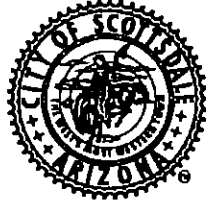


**SCOTTSDALE CITY COUNCIL
WORK STUDY SESSION MINUTES
TUESDAY, FEBRUARY 27, 2024**



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

CALL TO ORDER

Mayor David D. Ortega called to order a Work Study Session of the Scottsdale City Council at 4:02 P.M. on Tuesday, February 27, 2024 in the City Hall Kiva Forum.

ROLL CALL

Present: Mayor David D. Ortega; Vice Mayor Solange Whitehead; and Councilmembers Tammy Caputi, Tom Durham, Barry Graham, Betty Janik, and Kathy Littlefield

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilwoman Littlefield.

WORK STUDY SESSION

PUBLIC COMMENT

Mayor Ortega opened public comment on this item.

Pruitt Layton spoke in support of the Protect and Preserve Scottsdale Task Force recommendations and how the park system would benefit from this tax.

Michael Vreeland spoke in support of the Protect and Preserve Scottsdale Task Force recommendations and the increased quality of life brought through open spaces.

Kristen Parrish spoke in support of the Protect and Preserve Scottsdale Task Force recommendations and the need to extend the tax due to increased construction prices and maintenance costs.

Maryann McAllen spoke in support of the Protect and Preserve Scottsdale Task Force recommendations and the need for safety and maintenance, including the Indian Bend Wash.

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.

Teresa Quale spoke in support of the Protect and Preserve Scottsdale Task Force recommendations and the need for ongoing maintenance.

Mayor Ortega closed public comment on this item.

1. **Protect and Preserve Scottsdale Task Force Recommendations**

Request: Presentation, discussion, and possible direction to staff regarding the results of the Protect and Preserve Scottsdale Task Force's work and recommendations to Council. The Task Force's recommendations include a proposed ballot measure to replace or extend the expiring 0.20% transaction privilege tax rate at a reduced rate of 0.15%, and a proposed ordinance to allocate the 0.15% tax revenues for the preservation and maintenance, including police and fire protection, of city-wide parks and the McDowell Sonoran Preserve, and for improvements to the Indian Bend Wash Greenbelt and other city parks and recreational facilities, such as WestWorld.

Presenter(s): Cynthia Wenstrom, Chair, and Raoul Zubia, Vice Chair, Protect and Preserve Scottsdale Task Force; Nick Molinari, Community Services Assistant Executive Director; William B. Murphy, Assistant City Manager; Jeff Walther, Chief of Police; Kroy Ekblaw, Preserve Director; Tom Shannon, Fire Chief; and Sonia Andrews, City Treasurer

Staff Contact(s): Gina Kirklin, Finance Director, 480-312-5006, rkirklin@scottsdaleaz.gov

Protect and Preserve Scottsdale Task Force Chair Cynthia Wenstrom and Vice Chair Raoul Zubia, Assistant Police Chief Richard Slavin, Community Services Assistant Executive Director Nick Molinari, Assistant City Manager Bill Murphy, Preserve Director Kroy Ekblaw, Fire Chief Tom Shannon, City Treasurer Sonia Andrews, Enterprise and Finance Director Gina Kirklin, and City Clerk Ben Lane gave a PowerPoint presentation (attached) on the proposed Protect and Preserve Scottsdale Task Force recommendations.

There was Council consensus on the following items:

- Staff to prepare responses to the following requests: After the information is received, Councilmembers can request the City Clerk poll the Council to determine if there is consensus to add another Work Study Session. Staff to provide:
 - Additional information regarding the current Parks, Preserve, and WestWorld Department operating budgets and how much these budgets would increase if voters passed the ballot measure.
 - Additional information on what the allocations would be like if the tax revenue received was higher or lower than what was expected.
 - Clarification on the proposed allocation for WestWorld debt service.
 - Additional information on the historical Capital Improvement Plan (CIP) program investment rate; how much CIP funding is used for the city's parks, Preserve, and WestWorld each year; and how the CIP program would be affected if voters passed the ballot measure.
 - Additional information related to increased security funding to ensure adequate safety precautions are in place.
 - Additional information on charter changes as compared to code changes.
 - Another draft option for the ballot language substituting the word "extend" with "replace".
 - Research on whether the ordinance language could include a requirement that any future changes to the ordinance would require a super majority vote of the City Council.
 - Research to determine if the 25 percent related to WestWorld debt service funding could be minimized to avoid possible delays related to city parks and Preserve projects.
 - Additional information on the 2004 0.15% tax and what it can be used for.

Councilmembers made the following observations and suggestions:

- There are many unfunded improvements identified through the various Master Plans for the city's parks.
- There is a great deal of wear and tear on the parks through the years and there have been lessons learned to make future improvements and repairs last longer.
- The city received excellent public feedback on the Citywide Mater Plan through various outreach methods.
- Improvements need to be made around WestWorld to improve traffic circulation.
- The Parks Department still has not returned to pre-recession staffing levels despite many new facilities and services being added to the Department.
- Maintenance is important to take care of the assets that the city has acquired to ensure they are usable in the future.
- *The city has received many complaints about the loss of trees and saguaro cacti in the medians.*
- Native tree canopies provide needed shade, which is an additional method for reviving a park, as additional shade increases park use.
- Calls for service in the Preserve are more technical during higher temperatures.
- The allocations of the funds received could possibly be amended by a future ordinance.
- While some funding is allocated to the various operating budgets for maintenance, there are many improvements that remain unfunded, or certain maintenance is being deferred.
- There are unintended consequences if sufficient funding is not received that can create more significant issues in the future. For example, it costs more to fix broken items than it does to maintain these assets.
- Visitors pay sales tax not just from those traveling more than 50 miles, but also from neighboring cities when they come to Scottsdale.
- There is a concern regarding paying debt service for WestWorld using a portion of the 0.15% tax at the possible expense of the park maintenance.
- Whenever budgets are tight, the first cut is made to maintenance functions, which is why it is important to support these recommendations to maintain our assets.
- The proposed 0.15% tax provides dedicated funding for needed improvements and maintenance.
- There is a shift in focus from purchasing preserve lands to maintenance and improvement needs for our parks and Preserve.
- The open spaces and amenities in the community are an important part of the quality of life for the residents of Scottsdale.
- There will likely be limited space on the ballot for multiple ballot measures for the November General Election.
- Due to the limited space on the ballot, the ordinance would not be printed on the ballot, but would be included in the city's publicity pamphlet, on the city's website, and the county's informational pamphlet.
- The percentages in the draft ordinance should be determined before sending to the voters since the ordinance is referenced in the ballot language.
- An additional work study session may be needed.

MOTION AND VOTE – ADJOURNMENT

Councilmember Graham made a motion to adjourn the Work Study Session. Councilwoman Janik seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

ADJOURNMENT

Mayor Ortega adjourned the Work Study Session at 7:22 P.M.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on April 2, 2024

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Work Study Session of the City Council of Scottsdale, Arizona, held on the 27th day of February 2024.

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

DATED this 2nd day of April 2024.

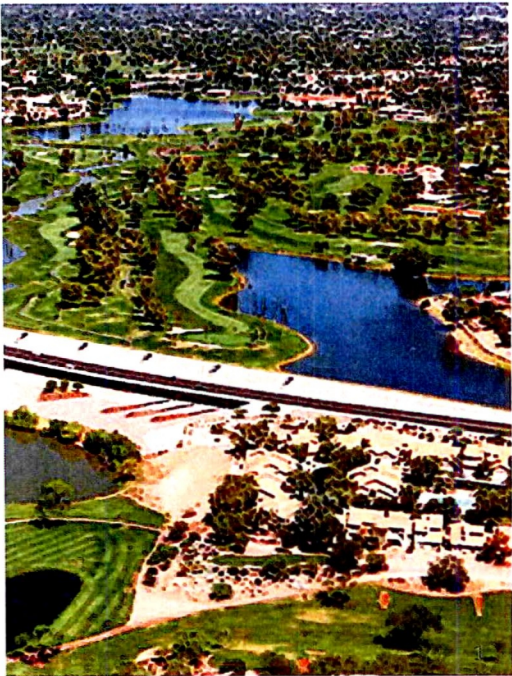


Ben Lane, City Clerk

Work Study

PROTECT AND PRESERVE SCOTTSDALE TASK FORCE

City Council Work Study
February 27, 2024



TASK FORCE MEMBERS

Long-Term Residents of North, South, and Central Scottsdale

- Cynthia Wenstrom (Chair)
- Carla
- Nicholas Hartmann
- Daniel Schweiker
- John Zikias
- Raoul Zubia (Vice Chair)
- Jace McKeighan
- Mark Winkleman
- James Eaneman (resigned 2/1/24)

TASK FORCE MISSION ESTABLISHED BY COUNCIL (September 2022 -Council Resolution No. 12532)

- To Assist City in Identifying Sustainable Funding to Protect and Preserve Scottsdale's Open Spaces and Quality of Life
- Identify and Quantify Unfunded Needs
- Include Consideration of Extending and Replacing the 0.20% Preserve Tax Expiring on June 30, 2025
- Make Recommendations to Council on a Financial Strategy

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3

TASK FORCE ACCOMPLISHMENTS

Commitment



20 meetings held
over 12 months
with > 90%
attendance

Consensus



Current Task Force has
unanimously agreed
upon recommendations
to Council

Collaboration



Parks & Recreation
Commission,
McDowell Sonoran
Preserve Commission
and City Departments

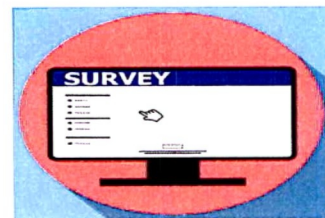
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TASK FORCE SOUGHT CITIZEN INPUT

Input from 1,733 Scottsdale residents

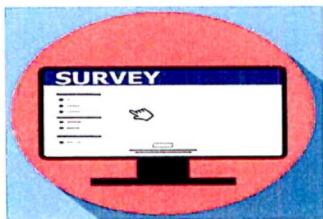
- Used EMC Research, an independent survey and research firm
- 400 live and online interviews, open only to invited voters through random sample (statistically valid survey)
- 1,333 open participation online feedback



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CITIZEN SURVEY RESULTS



92%

Voters Overwhelmingly Agree
Scottsdale's Parks and Preserve
Improve Quality of Life and Local
Economy

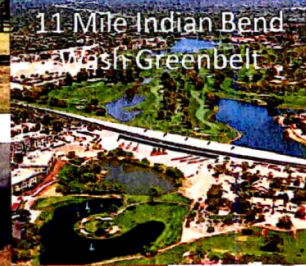
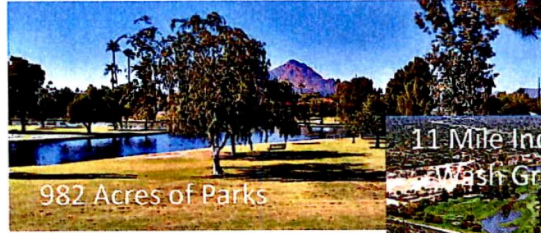
Source: EMC Research results from statistically valid survey

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CITY'S RESPONSIBILITY

The City has a responsibility to care for, maintain and protect these wonderful community assets that Scottsdale citizens invested in over last 30-60 years



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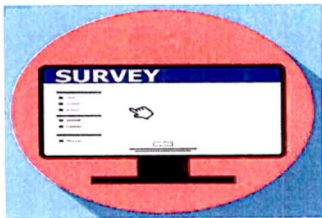
TASK FORCE RECOMMENDATIONS



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CITIZEN SURVEY



94%

Voters Agree It Is A Good Idea to
Fund Parks, Recreation and
Preserve Without Increasing the
Tax Rate

Source: EMC Research results from statistically valid survey

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TASK FORCE RECOMMENDATION #1

**Request Voter Approval to
Extend the 0.20% Expiring Tax Rate
at Reduced Rate of 0.15%
for 30 Years Effective July 1,2025**

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TASK FORCE RECOMMENDATION #2
Unfunded needs to be funded by the 0.15% tax

- (1) Improvements to aged Indian Bend Wash parks and other citywide parks, and additional funding for citywide park maintenance



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TASK FORCE RECOMMENDATION #2
Unfunded needs to be funded by the 0.15% tax

- (2) Increase Police park rangers for enhanced citywide education, response, and enforcement activities

