

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, SEPTEMBER 23, 2014**



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

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:05 P.M. on Tuesday, September 23, 2014 in the City Hall Kiva.

ROLL CALL

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

Also Present: Acting City Manager Brian Biesemeyer
City Attorney Bruce Washburn
City Treasurer Jeff Nichols
City Auditor Sharron Walker
City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Brownie Troop 1873, Troop Leader Mary Nesbitt

INVOCATION – Pastor Bruce Johnson, Scottsdale Presbyterian Church

MAYOR'S REPORT

Mayor Lane announced that Scottsdale received several awards at the recent Arizona Forward Association's Annual Environmental Excellence Awards ceremony. Vi at Silverstone received an Award of Merit for site development and landscape. Mike Nolan, on behalf of the McDowell Sonoran Conservancy, received top honors for environmental education through the Conservancy's innovative citizen-science program, which is administered by Melanie Tluczek. Brown's Ranch Trailhead won this year's Crescordia Award for site development of parks and trails. Mayor Lane recognized the contractors, led by Summit Construction, and Architect Phil Weddle, as well as City staff members Kroy Ekblaw, Liz Hildenbrand-Crossman, Scott Hamilton, Claire Miller, Robin Schweitzer, Robin Rodgers, Joe Mannino, and Michael Hansen, for their work on the project.

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.

Mayor Lane read a proclamation in support of City employees and Scottsdale residents who serve our Country by serving in the National Guard and Reserves. He declared the week of September 22nd as National Employer in Support of the Guard and Reserve Week. Liaison Bill Mack accepted the proclamation.

PRESENTATION/INFORMATION UPDATES – None

PUBLIC COMMENT

- Joanne Handley reported on efforts to obtain the names of all Scottsdale military personnel who lost their lives in battle so they could be memorialized. James Geiser reported on a project to create a memorial honoring Scottsdale military personnel who lost their lives in battle, and asked for support in identifying a location for the memorial.

MINUTES

Request: Approve the Regular Meeting Minutes of August 25, 2014.

MOTION AND VOTE – MINUTES

Councilman Robbins made a motion to approve the Regular Meeting Minutes of August 25, 2014. Councilmember Korte seconded the motion, which carried 7/0.

CONSENT AGENDA

- 1. Scottsdale Conference Resort Liquor License (80-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person transfer of a Series 6 (bar) State liquor license for an existing location with a new owner.
Location: 7700 E. McCormick Parkway
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. Jalapeno Inferno Market Street Liquor License (81-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 20825 N. Pima Road, Suite H-110
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. Laugh Factory Comedy Club Liquor License (82-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a Series 6 (bar) State liquor license for a new location and owner.
Location: 7000 E. Shea Boulevard, Suite H-1990
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

4. **Southern Wine and Spirits of Arizona Liquor License (83-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 4 (wholesale) State liquor license for a new location and owner.
Location: 4248 N. Craftsman Court, Suite 100
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
5. **SNG Wine Cellar Liquor License (88-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (bear and wine store) State liquor license for a new location and owner.
Location: 28170 N. Alma School Parkway, Suite 208
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
6. **Ricky's Tacos and Beer Conditional Use Permit (7-UP-2014)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 9875** approving a Conditional Use Permit for live entertainment at an existing 3,200± square-foot restaurant with Central Business District, Parking District, Downtown Overlay (C-2/P-3 DO) zoning.
Location: 7323 E. Shoeman Lane
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
7. **124th and Shea Abandonment (3-AB-2014)**
Request: Adopt **Resolution No. 9848** abandoning those portions of General Land Office patent easements located along the N. 124th Place alignment, the N. 125th Street alignment, the N. 125th Place alignment, and E. Sahuaro Drive, within parcels 217-29-029, 217-29-030B, and 217-29-031, with proposed Single-Family Residential, Environmentally Sensitive Lands (R1-7 ESL) and Single-Family Residential, Environmentally Sensitive Lands, Planned Residential District (R1-18, ESL, PRD) zoning associated with Case No. 3-ZN-2014.
Location: Northeast corner of N. 124th Street and E. Shea Boulevard
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
8. **124th and Shea Non-Major General Plan Amendment and Rezoning (1-GP-2014 and 3-ZN-2014)**
Requests:
 1. Adopt **Resolution No. 9876** approving a Non-Major General Plan Amendment to the Scottsdale General Plan 2001 from the Rural Neighborhoods land use designation to the Suburban Neighborhoods land use designation on a 10± acre site for Case No. 1-GP-2014.
 2. Adopt **Ordinance No. 4165** approving a zoning district map amendment from Single-Family Residential, Environmentally Sensitive Lands (R1-43 ESL) to Single-Family Residential, Environmentally Sensitive Lands (R1-7 ESL) zoning; and finding that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on a 10± acre site for Case No. 3-ZN-2014.

