega: That's not what we are agendized for. We are not agendized to look at architectural standards or cohesive buyouts for these multiple other properties that they may be satisfied with where they are living.

Councilmember Graham: That was used to sell the CUP authorization but they can't be asked about.

Mayor Ortega: That may be a follow-up and I already said we have architectural guidelines and other questions as far as whether that context would be relevant. That's the DR board discussion. It's a good question.

Councilmember Graham: You don't want the residents to hear the answer tonight?

Mayor Ortega: The conditional use subject is the subject for tonight. That's why I'm trying to say whether we have the same matching mailboxes or the same tile selection or paint palate on these separate other properties is not relevant.

Councilmember Graham: It's simple. They used those topics to sell the case. So we're allowed to talk about it.

Mayor Ortega: It's through the architectural review board when it can be made. It would be great if they said I like the colors on the hotel and I think we unify and go with the palate. That's a good discussion but it's not what we are talking about here. And it's not a deal breaker for the CUP, as far as I'm concerned.

[Time: 01:16:07]

Councilmember Graham: Well, I suppose I will continue with my questions but your point is received and I won't ask those questions for residents to hear them tonight. I think the questions I had for Andre and I had one question for Katie. If I may ask you. Thank you very much for talking to us tonight.

Andre Golnarzarian: Thank you. Thank you.

Mayor Ortega: Councilmember Caputi.

Councilmember Graham: So my last question, Katie, there was some resident feedback in the packet that the notice was not mailed to nearby residents or notification of standards were not met. I wanted to ask you for the of the on the record, is that accurate?

Katie Posler: Mayor, Councilmember, Graham so notice was sent out. The preliminary postcard and then the site was posted with the hearing sign, and then we also do additional signage once the hearing date is scheduled. So the applicant did provide the required notice for this case.

Councilmember Graham: I guess maybe some of the consternation was the fact that -- you are so close with that -- just the way sort of the awkwardness of the design, but it's on Pima Road and you have a sign but you've got to go a very long distance even if you live right next door to see the signage. Is that kind of how that worked?

Katie Posler: I can say the site was definitely posted with a hearing sign and the applicant did comply with their notice and open house and the city provides additional notice.

Councilmember Graham: You are not aware of any unmet standards.

Katie Posler: Correct.

Councilmember Graham: Okay. Thank you, Katie.

Katie Posler: Sure thing.

Mayor Ortega: Are you done?

Councilmember Graham: Thank you, Mayor.

Mayor Ortega: Councilmember Caputi and then Littlefield.

Councilwoman Caputi: I want to thank the ownership group for investing in our city. We are really grateful. It's hard for me to find things to not like about this project. I will highlight a

couple that haven't been mentioned yet. You are greatly upscaling and improving an area that has gone into quite array of disarray. I can't imagine that the neighbors won be incredibly happy to have a much nicer facility in their neighborhood.

[Time: 01:18:34]

We are getting far better architecture and way better landscaping that will improve, again the area. You are reusing as opposed to blading the development which is fantastic in terms of sustainability, and I know in the packet, we read a lot about how much of an -- you really -- really concentrating on making it a sustainable development in terms of materials and water and this whole council is very appreciative of that.

You spent a lot of time talking about the location being able to interface with different types of transportation. Your goal is to make this a park facility, when we are trying to encourage up here on this council. Thank you so much for doing that. We have a less dense area. And then finally the concentration on health and wellness. Scottsdale has recently become a blue zone city. And this seems to be absolutely perfect in terms of what we are trying to do in positioning ourself as the place to come for not just great events but health and wellness. One other tiny comment. There's talk about folks wanting the area to be less segmented and yet I also heard a comment about want a wall. So me that sounds contradictory. I think you are doing a wonderful job of making that entire area more cohesive and bringing it all up.

I know there's another comment, but on that note, I would like to say that I find the conditional use permit have been meat. And I would like to adopt Resolution 12877 approving an amendment to an existing conditional use permit for site plan amendments for a travel accommodation to allow for a new three-story hotel building, one story gym, cafe, site improvements and expansions to existing hotel building on a 4.74-acre site with multifamily resident planned community, R5-PCD.

Councilwoman Whitehead: I will second.