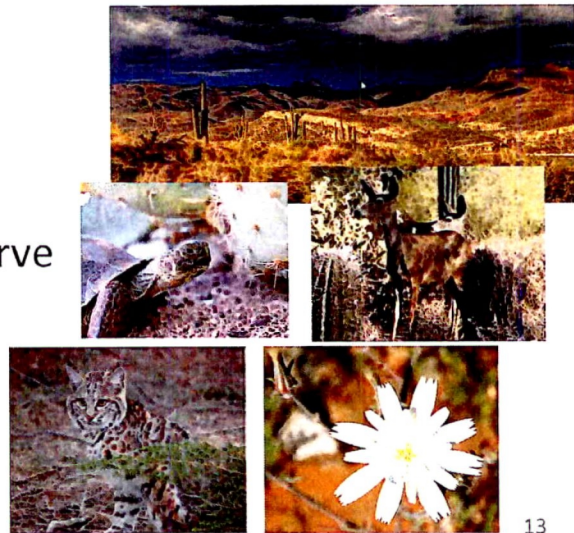


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TASK FORCE RECOMMENDATION #2
Unfunded needs to be funded by the 0.15% tax

- (3) Increase and dedicate funding for care and protection of the McDowell Sonoran Preserve



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TASK FORCE RECOMMENDATION #2
Unfunded needs to be funded by the 0.15% tax

- (4) Increase funding for citywide fire fuel mitigation and technical rescue

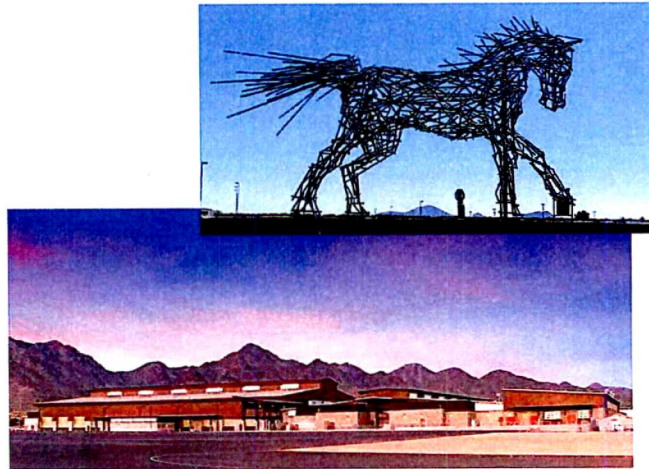


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TASK FORCE RECOMMENDATION #2
Unfunded needs to be funded by the 0.15% tax

(5) Drainage, shade and other critical infrastructure improvements for WestWorld



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TASK FORCE RECOMMENDATION #3
Distribute 0.15% Tax Revenues by Ordinance

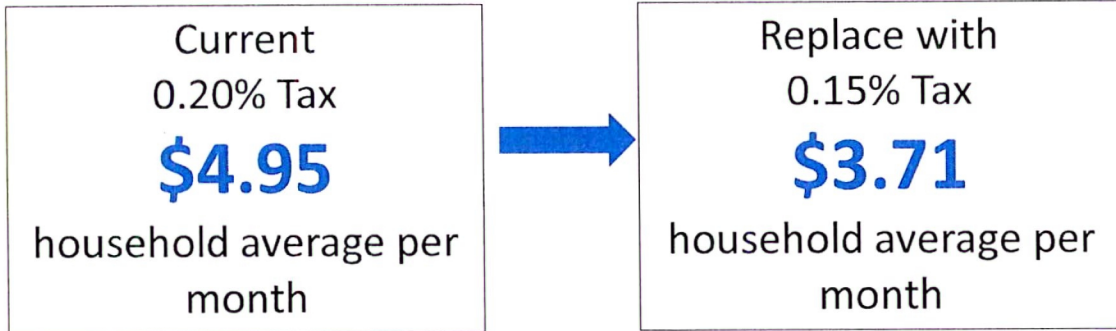
51% Indian Bend Wash and Other Citywide Park Improvements	14% Park and Recreation Maintenance	18% McDowell Sonoran Preserve Care and Protection	7% Police Park Rangers	10% Fire Fuel Mitigation and Technical Rescue
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< 25% for Debt Requirements for WestWorld Infrastructure Improvements

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SIGNIFICANT VALUE TO OUR CITIZENS AND VISITORS FOR NET REDUCTION IN TAXES



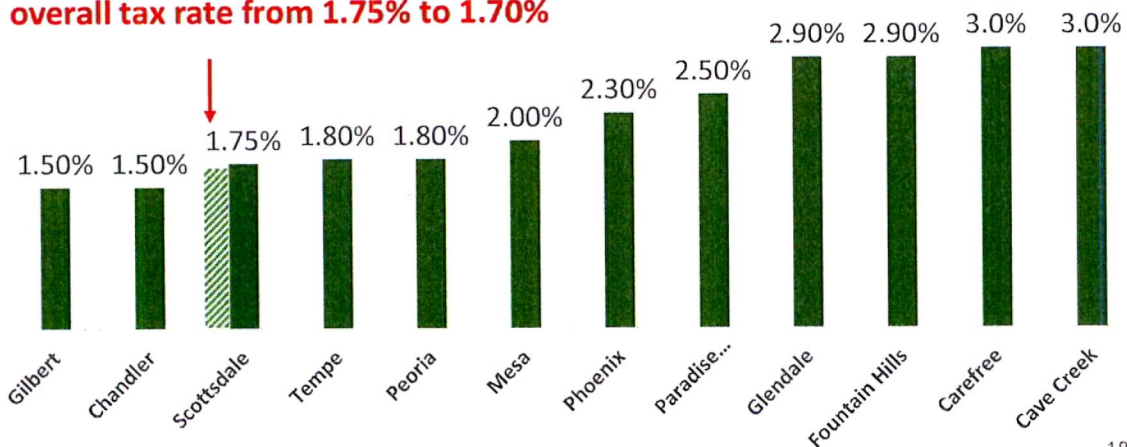
Note: Amounts based on Average Annual Household Expenditures subject to sales tax using Consumer Expenditure Survey for Phoenix MSA, U.S. Bureau of Labor Statistics September 2023 Release.

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17

SCOTTSDALE HAS ONE OF THE LOWEST CITY SALES TAX RATES IN THE VALLEY

Task Force Recommendation reduces overall tax rate from 1.75% to 1.70%



18

18

VISITOR CONTRIBUTION



In FY21/22
Visitors Contributed

12%

of Sales Tax Revenues

Source: Applied Economics Tourism Report –
October 2023. Percent excludes transient lodging
tax (bed tax).

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DEPARTMENT PRESENTATIONS



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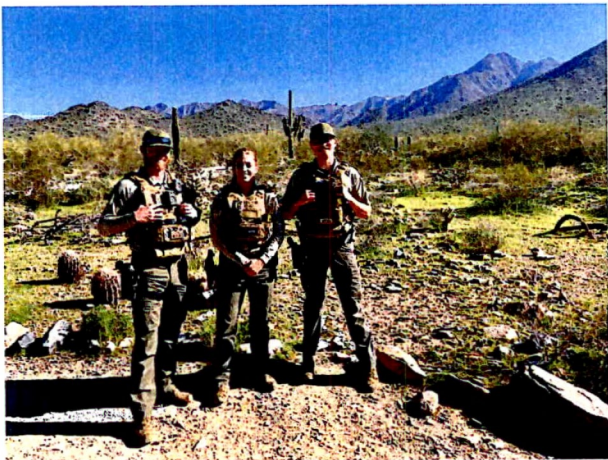
PUBLIC SAFETY-Police Richard Slavin, Assistant Police Chief



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CURRENT PARK AND PRESERVE SECURITY



- Currently there are 3 Police Park Rangers for 43 parks, 5 urban lakes, and 30,580 acres of the Preserve with 11 trailheads that extend 232 miles of trail
- Additional equipment needed to support the expanded unit
- Restricted funding from State Prop 207 allocations currently funding the Police Park Ranger Unit

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PROPOSED PARK AND PRESERVE SECURITY

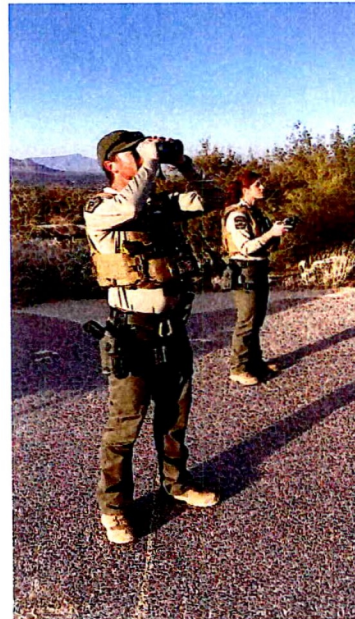
	Proposed	Current Estimated Costs
Staffing	6 Rangers 1 Sergeant 1 RTCC Tech	\$1,013,000/yr (\$143,000 one-time costs)
Contractual services	Veterinary services for six horses	\$60,000/yr
Equipment	Horse, bicycle, drones and other equipment	\$70,000/yr (\$399,000 every 3-5 years)
Vehicles	(2) Trucks, ATF/Side-by-Side, Trailer	\$210,500 (\$203,500 one-time costs)

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23

PROPOSED PARK AND PRESERVE SECURITY

- **The Park & Preserve Unit**
 - *Enhances Public Trust – Safety and Well-being*
 - Provides a specialized level of service to include search and rescue operations, crime prevention, homeless outreach, protection of natural resources, and community education in our open spaces.
 - The Park & Preserve Unit supports Safety and Open Space Elements of the General Plan 2035



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24

PROPOSED PARK AND PRESERVE SECURITY

- **Current services are limited because of**
 - 3 positions and no unit specific supervisor
 - Scheduling availability is limited over the course of the week
 - Split focus between enforcement, education, outreach, and rescue operations
- **If additional funding isn't identified:**
 - Crime prevention and enforcement support at parks, preserves, trails, and search and rescue will be dependent on patrol staff availability and other calls that are occurring.
 - Increased response times in open spaces
 - Reduced education and community involvement
 - Availability and coverage will be limited across the city and over the week because the size of the unit will stay the same

25

25

PROPOSED PARK AND PRESERVE SECURITY

- **This funding would allow the Park & Preserve Unit to:**
 - Add more positions to expand coverage both across the city and over the week; and
 - Ensure technical skills, knowledge specific to our open spaces, archeological locations, and desert landscape are provided and understood to protect and educate users; and
 - Provide sufficient tools and resources (bikes, mounted support, outdoor equipment, drones, etc.).

26

26

COMMUNITY SERVICES

Nick Molinari,
Community Services Assistant Executive Director



27

27



Eldorado Park

Chesnutt Park

Chaparral Park

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29

DEPARTMENT APPROACH TO RECOMMENDED IMPROVEMENTS



City Council-Approved Work Plan

Scottsdale General Plan 2035

- Recreation Element**
 Develop plans for the maintenance, renovation, and enhancement of community recreational facilities, and invest necessary resources to keep assets sustainable. (R.17)
- Open Space Element**
 Renovate, renew, and upgrade city parks and recreation facilities in response to changing community demographics, priorities, and needs. (OS 8.6)

Age & Condition of Parks

30

30

DEPARTMENT APPROACH TO COST ESTIMATES

- Address the most critical needs while maintaining the tax at 0.15%
- Targeted and phased improvements based on approved master plan projects and tax collection

Current Range for New Park Construction/Full Renovation – \$3-\$3.8 Million Per Acre			
Ashler Hills Neighborhood Park	\$11.0 million	3.5 acres	\$3.1 million/acre
Scottsdale Civic Center	\$33.5 million	9.0 acres	\$3.7 million/acre

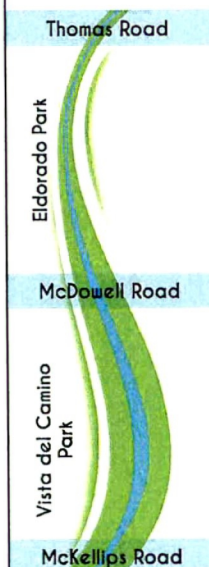
Full park renovation **is not** the approach we are recommending for the improvements to the Indian Bend Wash Parks through the tax.