3. Adopt **Resolution No. 9885** declaring "124th Street and Shea Boulevard Development Plan" as a public record.
 4. Adopt **Ordinance No. 4172** approving a zoning district map amendment from Single-Family Residential, Environmentally Sensitive Lands (R1-43 ESL) to Single-Family Residential, Environmentally Sensitive Lands, Planned Residential District (R1-18, ESL, PRD) and a Development Plan with Amended Development Standards; and finding that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on a 5± acre site for Case No. 3-ZN-2014.
Location: Northeast corner of N. 124th Street and E. Shea Boulevard
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
9. **Eggstaff Residence Abandonment (6-AB-2014)**
Request: Adopt **Resolution No. 9874** approving the abandonment of the 33-foot General Land Office patent easement on the east side of the parcel at 12750 E. Mountain View Road, with Single-Family Residential, Environmentally Sensitive Lands (R1-43, ESL) zoning.
Location: 12750 E. Mountain View Road
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
10. **Sports Field Lighting Job Order Contract**
Request: Adopt **Resolution No. 9859** authorizing Job Order Contract No. 2014-124-COS with Sellers & Sons, Inc., for citywide sports field lighting.
Staff Contact(s): Daniel Worth, Public Works Executive Director, 480-312-5555, dworth@scottsdaleaz.gov
11. **Chaparral Road Right-of-Way Acquisition**
Request: Adopt **Resolution No. 9893** authorizing the acquisition of right-of-way and temporary construction easements necessary to complete pedestrian and roadway improvements along Chaparral Road.
Location: Chaparral Road between 69th Place and Scottsdale Road
Staff Contact(s): Daniel Worth, Public Works Executive Director, 480-312-5555, dworth@scottsdaleaz.gov
12. **Real Estate Appraisal Professional Services Contracts**
Request: Adopt **Resolution No. 9890** authorizing the following professional services contracts to assist in establishing fair market value in the purchase and disposition of real property:
 1. Contract No. 2014-150-COS with Dennis L. Lopez & Associates, LLC
 2. Contract No. 2014-151-COS with Landpro Valuation, LLC
 3. Contract No. 2014-152-COS with Sell & Associates, Inc.**Staff Contact(s):** Daniel Worth, Public Works Executive Director, 480-312-5555, dworth@scottsdaleaz.gov
13. **Arizona Fall Championship WestWorld Event Agreement**
Request: Adopt **Resolution No. 9884** authorizing Contract No. 2014-146-COS with Arizona Quarter Horse Association to produce the Arizona Fall Championship event at the WestWorld facility.
Staff Contact(s): Paul Katsenes, 480-312-2890, Tourism and Events Director, pkatsenes@scottsdaleaz.gov