Mayor Ortega: We have a motion and a second. Next is Vice Mayor Littlefield and then Whitehead.

Vice Mayor Littlefield: Thank you very much, Mayor. I support this project. I think it's something that is badly needed and has been needed for long time. Thank you. I am a little concerned about the neighbors' concerns. From what I have heard, there are 40 or 50 people that showed up at your open house that had issues or had concerns had questions and I would ask that you work with them and see that you can come to some sort of mutually acceptable solutions to the problems of the wall and the landscaping.

I know you were already working on that and the roads. So that's basically all I want to know. Work with the neighbors on the security of the area. I don't like the idea of people climbing the

fences into their yards and that kind of thing. So see what can be done on stuff like that. I do like this project and I think you have done a great job and I thank you very much.

[Time: 01:21:59]

Mayor Ortega: Thank you, Councilwoman Whitehead.

Councilwoman Whitehead: I wanted to answer Councilmember Graham's question, since I was on site. There's a large sign, a small little area and there's a huge sign that says that there's this change. And the Pima Road is not very busy. I'm sure -- I'm on it a lot, often on my bike. So if you were driving down the road speeding -- you shouldn't be, but if you passed it, you could easily turn left into one of the turnoffs whether it's the wolf lodge or whatever. It's a pretty small area and a pretty big sign. So I would say that, you know, I'm not in everybody's mailboxes. I throw out a lot of mail. Probably people threw out the notices but the sign is pretty darn visible and I'm sure it's just to spec to what staff required. I wanted to answer that.

Councilmember Graham: Mayor.

Mayor Ortega: Excuse me, sir. Did you plug in? I don't see it. I was looking for a motion to vote.

Councilmember Graham: Councilmember Whitehead mentioned me and I did a site visit and saw the signage. I was concerned that people in the abutting adjacent area -- it's not like it's right next door. You have to go all the way around but I'm sure the neighbors in that area frequent and travel those roads. It was sort of the -- it was sort of the juxtaposition of how far you had to go on the roads. Thank you for that. Thank you, Mayor.

Mayor Ortega: Thank you. And kind of in conclusion this property has come a long way. When it was first built, the golf course was across Pima Road and actually the golf course had to watch both ways before they crossed and this was the 19<sup>th</sup> hole, all right? Weddings were held there, and it was a great place for families to enjoy the summer pulls and so forth. That was then and this is now. Please record your vote. Unanimous. Thank you. Good luck with your project.

## **PUBLIC COMMENT**

[Time: 01:24:21]

Mayor Ortega: We will move to the second agenda item, which is the opportunity for public comment. Public comment is an opportunity for Scottsdale residents to bring up a non-agenda item. Seeing none, we will close public comment.

## **ITEM 17 - CITIZEN PETITIONS**

[Time: 01:24:39]

Mayor Ortega: Next item is according to our charter, every citizen can bring forth a petition, to council for consideration. That would have been recorded with the clerk. Seeing none, therefore, item 17 is not applicable.

**PUBLIC COMMENT**

[Time: 01:24:21]

Mayor Ortega: And there's also Mayor and council items. I have seen none on notice nor that. Is that correct? I know, I meant I didn't see any Mayor and council items, item number 18.

**ITEM 18 – BOARDS, COMMISSIONS, TASK FORCE NOMINATIONS**

[Time: 01:25:15]

Mayor Ortega: Therefore, next, we will go to -- whoa! Okay. Next we go to boards and commissions and task force nominations. We are at the stage for nominating and at this point, I will turn the chair over to Vice Mayor Littlefield as we begin the nomination process.

Vice Mayor Littlefield: Thank you, Mayor. This evening, the City Council will be nominating Scottsdale residents interested in serving on citizen advisory boards, commissions, and committees. The Scottsdale City Council is responsible for establishing City policies and enacting laws in support of those policies. The Council relies on volunteer, citizen-based boards and commissions to research issues and make recommendations in support of the Council's mission and goals. The information and recommendations provided by council-appointed advisory boards is a valuable tool in helping Councilmembers in their deliberations. Appointments for these positions will be made at a Special City Council Meeting on Tuesday, September 5, 2023.