Phased/Target-Based Park Improvements			
5 Indian Bend Wash Parks	\$248.0 million	313 acres	\$792K/acre

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CURRENT PARK IMPROVEMENT EFFORTS AND NEEDS



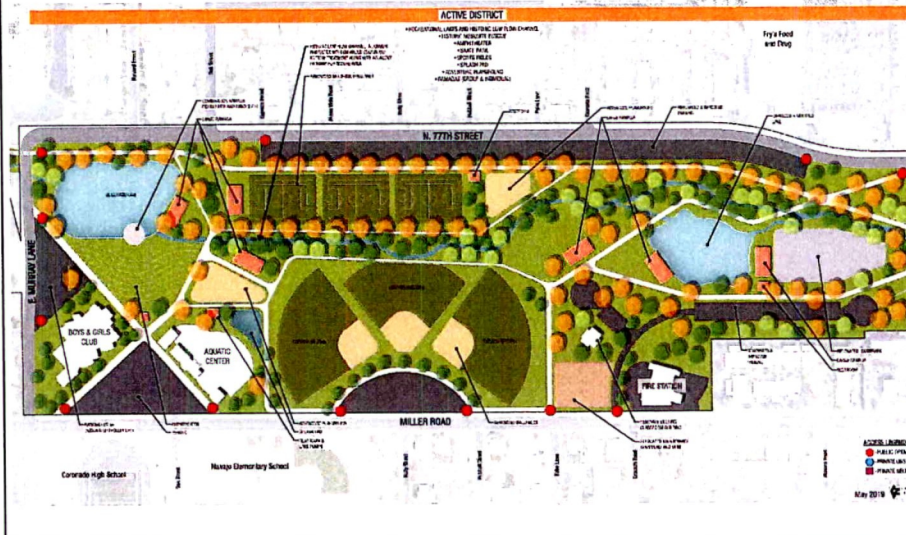
- **Indian Bend Wash Master Plan: Thomas to McKellips**
- **Indian School Park Master Plan – Underway, Estimated Completion in 2024**
- **Parks and Recreation City-Wide Master Plan – Underway, Estimated Completion in 2024**
- **Significant Community Input Obtained for All Master Plans**

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32

32

INDIAN BEND WASH MASTER PLAN: THOMAS TO MCKELLIPS



Community
Engagement – 2018-2019

DRB
Approval – Dec. 2019 (7-0)

Planning Commission
Approval – Jan. 2020 (7-0)

City Council
Approval – March 2020 (7-0)

Approximately 45% of the improvements have been identified and approved by our boards, commissions, and Council.

33

33

VISTA DEL CAMINO (52 YRS OLD) ELDORADO PARK (56 YRS OLD) (INDIAN BEND WASH MASTER PLAN: THOMAS TO MCKELLIPS)

Funded by Bond 2019

Repair Lakes and Irrigation at Vista
Del Camino and Eldorado Parks



34

34

VISTA DEL CAMINO (52 YRS OLD) ELDORADO PARK (56 YRS OLD) (INDIAN BEND WASH MASTER PLAN: THOMAS TO MCKELLIPS)

Funded by Bond 2019

Repair Lakes and Irrigation at Vista Del Camino and Eldorado Parks



Unfunded Needs

- Shade
- Pickleball/sport courts
- Splash pads
- Renovated/improved parking
- Adventure playgrounds
- Renovated softball fields
- Renovated soccer fields with lighting
- New restrooms throughout both parks
- Relocated maintenance compound
- Disc golf course improvements
- Boat dock replacement
- Expanded/improved Vista del Camino Center patio
- Mature trees
- Skate park replacement
- New ramadas
- New dog park
- New multi-use paths and enhanced landscaping
- Park-based cameras
- Expanded/improved Vista del Camino Center patio
- Vista del Camino Boat House
- Mature trees
- New amphitheater
- New boat house

35

35

INDIAN SCHOOL PARK (43 YEARS OLD) INITIAL COMMUNITY INPUT

- Restroom replacements
- Multi-use path and ADA improvements throughout the park
- Shade and mature trees
- Existing building consolidation/multi-generational center
- Adaptive/signature playground
- Splash pads
- Pickleball courts
- Sport court improvements (volleyball and basketball)
- Amenity and site improvements
- Irrigation repairs
- Landscaping improvements
- Parking lot improvements
- Wayfinding
- Park based security cameras
- Connectivity enhancements



Master plan improvements will go through the Parks and Recreation Commission, DRB, Planning Commission, and City Council prior to approval

36

36

CHAPARRAL PARK (50 YEARS OLD) IMPROVEMENT NEEDS



- Irrigation system replacement
- Restroom replacements
- Community building improvements/replacement
- Dog park improvements/expansion
- Soccer field improvements
- Adaptive/signature playground
- Splash pad
- Par course (outdoor exercise course) replacement
- Landscape improvements
- Mature trees
- Wayfinding
- Park based cameras - security

37

37

PROPOSED CITY-WIDE PARK IMPROVEMENT NEEDS



- Irrigation system repairs/replacements
- Playground and amenity replacements
- Addition of shade and trees to all parks
- Sport court improvements
- Amenity replacements (ramadas and lighting)
- ADA Improvements
- Xeriscape projects for water conservation
- Landscape improvements
- Irrigation technology upgrades

During the life of this tax some of Scottsdale's central parks will be 60-70 years old, with no dedicated funding source for improvements.

38

38

CITY MANAGER'S OFFICE
Bill Murphy,
Assistant City Manager



WESTWORLD



90 Events in FY 2022-2023

365 days a Year

Investment in Drainage, Shade and Flex-use, Traffic access will yield:
-Increased event days year-round and increase Tourism, sales tax and WestWorld user fees

TASK FORCE RECOMMENDS USE OF 0.15% TAX

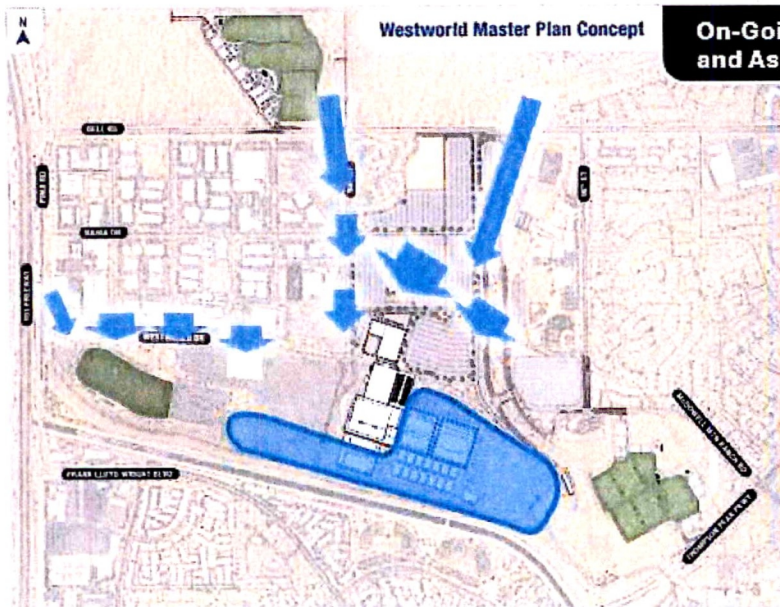
Address Critical Infrastructure for WestWorld Recreational Facility

- Drainage
- Shade
- Recreation
- Access



41

41



On-Going Drainage Review and Assessment

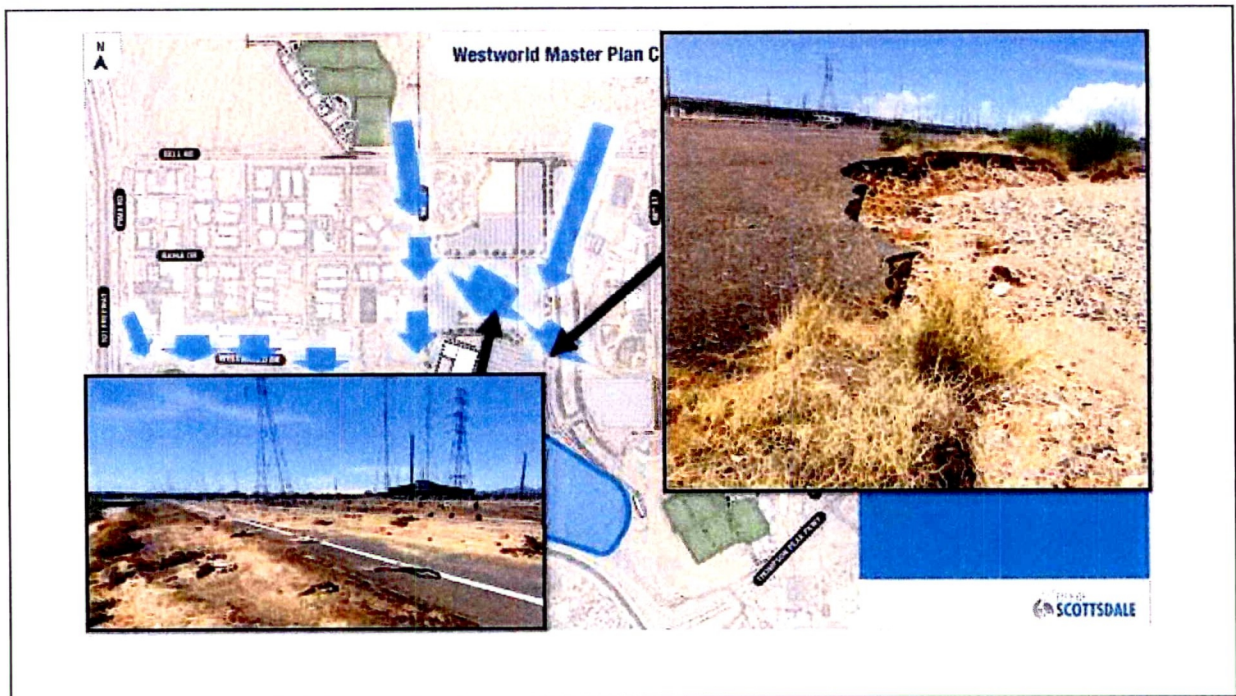
- Recent rainfall events
 - Summer 2018
 - August 2022
 - Jan. – Feb. 2024
- Existing off and onsite drainage issues
 - Reata wash
 - 94th street wash
 - Bahia channel
 - Development north of WW
 - Existing barns
 - Open arenas
 - WW south road