- 14. Electrical Arc Flash and Safety Program Professional Services Contract**
Request: Adopt **Resolution No. 9880** authorizing Professional Services Contract No. 2014-143-COS with Delta Systems Engineering, Inc., in an amount not to exceed \$745,438, to conduct an electrical arc flash hazard analysis throughout the City's water and wastewater systems and to develop an electrical safety program based on the National Fire Protection Association Standard for Electrical Safety in the Workplace.
Staff Contact(s): Christopher Hassert, Planning and Engineering Director, 480-312-5681, chassert@scottsdaleaz.gov
- 15. Scottsdale Fashion Square Partnership Redevelopment Agreement Termination**
Request: Adopt **Resolution No. 9780** authorizing Redevelopment Agreement Termination Notice No. 2014-072-COS with Scottsdale Fashion Square, LLC, to terminate the Scottsdale Fashion Square Redevelopment Agreement.
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 16. Drug, Alcohol, and Violence Prevention Services Intergovernmental Agreement**
Request: Adopt **Resolution No. 9861** authorizing Intergovernmental Agreement No. 2014-132-COS with Scottsdale Unified School District No. 48 to provide funding in the amount of \$238,000 for drug, alcohol, and violence prevention education and other student support services in Scottsdale schools for FY 2014/15.
Staff Contact(s): William Murphy, Community Services Director, 480-312-7954
bmurphy@scottsdaleaz.gov
- 17. School Resource Officer Intergovernmental Agreement**
Request: Adopt **Resolution No. 9868** authorizing Intergovernmental Agreement No. 2014-138-COS with Cave Creek Unified School District for the provision of a Scottsdale Police Officer to serve as a School Resource Officer.
Staff Contact(s): Alan Rodbell, Chief of Police, 480-312-1900, arodbell@scottsdale.gov
- 18. Pickett v. City of Scottsdale Settlement**
Request: Adopt **Resolution No. 9886** authorizing settlement in the amount of \$25,000 for the purpose of settling *Pickett v. City of Scottsdale*, currently pending before the Industrial Commission of Arizona as Case No. 20141-290138.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 19. Water and Wastewater Development Fee Code Amendment**
Requests:
 1. Adopt **Resolution No. 9873** declaring the document entitled "2014 Amendments to Water and Wastewater Development Fee Code" as a public record.
 2. Adopt **Ordinance No. 4170** amending Scottsdale Revised Code Chapter 49, Article III, Water and Wastewater Development Fees, to reflect miscellaneous text amendments, effective November 1, 2014.**Staff Contact(s):** Dave Petty, Water Resources Administrator, 480-312-5661, dpetty@scottsdaleaz.gov
- 20. Monthly Financial Report**
Request: Accept the FY 2014/15 Monthly Financial Report as of July 2014.
Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Vice Mayor Phillips made a motion to approve Consent Items 1 through 20. Councilwoman Klapp seconded the motion, which carried 7/0.

REGULAR AGENDA

- 21. Arizona State Trust Land Development Agreement and Initiation of Rezoning Case**
Requests: (1) Adopt **Resolution No. 9881** authorizing Development Agreement No. 2014-144-COS with the Arizona State Land Department; and (2) initiate a rezoning case on 4,020± acres of State Trust Land.
Presenter(s): Kroy Ekblaw, Preserve Director
Staff Contact(s): Kroy Ekblaw, Preserve Director, 480-312-7064, kekblaw@scottsdaleaz.gov

Preserve Director Kroy Ekblaw gave a PowerPoint presentation (attached) on Items 21, 22, and 23. He noted that the requests are related to the City's interest in acquiring 400 acres of State Trust land. The presentation included an overview of the proposed development agreement with the Arizona State Trust Land Department, and the initiation of a rezoning case for 4,020 acres of State Trust lands, a Preserve land rezoning application, and a Conservation Open Space text amendment.

MOTION AND VOTE – ITEM 21

Councilman Littlefield made a motion to: (1) Adopt Resolution No. 9881 authorizing Development Agreement No. 2014-144-COS with the Arizona State Land Department; and (2) initiate a rezoning case on 4,020± acres of State Trust Land. Councilmember Korte seconded the motion, which carried 7/0.

- 22. Initiation of Preserve Land Rezoning Application**
Request: Initiate a rezoning application for 22,300± acres of City-owned lands located within the McDowell Sonoran Preserve Study Boundary to the Conservation Open Space zoning district.
Presenter(s): Kroy Ekblaw, Preserve Director
Staff Contact(s): Kroy Ekblaw, Preserve Director, 480-312-7064, kekblaw@scottsdaleaz.gov

MOTION AND VOTE – ITEM 22

Councilwoman Milhaven made a motion to direct staff to initiate a rezoning application for 22,300± acres of City-owned lands located within the McDowell Sonoran Preserve Study Boundary to the Conservation Open Space zoning district. Councilwoman Klapp seconded the motion, which carried 7/0.

- 23. Initiation of Conservation Open Space Text Amendment**
Request: Initiate a text amendment to Article VI., Supplementary Districts, Section 6.700, the Conservation Open Space zoning district, to promote consistency with the Preserve Ordinance No. 3321.
Presenter(s): Kroy Ekblaw, Preserve Director
Staff Contact(s): Kroy Ekblaw, Preserve Director, 480-312-7064, kekblaw@scottsdaleaz.gov

MOTION AND VOTE – ITEM 23

Councilmember Korte made a motion to direct staff to initiate a text amendment to Article VI., Supplementary Districts, Section 6.700, the Conservation Open Space zoning district, to promote consistency with the Preserve Ordinance No. 3321. Vice Mayor Phillips seconded the motion, which carried 7/0.

24. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial update as of August 2014.

Presenter(s): Jeff Nichols, City Treasurer

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

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of August 2014.

PUBLIC COMMENT – None

CITIZEN PETITIONS

25. Receipt of Citizen Petitions

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

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

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

With no further business to discuss, the Regular City Council Meeting adjourned at 5:55 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on October 21, 2014

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 23rd day of September 2014.

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

DATED this 21st day of October 2014.



Carolyn Jagger, City Clerk

Items 21, 22, 23



September 23rd, 2014

Scottsdale's McDowell Sonoran Preserve State Trust Land Zoning, Preserve Zoning and COS District Initiations



Kroy S. Ekblaw, Preserve Director

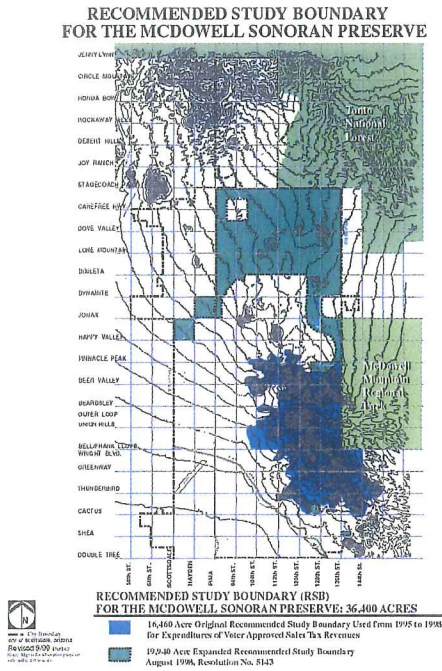
City of Scottsdale

Presentation Overview

- Previous Actions - Preserve Land Priorities
- Current City interest in +/-400 acres of State Trust Land
- **Agenda Item 21**-Development Agreement with Arizona State Land Department (ASLD)
 - Initiate rezoning of approximately 4,000 acres of Trust Lands in North Scottsdale
 - Prior to auctions for Lands Scottsdale is pursuing for Preserve
- **Agenda Item 22** - Scottsdale to initiate rezoning of 22,300 acres of Preserve Land for Conservation Open Space (COS) zoning
- **Agenda Item 23** - Scottsdale to amend COS district to be consistent with Preserve ordinance

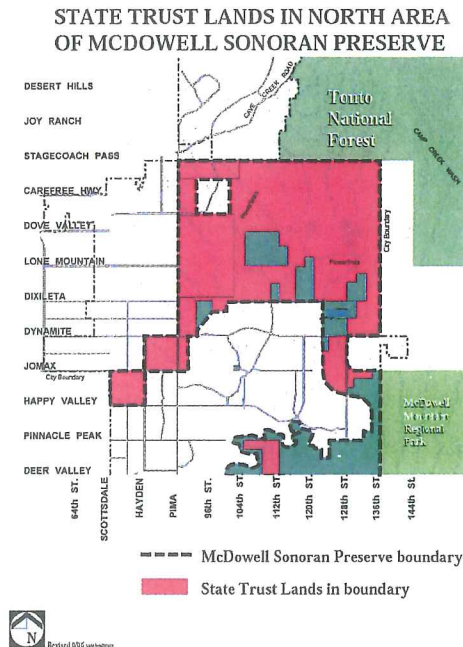
Previous Actions - Preserve

- 1998 - Amended Recommended Study Boundary
 - ▣ Added Northern Desert and Mountains
 - ▣ 19,940 acre increase in size



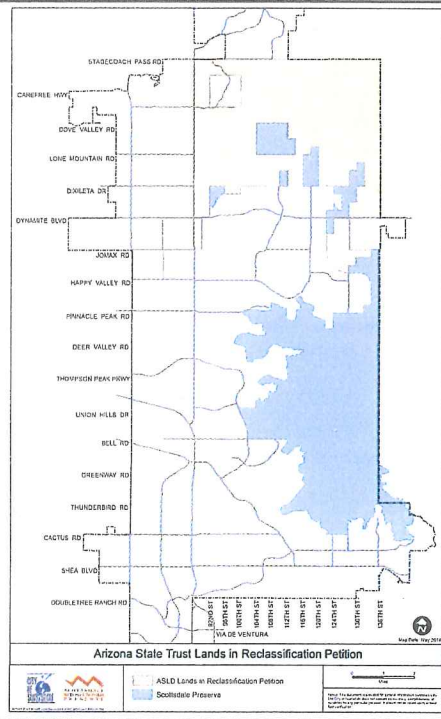
Previous Actions

- Amended Recommended Study Boundary
 - ▣ Included large areas of State Trust Lands