Let's get started. First board is the Development Review Board. There's one opening. The purpose of the Development Review Board is to review and approve architectural design and layout of proposed development plans. There are special qualifications. As outlined in the Scottsdale City Code, the membership shall consist of a City Councilmember, a Planning Commission member and five public members, three of whom shall be architects, environmental scientists, landscape architects or persons otherwise qualified by design background training or experience; and two of whom shall be land developers, builders, or contractors.

Shakir Gushgari's term expires in August and is ineligible for reappointment. There is one vacancy and ten applicants. The applicants are: Julie Berry, Francisco Castell, Michael Corso, Jon Griffin, Thomas Kube, David Mason, Christopher Schroeder, Brian Silverstein, Roger Strassburg, Scott Tiedemann.

[Time: 01:27:43]

I will now entertain nominations for the Development Review Board. Each Councilmember can



nominate one applicant. We will begin with Councilwoman Janik.

Councilwoman Janik: David Mason.

Councilwoman Caputi: Julie Berry.

Vice Mayor Littlefield: Barry.

Councilmember Graham: Sorry, Vice Mayor. Mr. Kube.

Councilmember Durham: Christopher Schroeder.

Councilwoman Whitehead: No additional.

Mayor Ortega: David Mason.

Vice Mayor Littlefield: I'm sorry, David Mason? Thomas Kube. Okay. We have Julie Berry, Thomas Kube, David Mason, Christopher Schroeder, Brian Sill -- no, Christopher Schroeder. That's it.

Vice Mayor Littlefield: We're missing one vote. Okay. We're good. There was one no additional. We're good. Our next board is the Judicial Appointments Advisory Board. Is that not right?

Rommel Cordova: Vice Mayor, that is correct. We did not have any applications for that board.

Vice Mayor Littlefield: Yes, the Judicial Appointments Advisory Board has one opening; however, no applications have been received at this time. As such, we will move on to the next board.

The Library Board and it has two openings. The Library Board advises the City Council on general policy relating to the programs, services and future development of the Scottsdale Public Libraries.

Freda Hartman's term expires in August. She is eligible for reappointment and has submitted an application for consideration. Shiela Reyman's term expires in August and is ineligible for reappointment. There are two vacancies and 32 applicants. The applicants are: Dawn Abel, Muhammad Babur, Sue Bolduc, Nitin Chopra, Suzanna Gutierrez Colby, Carrie Cox, Lula Dae, Jan Dubauskas, Jennifer Fabiano, Freda Hartman, Paige Harvey, Bonnie Kabin, Khushbo Khalil, Marcy Kostewa, Kathy Lane, Linda LeBlang, Adam Lyons, Don McCormick, Sean McCracken, Vernon Noronha, Frannie Oberman, Roselyn O'Connell, Dana Rakinic, Martha Rockwell, Amanda Shetler Whitmer, Janice Shimokubo, Denise Sidlo, Alice Stambaugh, Grace Stombres, Leslie Totten, John Wanat, Christine Wilson.

[Time: 01:31:12]

I apologize if I mispronounced anyone's names. I will now entertain nominations for the Library Board. Each Councilmember can nominate two applicants. We will begin with Councilwoman Caputi. As we go around, give a pause for a moment so that we have time to mark on the board. Okay?

Councilwoman Caputi: Sounds good. I will nominate Freda Hartman and Leslie Totten.

Councilmember Graham: I suppose I will nominate Ms. Wilson and Dubauskas.

Councilmember Durham: I will add John Wanat and no additional.

Councilwoman Whitehead: This is an amazing list and I know so many people on this list. I want to thank everyone. I will -- I would love to have Ms. Hartman back on the library commission. So she's got my nomination and I nominate Leslie Totten. Thank you.

Councilmember Graham: I second Councilwoman Whitehead's comment. Sorry, Mayor.

Mayor Ortega: Did I miss something?

Councilmember Graham: I was seconding Councilwoman Whitehead, but I was out of order.

Mayor Ortega: I nominate Leslie Totten and Freda Hartman.

Vice Mayor Littlefield: I nominate Jan Dubauskas and Freda Hartman.

Councilwoman Janik: No additional.