SCOTTSDALE

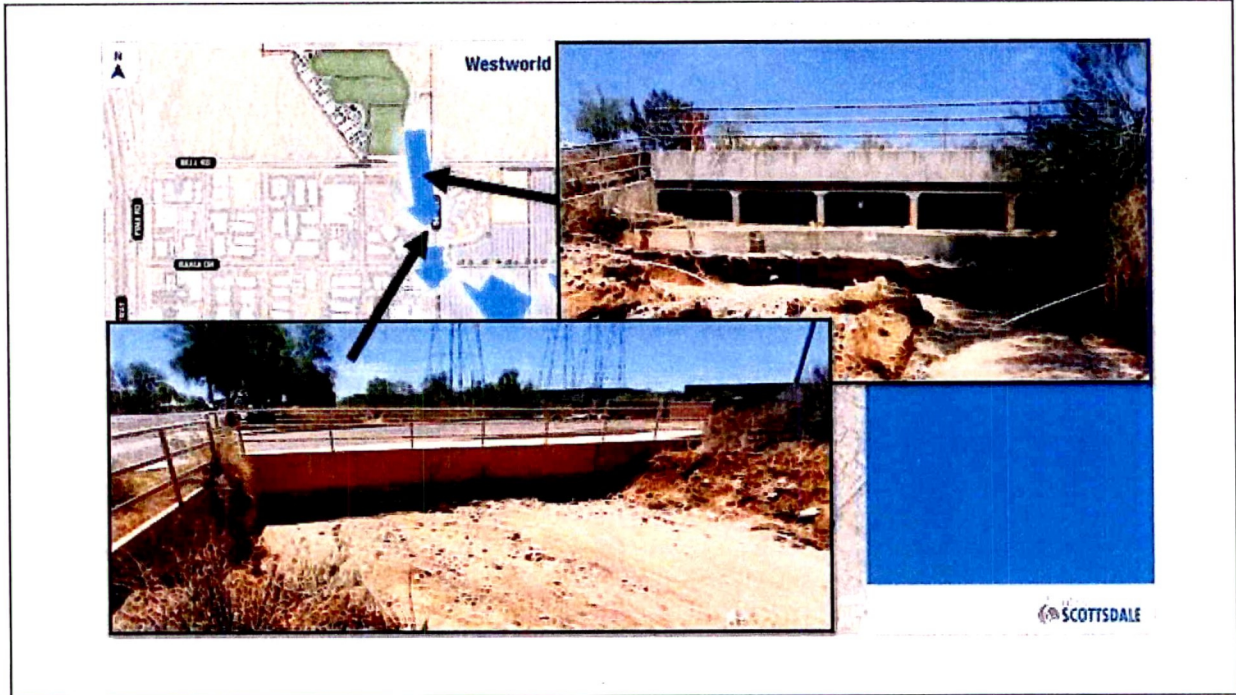
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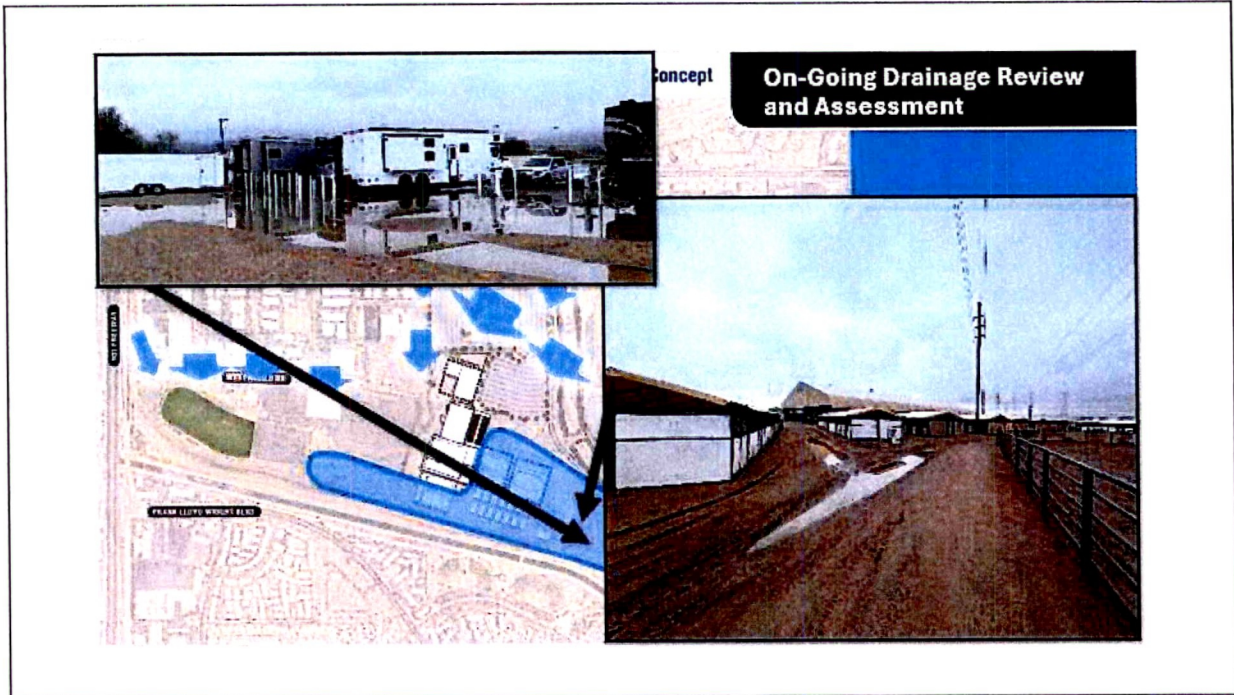
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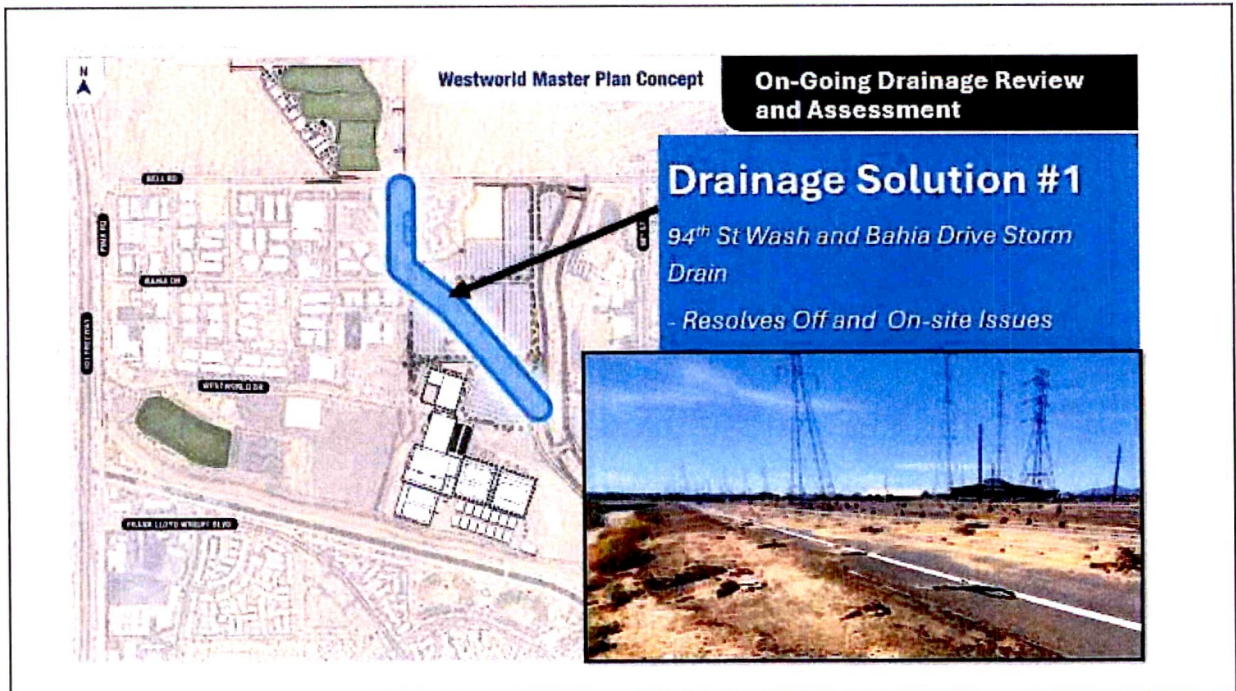
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Going Drainage Review Assessment