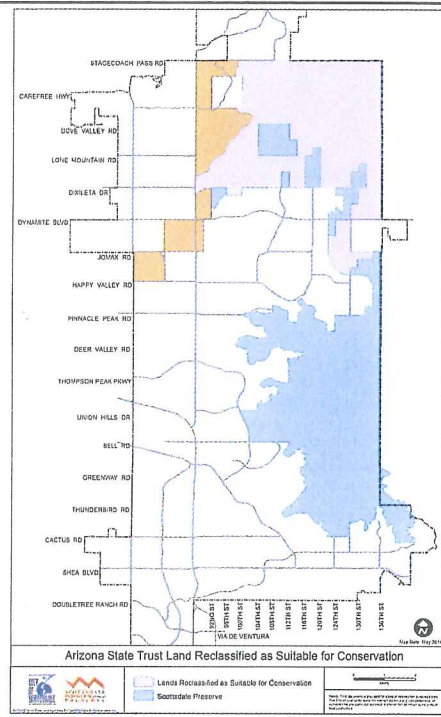
Previous Actions

- City of Scottsdale
 - December of 1998 – COS filed application with ASLD
 - Request to reclassify lands as “Suitable for Conservation”
 - 16, 600 acres included in petition



Previous Actions

- ASLD
 - August 30, 2001 - State Land Commissioner issued Order #078-2001/2002
 - Reclassified over 13,000 acres as “Suitable for Conservation”
 - Order was amendable, subject to COS working with ASLD to accommodate an enhancement of land values to justify the extent of reclassified lands



Previous Actions

□ Case 4-GP-2002

□ Approved by City Council October 29th, 2002

4-GP-2002
State Land Department/
City of Scottsdale
Joint Planning Effort

General Plan Amendment area
(State Trust Lands under State Land Commission's
Order #076-2002/0202)
Desert Foothills and Dynamic Foothills Character Area Plans
Rural Open Space Character guidelines apply
*acquisition uses permitted

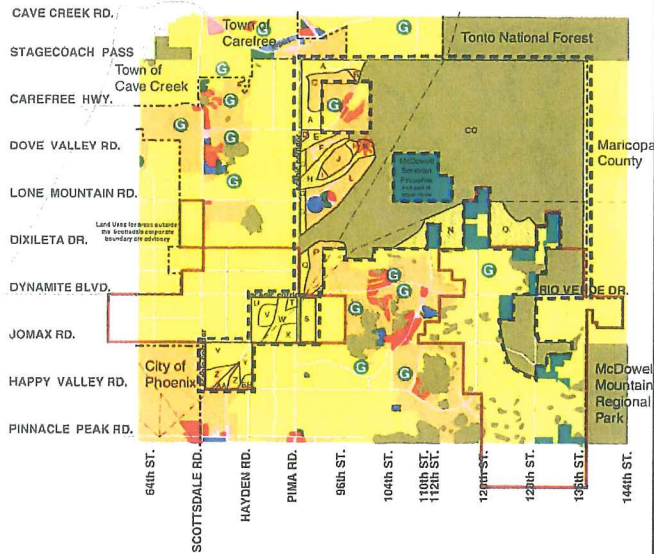
Proposed Land Use and Parcels

- du/sq = dwelling unit(s) per acre
- Rural Neighborhoods
- Sub-urban Neighborhoods
- Urban Neighborhoods
- Mixed-Use Neighborhoods
- Resort/Recreation
- Commercial
- Office
- Employment
- Natural Open Space
- Developed Open Space (Parks)
- Developed Open Space (Golf Courses)
- Cultural/Institutional or Public Use
- Low Intensity Resort sites to be determined
- Neighborhood Center (park, retail, office) sites to be determined
- School/Educational Facilities sites to be determined
- State Trust Land Classified as Open Space, but not limited to Open Space
- McDowell Sonoran Preserve (as of 4/2002)
- City Boundary