Rommel Cordova: So Vice Mayor, the individuals nominated are Jan Dubauskas, Freda Hartman, Leslie Totten and John Wanat and Christine Wilson.

Vice Mayor Littlefield: Yes. Thank you.

Okay. The next commission is Parks and Recreation. There's two openings. The Parks and Recreation Commission advises the City Council on the acquisitions of lands and facilities for use as parks or recreation centers; and on the operation, use, care and maintenance of these parks and recreation areas.

[Time: 01:34:12]

Kurt Jones' term expires in August, and he is ineligible for reappointment. Susan McGarry's term expires in August. She is eligible for reappointment and has submitted an application for

consideration. There are two vacancies and ten applicants. The applicants are: Jamie Alford, Amy Arnold, Robert Blackwell, Riley Casey, Jane Legacy, Susan McGarry, Kim Ollerhead, Dennis Soeffner, Michael Vreeland, Diane Wilson. We can begin with -- who is next? Barry.

Councilmember Graham: Barry is next.

Vice Mayor Littlefield: Councilman Graham.

Councilmember Graham: I will add Ms. Alford. Thank you. I know there's two but, thank you.

Councilmember Durham: I would nominate Susan McGarry and Michael Vreeland.

Councilwoman Whitehead: Susan McGarry and Robert Blackwell.

Mayor Ortega: Robert Blackwell and Susan McGarry.

Vice Mayor Littlefield: I will nominate Susan McGarry and Dennis Soeffner.

Councilwoman Janik: No additional.

Councilwoman Caputi: Robert Blackwell, Susan McGarry.

Rommel Cordova: All right. Thank you. So I just noted, individuals only need one nomination to advance. So the individuals that advance are Jamie Alford, Robert Blackwell, Susan McGarry and Dennis Soeffner and Michael Vreeland.

Mayor Ortega: So I see you just counted them once. Like Blackwell was named --

Rommel Cordova: Yes, sir, they advance with one nomination.

Mayor Ortega: And nobody else was named twice.

Vice Mayor Littlefield: Susan McGarry had five votes.

Mayor Ortega: I'm sorry, not McGarry.

Councilwoman Caputi: He's saying that --

Mayor Ortega: I'm trying to clarify if you record the vote.

Rommel Cordova: We have it noted but for the nominations they only need one nomination to advance. At the appointments meeting is where we will note each of your individual votes for the successful applicants.

Mayor Ortega: I see. Thank you.

Vice Mayor Littlefield: Okay. Those are the people that are going to go forward. Our next commission is the Transportation Commission. There's one opening. The Transportation Commission advises the City Council on matters relating to the safe and efficient movement of vehicles, transit, pedestrians, and bicycles. The commission provides a public forum to hear citizen complaints and requests regarding transportation matters.

Pamela Iacovo's term expires in August, and she is ineligible for reappointment. There is one vacancy and four applicants. The applicants are: Denise Doctor, Lee Kauftheil, Robert Marmon, Mailen Pankiewicz. And I'm sorry, if I have mispronounced any of those names. We can begin with Tom.

[Time: 01:37:45]

Councilmember Durham: Oh, Denise Doctor.

Councilwoman Whitehead: Lee Kauftheil.

Mayor Ortega: No additional. Lee Kauftheil.

Vice Mayor Littlefield: Robert Marmon.

Councilwoman Janik: No additional.

Councilwoman Caputi: Lee Kauftheil, no additional.

Councilmember Graham: None additional.

Vice Mayor Littlefield: Okay. We have three nominees to move forward into the appointment process. Thank you very much. This concludes our nomination process for this evening. Individuals nominated will be contacted by the city staff and additional -- with additional information.

[Time: 01:38:36]

And I would like to take this opportunity to sincerely thank all who have applied to serve on a citizen advisory board or commission. Even if you were not nominated your application will remain on file for one year for consideration at a future date if there are additional vacancies. To thank you all very much. Mayor, I turn the meeting back over to you.

Mayor Ortega: Thank you very much. With that, we have completed all agenda items. I'm open for a motion to adjourn. Thank you. Moved and seconded.

Vice Mayor Littlefield: Second.

Mayor Ortega: By me. Please record your vote. Thank you. We are adjourned. See you in September.