Drainage Solution #2

Core Westworld Facilities and South Rd. Drainage

- Resolves On-site Issues

SCOTTSDALE

49

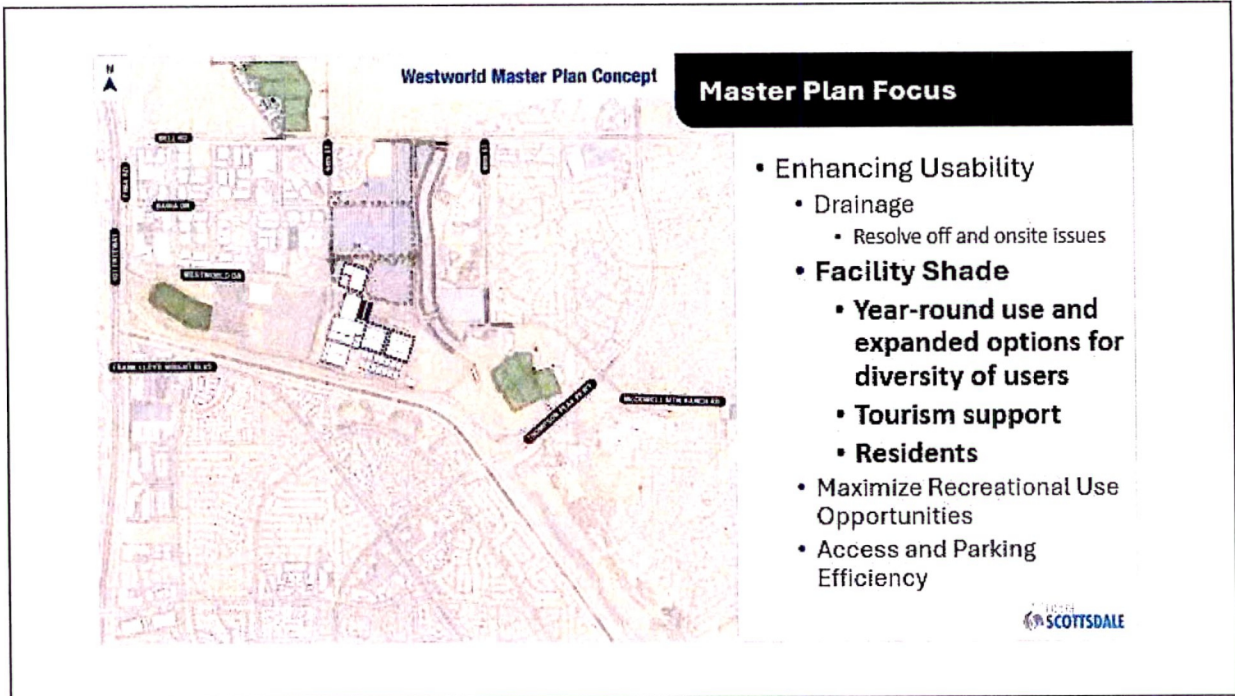
Going Drainage Review Assessment

Drainage Solution #3

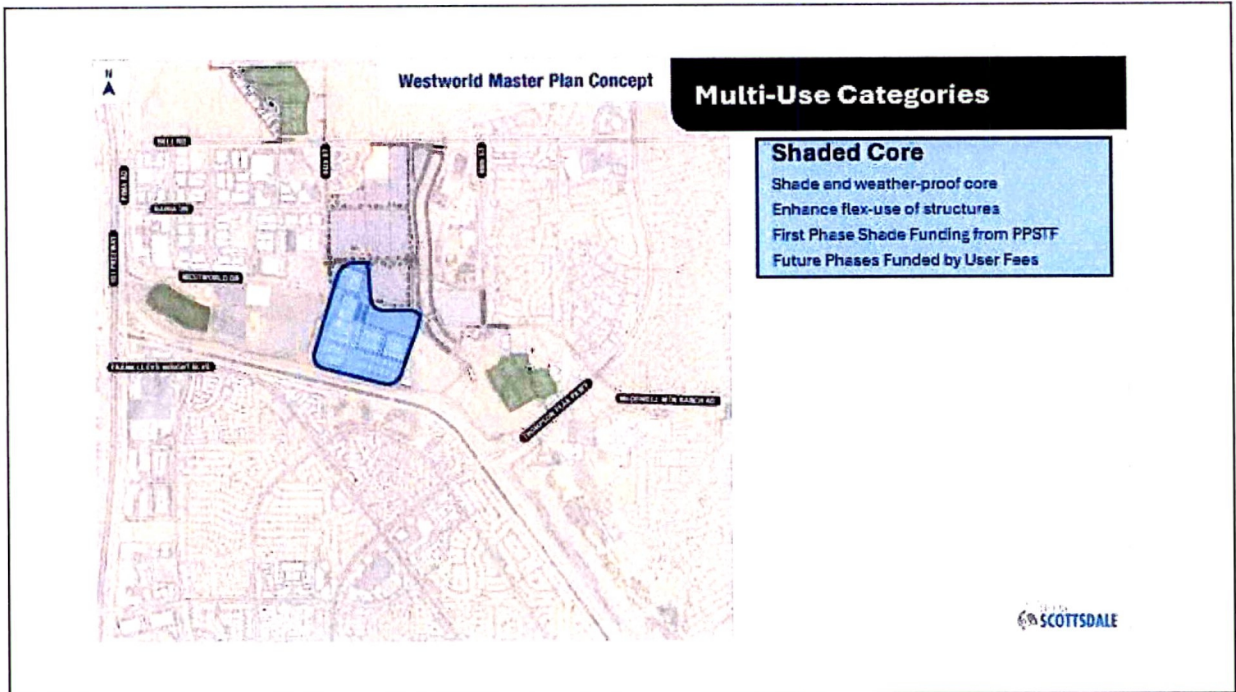
Westworld Drive Channel

- Resolves Off and On-site issues

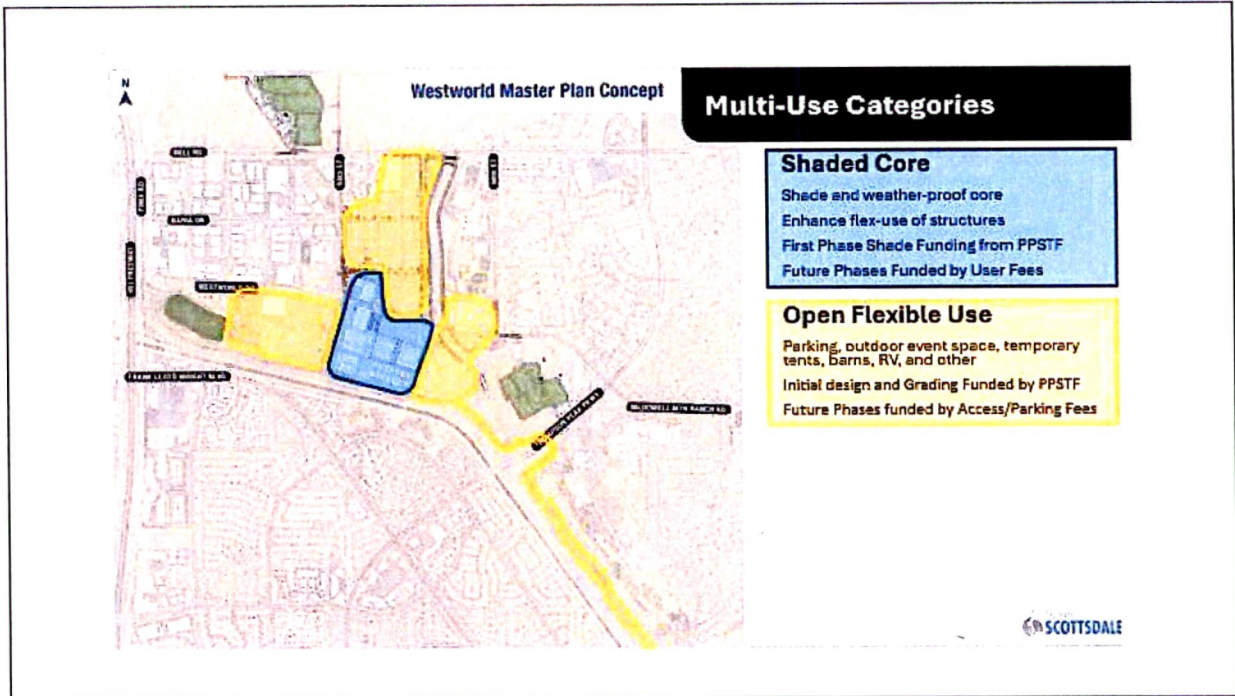
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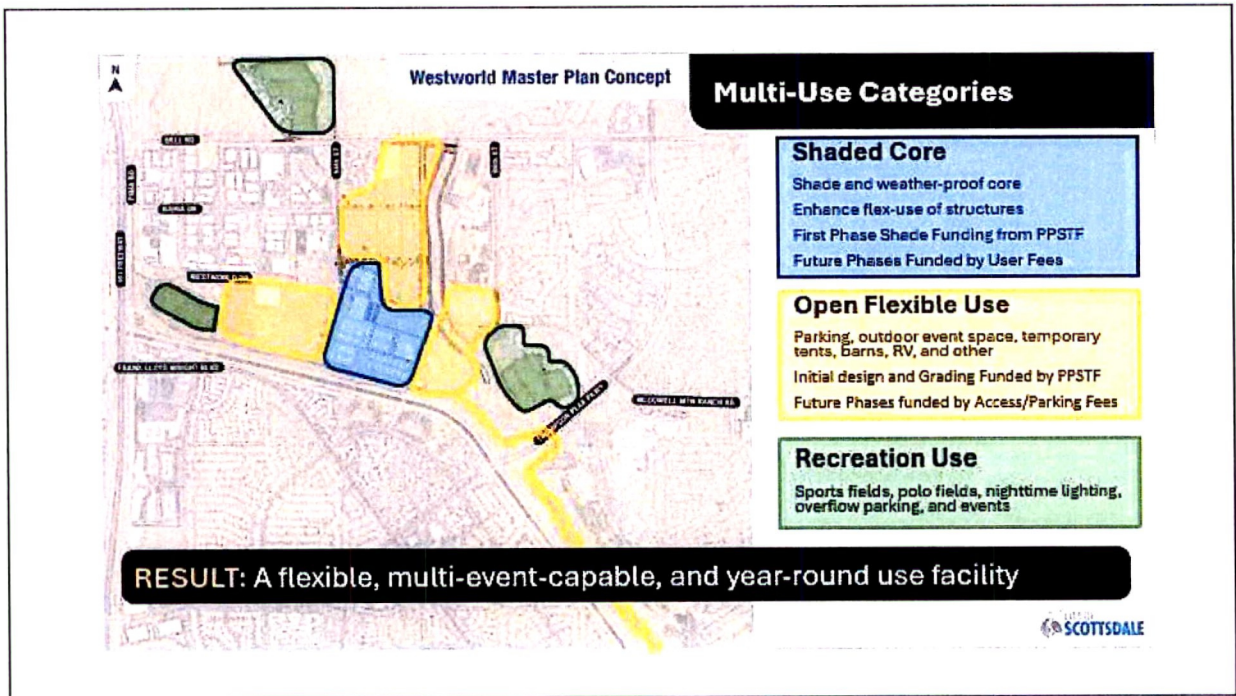
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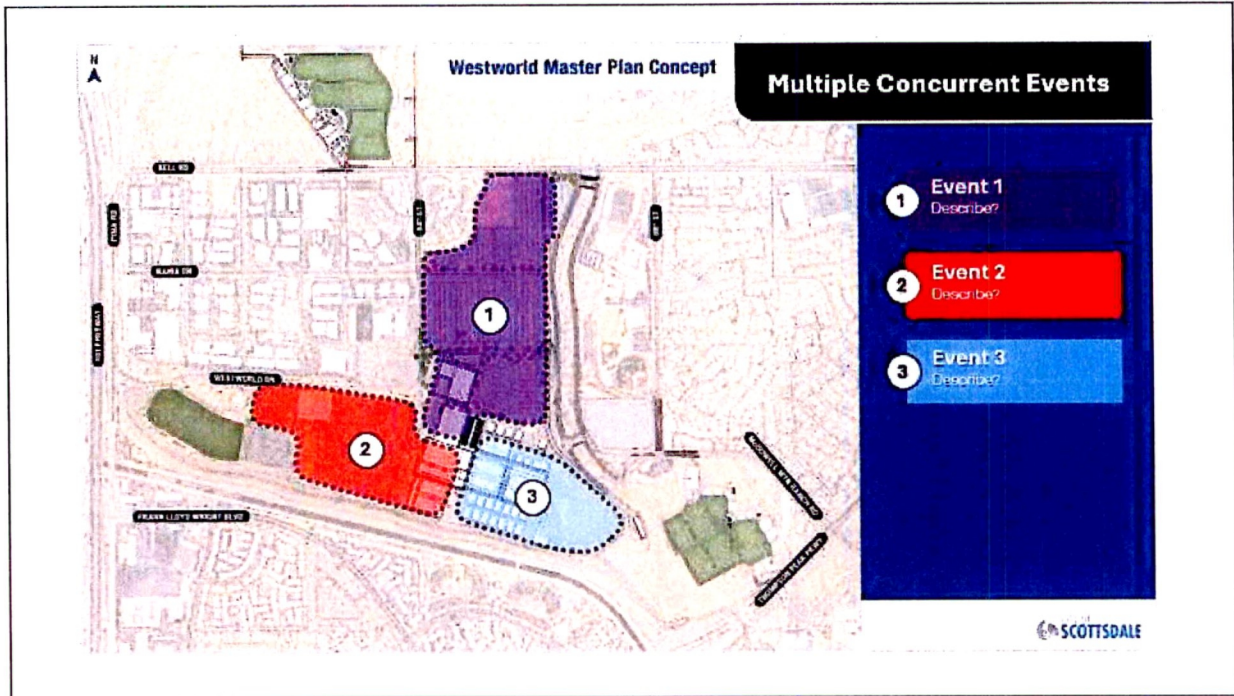
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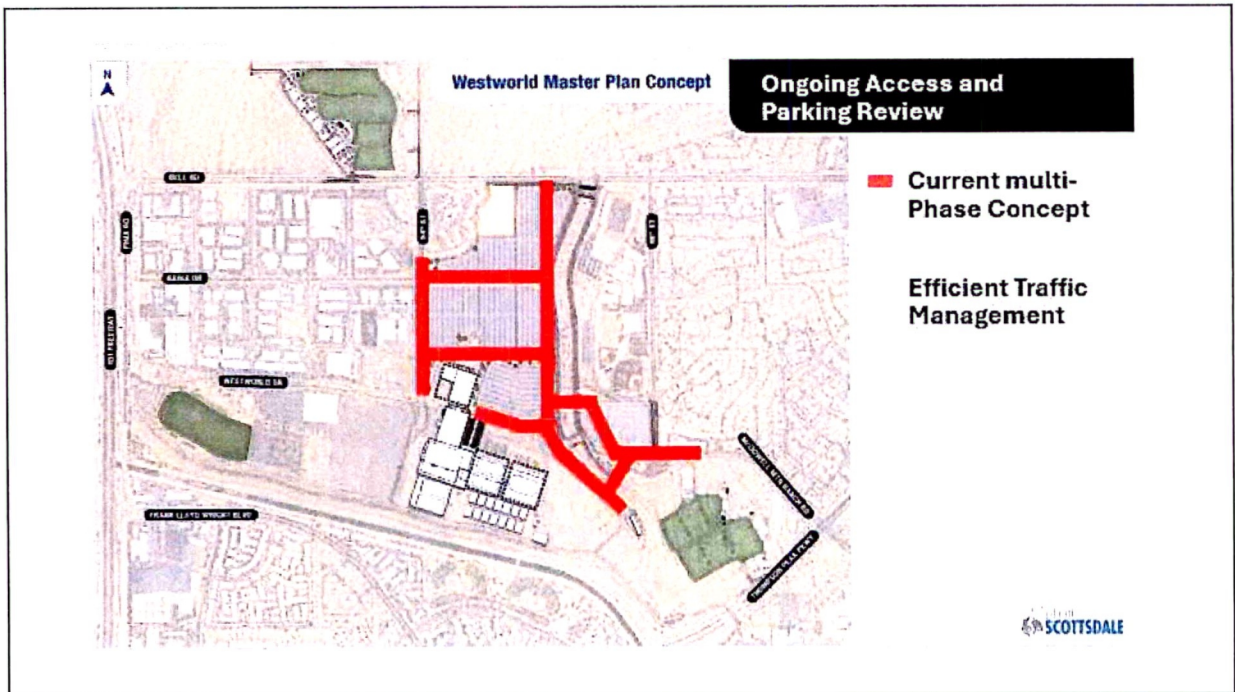
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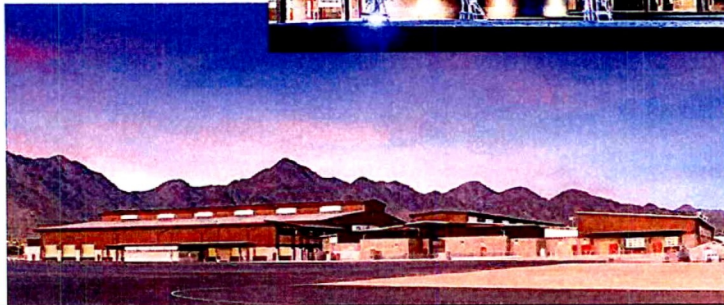


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TASK FORCE RECOMMENDS USE OF 0.15% TAX

Address Critical Infrastructure for WestWorld Recreational Facility

- Drainage
- Shade
- Recreation
- Access



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57

COMMUNITY SERVICES
Nick Molinari,
Community Services Assistant Executive Director



58

58

PARK MAINTENANCE RESPONSIBILITIES



- 97 maintenance employees
- 1,049 total acres of parks
- 22 neighborhood parks
- 15 community parks
- 4 sports complexes
- 8 specialty parks
- McCormick-Stillman Railroad Park
- Maintenance of Old Town and Entertainment District
- Maintenance of 696-acres of medians and rights-of-way
- Maintenance of 97 sports fields

59

59

PROPOSED PARKS ANNUAL MAINTENANCE NEEDS

	Proposed	Estimated Cost
Staffing Needs	18 new FTEs for city-wide parks with concentration in southern parks	\$1,656,000/annually
Contractual Needs	Tree care, landscape contracts, turf improvements, painting, fleet services, master planning/architectural services, increased custodial, software, etc.	\$1,150,000/annually
	Total	\$2,806,000/annually

60

60

PROPOSED PARKS ANNUAL MAINTENANCE NEEDS

Citywide Benefits of Staffing Increases	
Create a neighborhood park maintenance team	Citywide Benefit
Develop an urban forestry team	Citywide Benefit
Additional maintenance support for Indian Bend Wash Parks	Indian Bend Wash + Citywide Benefit
Dedicated specialists for dog parks & sports fields	Citywide Benefit
Increased part-time hours for park roving and additional park security	Citywide Benefit

61

61

PROPOSED PARKS & RECREATION ANNUAL CARE AND PROTECTION NEEDS - CONTRACTUAL



- Tree care and pruning
- Landscape contracts (cleanups, trash & litter pickup, landscape improvements, xeriscape projects)
- Painting
- Turf improvements
- Ongoing master planning
- Fleet services and equipment rental
- Supplemental custodial
- Technology for lifecycle, work management, asset management, and tree inventory program
- Vector services



62

62

SCOTTSDALE'S MCDOWELL SONORAN PRESERVE

Kroy Ekblaw,
Preserve Director



63

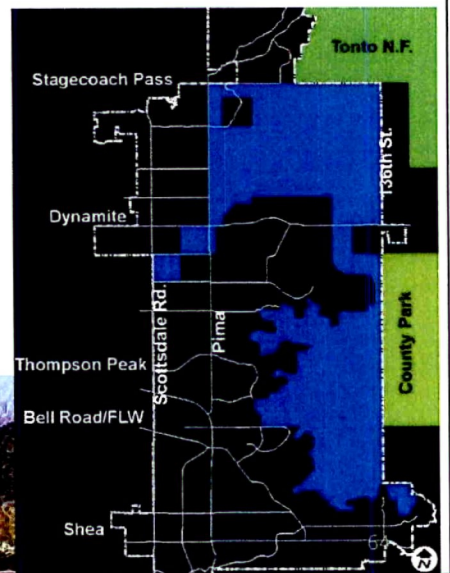
63

1990-2004 - Support for the Preserve

A Collaborative Effort to Protect the Mountain and Desert Environment

Community Support, Awareness and Education Stressed

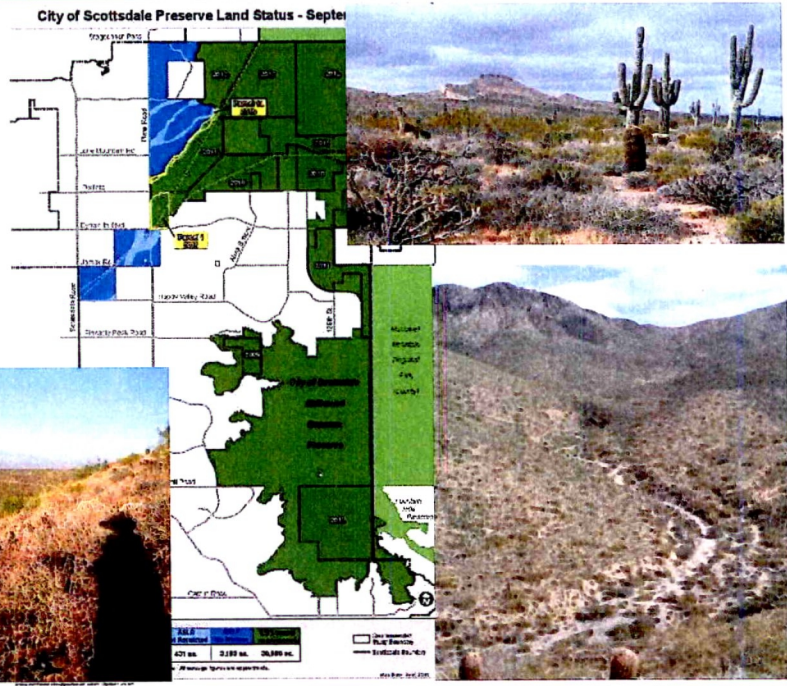
- Preservation Champions
- Landowner Communications
- Media Relationship
- Tourism
- Development



64

1995-2016
Land Acquisition
30,580

Acres Protected
City Ownership, Zoning,
Easements or Similar

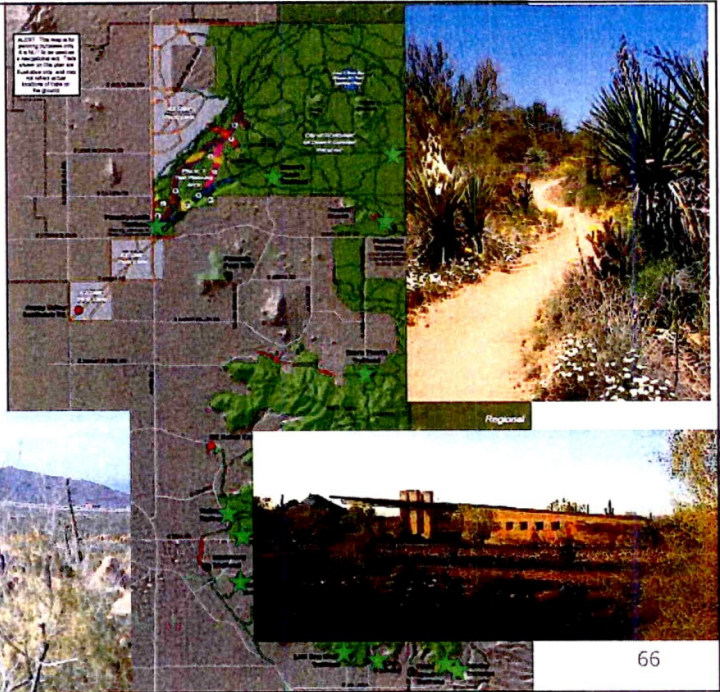


2000-2022
Preserve Improvements

235 Miles of Trails

12 Trailheads

1,000,000+ Yearly Visits
Citywide usage including tourists



2015 – Present

Preserve Commission – Provide Long Term Care and Protection

\$1.6B – Expected Investment by Citizens of Scottsdale

No Dedicated Funding for Care and Protection

Lack of Comprehensive wildlife habitat protection and awareness

McDowell Sonoran Preserve Commission and
the Protect and Preserve Scottsdale Task Force

Recommending \$3.5M/year for care and protection of the Preserve

67

67

TASK FORCE RECOMMENDS USE OF 0.15% TAX

Provide Dedicated Funding for Care and Protection of the McDowell Sonoran Preserve

Daily Care and Protection of Preserve:

- Protect Archeologic Resources
- Preservation of Wildlife Habitat
- Habitat Protection from:
 - Invasive Plants
 - Wildland fire fuel loads
 - Historic Scars/Disturbance



68

68

Protecting the Preserve: Daily Care and Protection

- Maintain and clean trailheads and trails, maps, signs, info, volunteer and project support



69

Protecting the Preserve: Protect Archeological Resources

- Complete Cultural Surveys for un-surveyed areas in the Preserve
- Identify, design and install appropriate protection and interpretive education signage



70

Protecting the Preserve: Preservation of Wildlife Habitat

- Monitor plants and wildlife for changes over time
- Impacts of Urban Interface at Preserve boundaries



Preserve Ecological Resource Plan

Guide which species to be monitored & thresholds for threats to diversity and sustainability

71

71

Preservation of Wildlife Habitat : Examples of Monitoring



72

Preservation of Wildlife Habitat : Monitoring and Awareness

With Monitoring and understanding of what is Sensitive:

- ✓ Explain benefits of protecting the Preserve
- ✓ Assure program outreach and availability
- ✓ Provide diverse experiences (on-site/hands-on/virtual/etc.)



73

Protecting the Preserve: Habitat Protection

- Invasive Plants
Yearly treatment of 50-200 acres



74

74

Protecting the Preserve: Habitat Protection

- Invasive Plants
Yearly treatment of 50-200 acres

No Removal, Management or Inconsistent Efforts Encourages:

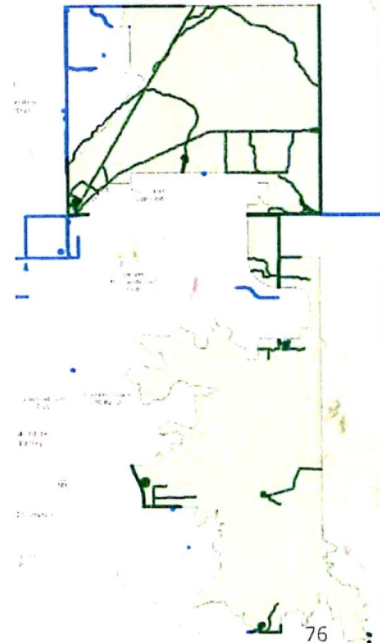
- Further degradation of Wildlife Habitat,
- Loss of Native Plants
- Expansion of invasive plants and
- Increased Wildland Fire Risks in and around Preserve
- Viewshed blight



75

Protecting the Preserve: Habitat Protection

- Wildland Fire Fuel Load Management/Reduction(In Preserve)
Yearly management of 94 corridor miles (Green Lines)
Reduce fuel load and minimize fire potential on 335 acres
Coordination with Scottsdale Fire, Citywide Efforts(Blue)
-Chief Shannon will Discuss Citywide Plan



76

Protecting the Preserve: Habitat Protection

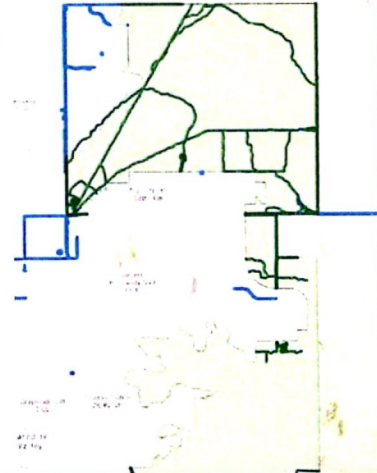
- **Wildland Fire Fuel Load Management/Reduction(In Preserve)**
Yearly management of **94 corridor miles (Green Lines)**
Reduce fuel load and minimize fire potential on **335 acres**

Coordination with Scottsdale Fire, Citywide Efforts(Blue)

-Chief Shannon will Discuss Citywide Plan

No Reduction or Inconsistent Efforts Encourages:

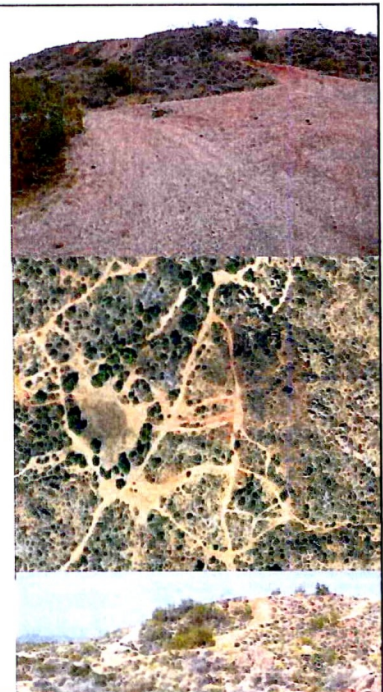
- Increased Wildland Fire Risks (in and out of Preserve),
- Increased risk for invasive plants
- Loss of Wildlife Habitat/Native Plants



77

Protecting the Preserve Habitat Protection

- **Historic Scars/Disturbance**
Restoration of +/-200 acres of previously disturbed
Wildlife Habitat Areas



78

Protecting the Preserve: Habitat Protection

- **Historic Scars/Disturbance**
Restoration of +/-200 acres of previously disturbed Wildlife Habitat Areas
 - No restoration encourages:
 - Further degradation of Flora and Wildlife Habitat
 - Foothold for invasive plants
 - Viewshed blight



79

Protecting the Preserve: Habitat Protection

- **Invasive Plants**
Yearly treatment of 50-200 acres
- **Wildland Fire Fuel Load Management/Reduction**
Yearly management of 94 corridor miles (335 acres),
Reduce fuel load and minimize fire potential
- **Historic Scars/Disturbance**
Restoration of +/-200 acres of previously disturbed Wildlife Habitat Areas

Mapping and assessment to confirm intended progress of Habitat Protection



80

PROPOSED MCDOWELL SONORAN PRESERVE ANNUAL CARE AND PROTECTION NEEDS

	Proposed	Current Estimated Costs
Staffing needs	Up to 4 additional FTEs	\$945,000/yr
Contractual services	Consistent, Dedicated Daily Care and Protection of Archeologic Resources and Wildlife Habitat; Removal and Reduction of Invasive Plants; Wildland fire fuel loads and Historic Scars Monitoring of Flora and Fauna Habitat and awareness of changes	\$2,597,000/yr
Commodities		
Facilities		
	Total	\$3,542,000/yr

81

81

TASK FORCE RECOMMENDS USE OF 0.15% TAX



**Provide Dedicated
Funding for Care and
Protection of the
McDowell Sonoran
Preserve**



82

PUBLIC SAFETY-Fire Tom Shannon, Fire Chief



83

83

CURRENT FIRE FUEL MITIGATION AND TECHNICAL RESCUE



Lack of Funding

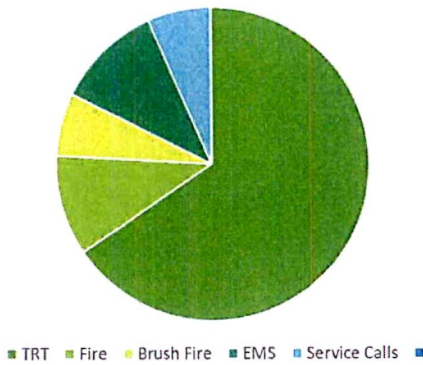
- **3 Community Risk Reduction Captains**
- **1 Technical Rescue Team**
- **Brush patrol charged to department OT**
- **No dedicated funding**
- **Grants can only be awarded to specific area one-time**
- **598 calls for service 2017 to 2023**

84

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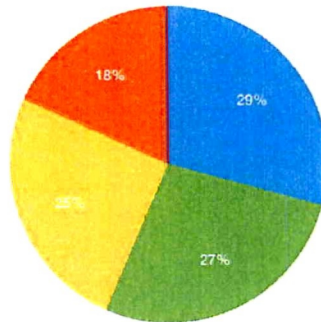
Resource requirements Preserve Rescues 5/17 to 4/23

Calls Types 2017 to 2023

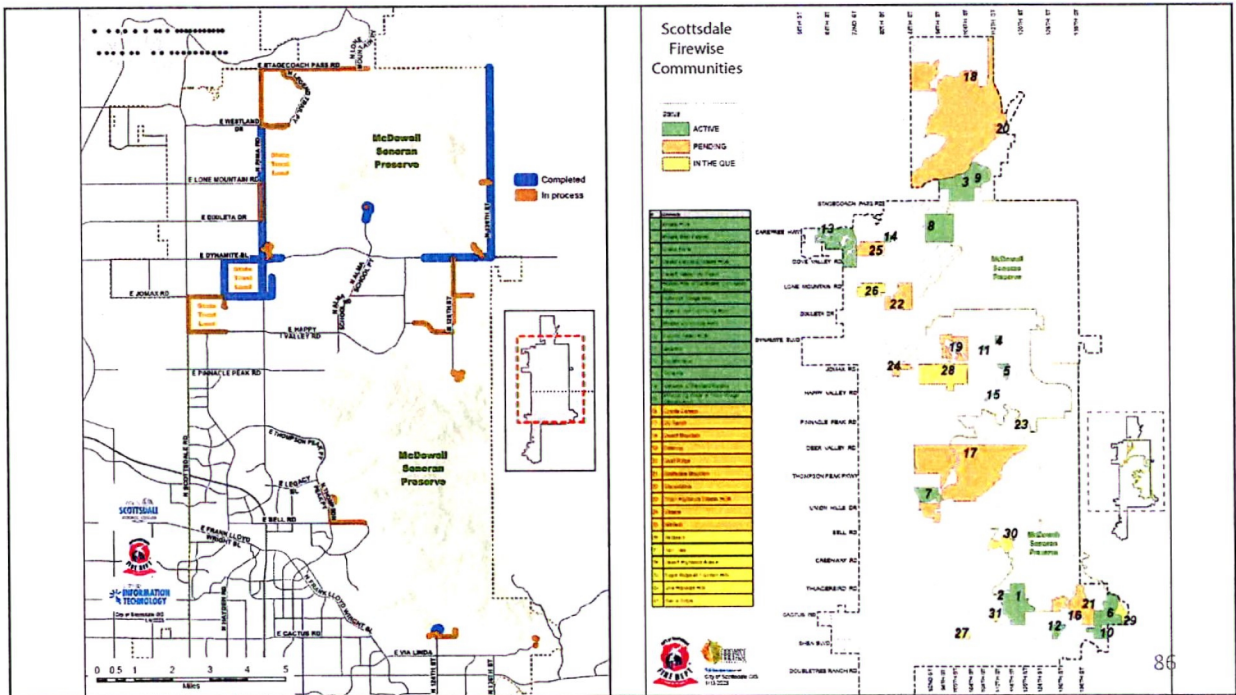


Methods of Rescue

● WALK OUT ● STOKES/WHEEL ● GATOR ● HELICOPTER



Call Type	Count
Technical Rescue	392
Brush Fires	39
EMS	66
Fire (non brush)	62
Service Call	39



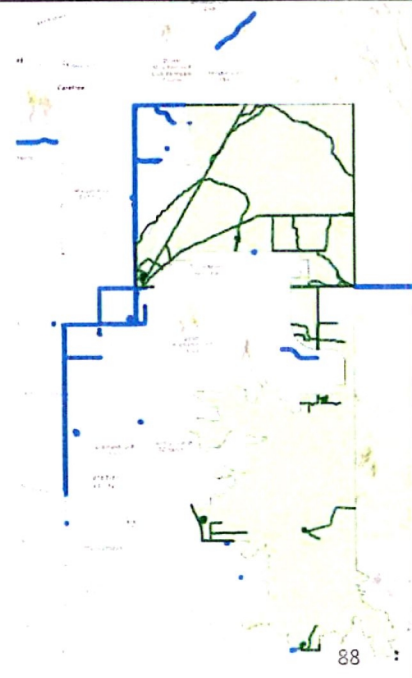
PROPOSED FIRE FUEL MITIGATION AND TECHNICAL RESCUE

	Proposed	Current Estimated Costs
Staffing	3 Community Risk Reduction Captains 1 Fuels Mitigation Manager Brush patrol OT 2 nd Technical Rescue Team On-going training	\$1,307,000/yr \$215,000 one-time costs
Contractual services	Fuel abatement and medical exams	\$304,000/yr
Equipment/Supplies	Vehicles and equipment	\$222,000/yr \$240,000 every 3-5 years

87

87

PROPOSED FIRE FUEL MITIGATION AND TECHNICAL RESCUE

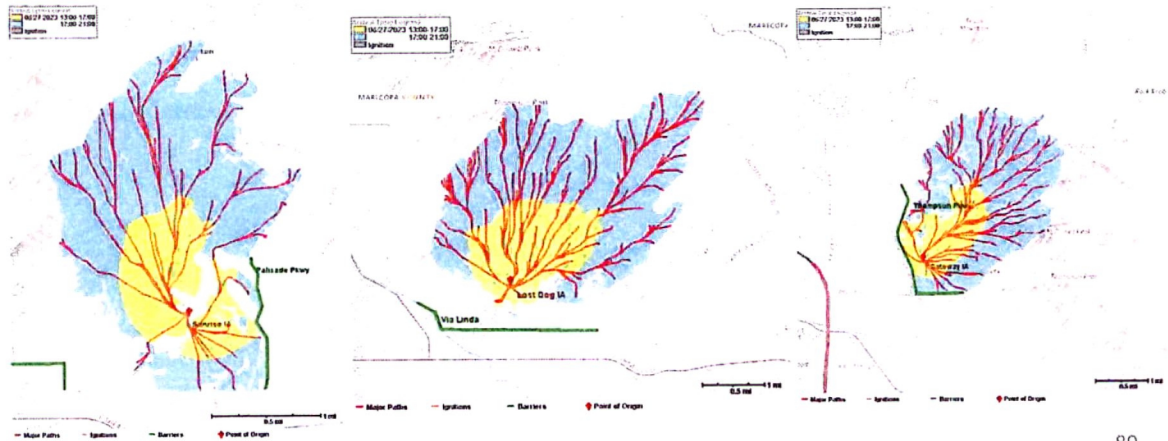


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88

PROPOSED FIRE FUEL MITIGATION AND TECHNICAL RESCUE

Ongoing vulnerabilities of heavy fuel loads



FINANCIAL CONSIDERATIONS






CITY TREASURER'S OFFICE
 Sonia Andrews,
 City Treasurer



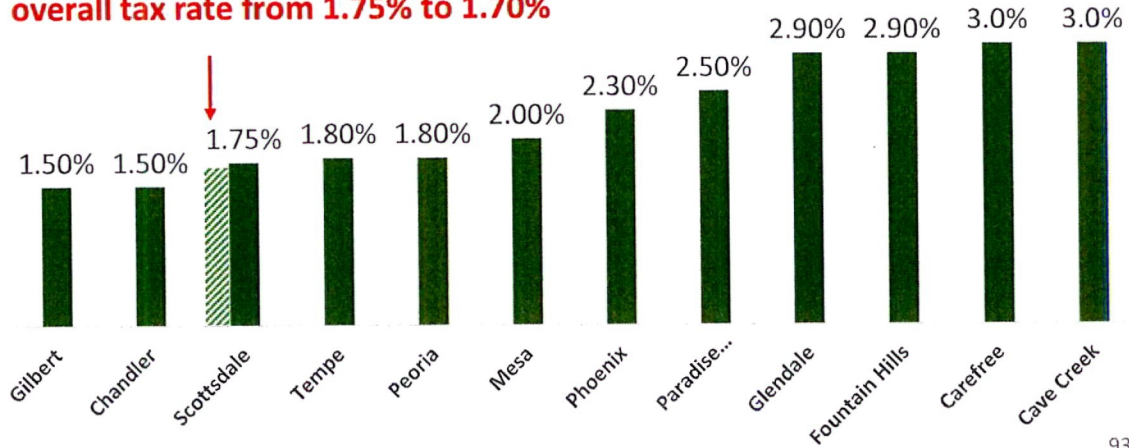
SCOTTSDALE'S SALES TAX RATE

Total Tax Rate 8.05%

<p>State 5.6%</p> 	<p>County 0.7%</p> 	<p>City 1.75%</p> 	<p>1.00% General Fund 0.10% Public Safety 0.30% Transportation 0.35% McDowell Preserve: 0.20% expires 6/30/25 0.15% expires 6/30/34</p>	<p>Task Force Recommends Replacing with 0.15% for 30 yrs effective July 1, 2025</p>
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COMPARISON OF CITY SALES TAX RATES

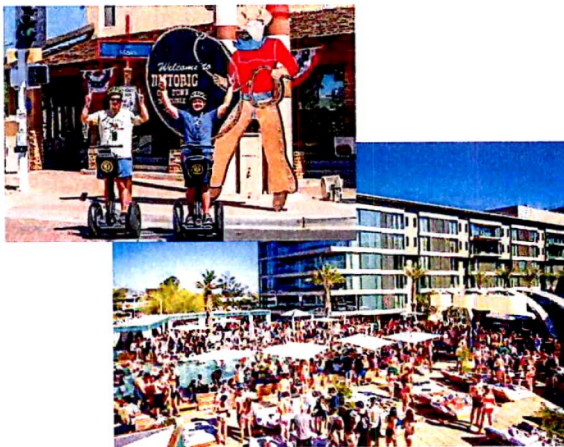
Task Force Recommendation reduces overall tax rate from 1.75% to 1.70%



93

93

VISITOR CONTRIBUTION



In FY21/22
Visitors Contributed
12%
of Sales Tax Revenues

Source: Applied Economics Tourism Report – October 2023. Percent excludes transient lodging tax (bed tax).

94

94

AVERAGE COST TO HOUSEHOLD OF PROPOSED TAX

	Average Household Cost	
	<u>Monthly</u>	<u>Annual</u>
Sales Tax Rate at 0.15%	\$3.71/mth	\$44.52/yr
Current Sales Tax Rate at 0.20%	\$4.95/mth /	\$59.36/yr
Net Decrease	(\$1.24/mth)	(\$14.84/yr)

Note: Amounts based on Average Annual Household Expenditures subject to sales tax using Consumer Expenditure Survey for Phoenix MSA, U.S. Bureau of Labor Statistics September 2023 Release.

95

95

SUMMARY OF CURRENT ESTIMATED COSTS

Unfunded Needs	Annual Operating Cost Estimate	Capital Improvement Cost Estimate
Indian Bend Wash Park Improvements		\$248.0M
City-Wide Park & Rec. Maintenance	\$2.8M	
McDowell Sonoran Preserve	\$3.5M	
Police Park Ranger and Park Security	\$1.7M	
Fire Fuels Mitigation and TRT	\$2.3M	
West World Improvements		\$44.2M
Total Current Cost Estimate	\$10.3M	\$292.0M

96

96

ANNUAL DISTRIBUTION OF PROPOSED 0.15% TAX

Example of Annual Tax Revenue Distribution		\$25.0M
Debt Requirements (primarily for WestWorld improvements)	<=25%	\$5.0M
Indian Bend Wash Park Improvements	51%	\$10.2M
City-Wide Park & Recreation Maintenance	14%	\$2.8M
McDowell Sonoran Preserve	18%	\$3.6M
Police Park Rangers	7%	\$1.4M
Fire Fuels Mitigation and Technical Rescue	10%	\$2.0M
Total		\$25.0M

Estimates are based on current revenue collections.

97

97

EXAMPLE CITIES WITH PARKS AND OPEN SPACE SALES TAX

	Parks & Open Space Sales Tax Rate	Total Sales Tax Rate
Phoenix	0.10%	2.30%
Denver	0.25%	4.13%
Boulder	0.77%	4.50%
Colorado Springs	0.10%	3.86%
St Louis	0.19%	3.07%
Kansas City	0.50%	4.95%
Columbia, MO	0.25%	2.00%
Scottsdale (Proposed)	0.15%	1.70%

98

98

WHAT IF THE PROPOSED 0.15% TAX IS NOT OBTAINED FOR UNFUNDED NEEDS

- Wait for next voter approved Bond program (will delay park and WestWorld improvements)
- Look for grant opportunities
- Look for General Fund money (funding may not be consistent year to year depending on General Fund budget priorities)
- No dedicated funding for critical needs identified by Task Force

99

99

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

Is There a Large Balance Remaining from the 0.20% or 0.15% Preserve Taxes Voters Approved in 1995 and 2004?

- No balance remaining from 0.20% Preserve Tax expiring 2025
- Remaining balance from 0.15% Preserve Tax expiring 2034:

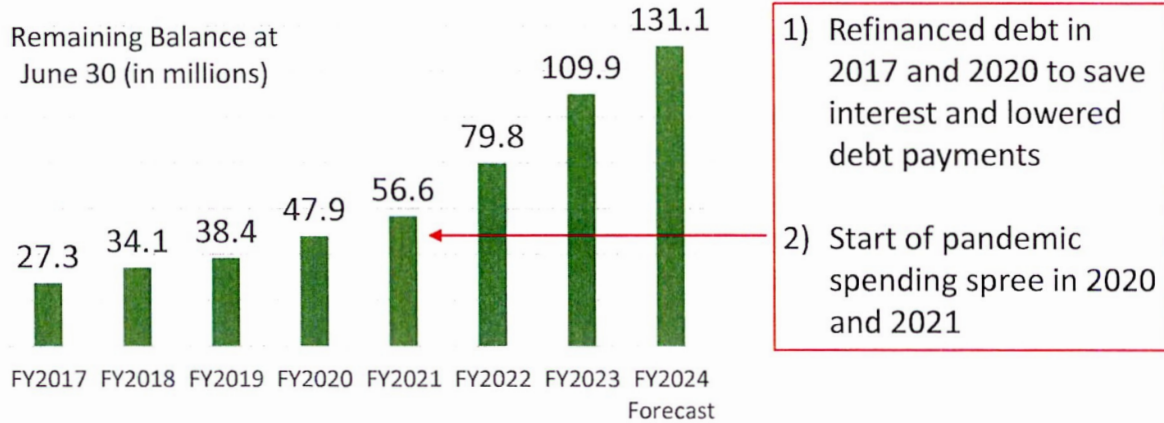
	6/30/24 Forecast
Reserve for Debt Service	\$39M
Restricted per Voter Approval	\$92M
Total Remaining Balance	<u>\$131M</u>

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QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

Why Is There a Large Fund Balance Remaining?

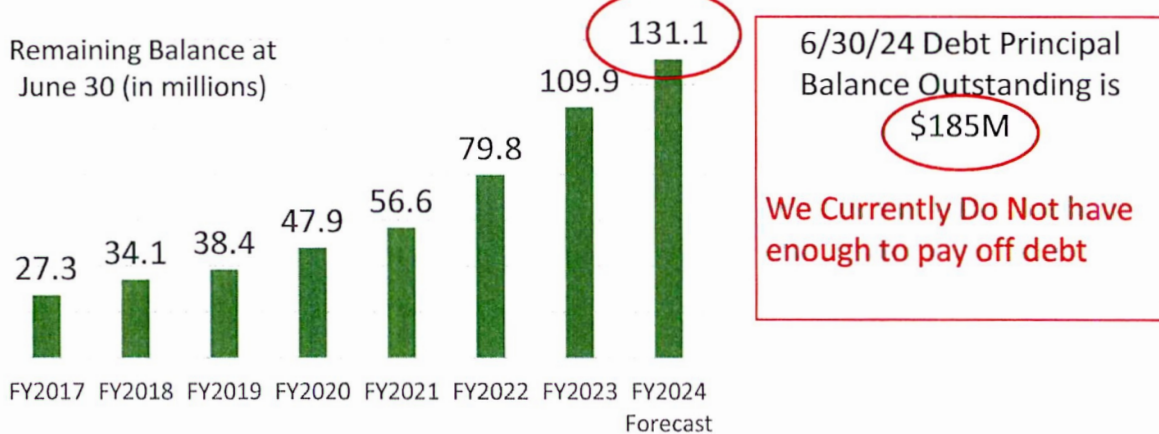


101

101

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

Can We Pay Off All Preserve Debt with Fund Balance?



102

102

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

To Payoff Debt and Sunset Preserve Taxes on 7/1/2025, we need to do the following:

1. Make the required principal and interest payment of \$38.8M for FY24/25
2. Deposit \$140M-\$150M* in an escrow on 7/15/25 (deposit needed depends on interest rates and projected interest earnings in escrow account)
3. Pay defeasance and escrow fees (est. \$100,000)
4. Invest escrow funds in U.S. Treasury/SLGS securities (escrow will exist to make debt payments through 2027)
5. Request voter approval to terminate the 0.15% Preserve Tax (city cannot terminate tax without voter approval)

This will result in No balance remaining for land bridge and other Preserve improvements.

*The cost of defeasance is subject to change, based on interest rates in July 2025

103

103

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

Can We Use the \$131M Balance For The Unfunded Needs?

- **Council can only ask voters to approve using Future Excess Collections from the 2004 0.15% Preserve Tax for additional purposes.** Existing Balance must be used for voter approved purposes only (Preserve improvements and debt payments)
- Limitation on November 2024 ballot, no room for another ballot question
- Preserve Commission would like to recommend using balance for land bridge and future trailhead improvements for Council consideration

104

104

ADDITIONAL TASK FORCE RECOMMENDATIONS AND FINAL THOUGHTS



105

105

TASK FORCE RECOMMENDATION #4 On 2004 0.15% Preserve Tax Expiring in 2034

- Take no current action on the 2004 0.15% Preserve Tax because this tax is still needed for debt service
- Study the 2004 0.15% Preserve Tax annually to determine if it is still needed for Preserve improvements and land acquisition
- If the debt can be paid off early, decide if this tax should be placed on a future ballot to sunset early
- City Treasurer should provide an annual update to the City Council related to the 2004 0.15% Preserve Tax, and include information on the fund balance and current and projected funding needs

106

106

TASK FORCE RECOMMENDATION #5

Recommended Ballot Language (Full Text)

OFFICIAL TITLE: A CITY CODE AMENDMENT TO EXTEND AND REDUCE SCOTTSDALE'S EXPIRING TRANSACTION PRIVILEGE AND USE TAX RATE TO FUND: 1) IMPROVEMENTS AND MAINTENANCE FOR CITYWIDE PARKS AND RECREATIONAL FACILITIES; 2) MAINTENANCE AND PROTECTION FOR THE MCDOWELL SONORAN PRESERVE; AND 3) INCREASED POLICE AND FIRE RESOURCES RELATED TO CITYWIDE PARKS AND THE PRESERVE.

DESCRIPTIVE TITLE: Authorizes the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years to fund the improvement, maintenance, and protection of citywide parks and recreational facilities and the maintenance and protection of the Preserve as determined by ordinance.

A "YES" vote shall have the effect of authorizing the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

A "NO" vote shall have the effect of denying the City the authority to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

107

107

TASK FORCE RECOMMENDATION #5

Recommended Ballot Language (Tagline Text)

SHALL SCOTTSDALE'S CURRENT 0.20% TRANSACTION PRIVILEGE AND USE TAX RATE, EXPIRING JUNE 30, 2025, BE REDUCED TO 0.15% AND EXTENDED FOR 30 YEARS TO FUND IMPROVEMENTS, MAINTENANCE, AND INCREASED POLICE AND FIRE PROTECTION OF CITYWIDE PARKS, RECREATIONAL FACILITIES, AND THE PRESERVE AS DETERMINED BY CITY ORDINANCE?

A "YES" vote shall have the effect of authorizing the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

A "NO" vote shall have the effect of denying the City the authority to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

108

108

TASK FORCE RECOMMENDATION #6

Ordinance Distributing Proposed 0.15% Tax Revenues

Section 1. A new Section 16-52 is hereby added to Scottsdale Revised Code, Chapter 16 (Licenses, Taxation and Miscellaneous Business Regulations), Article III (Privilege and Use Taxes) as follows:

Section 16-52. Use of 2024 0.15% Tax. All revenues generated from the 0.15% tax approved by the voters in 2024 through Proposition XXXX (the "2024 0.15% Tax") shall be used to protect, improve, and maintain the City's parks and recreational facilities (which includes limited WestWorld capital improvements), and to protect and maintain the McDowell Sonoran Preserve, for the benefit of all geographic areas within the City, with an emphasis on restoring and updating the Indian Bend Wash Greenbelt and other aged parks. Revenues from the 2024 0.15% Tax shall be distributed as determined by the City Council with the following specific ordinance restrictions:

- A. After Section (B) is satisfied, all other remaining 2024 0.15% Tax revenues shall be distributed as set forth below:
- 51% for City parks improvement needs.
 - 18% for McDowell Sonoran Preserve maintenance and protection.
 - 14% for City parks and recreational facilities maintenance (excluding WestWorld).
 - 10% to the Scottsdale Fire Department for City-wide related needs within the purposes of the 2024 0.15% Tax, which specifically includes, but is not limited to, technical rescue team(s) for the McDowell Sonoran Preserve and City parks and for fire fuel mitigation around the McDowell Sonoran Preserve and in and around the City parks for the protection and maintenance of the McDowell Sonoran Preserve and City parks.
 - 7% for increased McDowell Sonoran Preserve and City park police ranger unit(s) and park and McDowell Sonoran Preserve security.

109

109

TASK FORCE RECOMMENDATION #6

Ordinance Distributing Proposed 0.15% Tax Revenues

- B. Notwithstanding the above, on an annual basis, the City shall first use the 2024 0.15% Tax revenues to satisfy any debt requirements for debt issued or to be issued to finance specifically included capital projects within the purposes of the 2024 0.15% Tax. Debt requirements will be limited to no more than 25% of the 2024 0.15% Tax revenues on an annual basis.
- C. At the end of each year, any unused 2024 0.15% Tax revenues in each category listed in Section (A) will be carried forward for use in future years within the same category. Any unused 2024 0.15 % Tax revenues listed in Section (B) will be reserved for debt requirements as set forth in Section (B).
- D. Beginning on XXXX, 20XX, and continuing for the term of the 2024 0.15% Tax, the City Treasurer will prepare an annual accounting of the 2024 0.15% Tax for the City Council.

110

110

TASK FORCE RECOMMENDS OVERSIGHT FOR 0.15% TAX



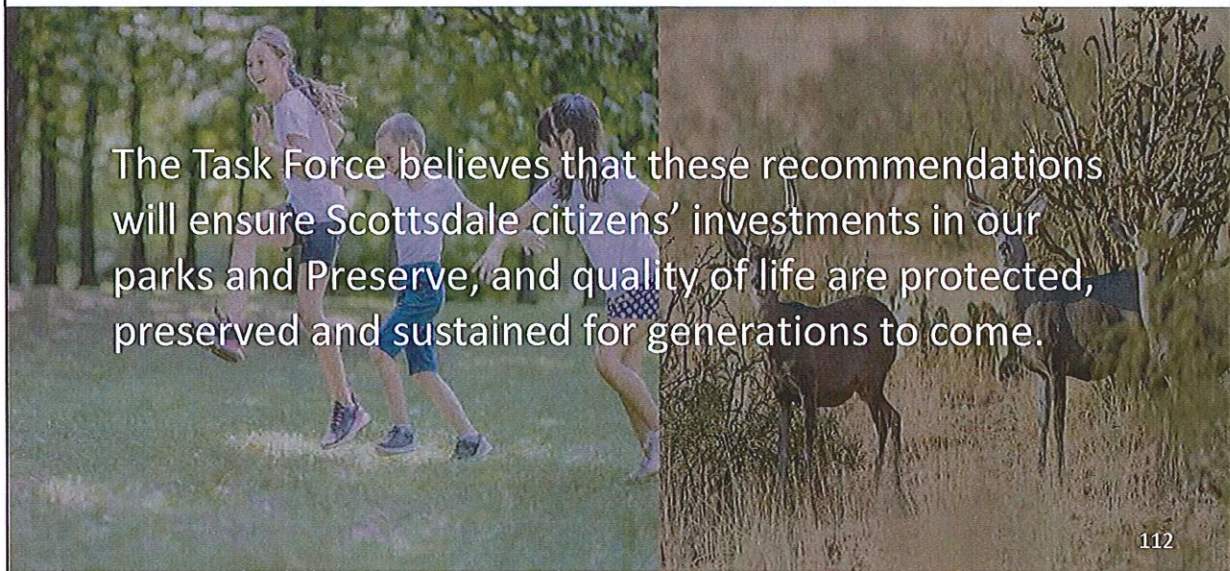
Update By Ordinance Duties of Existing Citizen Oversight Commissions

- Parks and Recreation Commission
- McDowell Sonoran Preserve Commission

111

111

FINAL THOUGHTS



The Task Force believes that these recommendations will ensure Scottsdale citizens' investments in our parks and Preserve, and quality of life are protected, preserved and sustained for generations to come.

112

112

QUESTIONS AND COUNCIL
DISCUSSION