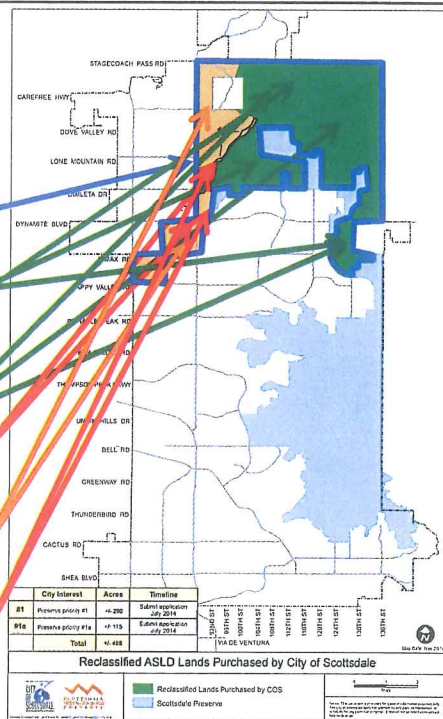
DRAFT

October 28, 2002



Summary of ASLD & COS Previous Actions and Current Expectations

- ASLD – Order from 2001
 - 2002 GP set limits
 - Held auctions for 12,800ac
- COS – Preserve Progress
 - 12,800 acres from ASLD
 - 404 acres desired in 2015
- ASLD – Expects Zoning per 2002 GP and 2001 Order
 - Will then set auctions for 404 acres



Development Agreement – Item 21

Summary of ASLD expectations

General Expectations of the Agreement

- ASLD expects prior to any COS desired auctions:
 - ▣ Rezoning of their 4,000 acres must be completed
 - Consistent with the existing General Plan.
- Agreement acknowledges process rights for both the zoning and auction processes
 - ▣ Possibilities for continuances, objections and/or protests
 - ▣ May result in delays, withdrawals or cancellations for both the rezoning and the auctions.

Responsibilities outlined in the agreement include:

ASLD to:

- Provide staffing to process case
 - ▣ Communications and public outreach responsibilities
 - ▣ Public meetings associated with the case
- Responsible for process fees
- Request rezoning consistent with General Plan
- Once the zoning case is initiated and submitted:
 - ▣ ASLD shall accept the COS applications for land sales on Parcel 1 and parcel 1A
 - Process according to the agreement and ASLD requirements

Responsibilities outlined in the agreement include:

COS to:

- Initiate/process zoning consistent with the existing GP
- Initiate a zoning case for Preserve Lands
 - ▣ Preserve staff to inform public of past actions for Preserve
 - ▣ Coordinate parallel public meeting times and locations
- Pay fees for the 400 acres of land COS desires to acquire (approx. 10% of the fee)
- Agree that the minimum bid price for Parcel 1 shall be set at a minimum of \$28.2M

ASLD Lands

- **Case 4-GP-2002**
- ▣ **Approved by City Council October 29th, 2002**

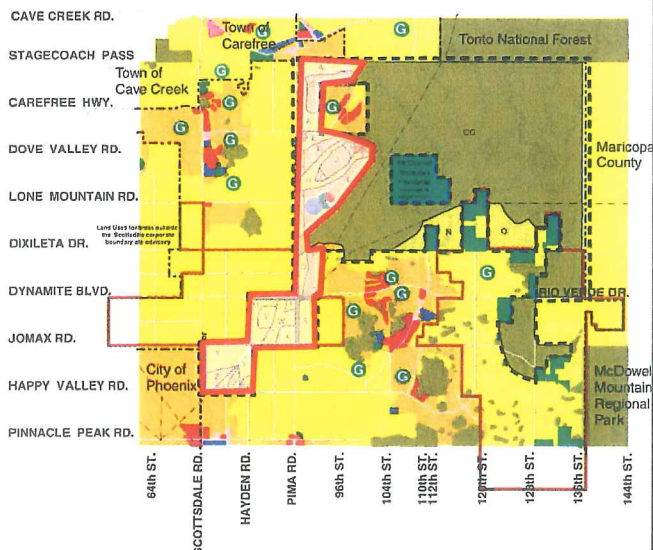
4-GP-2002
State Land Department/
City of Scottsdale
Joint Planning Effort

 General Plan Amendment area
 State Trust Lands under State Land Commissioner's Order #976-20010202
 Desert Footprints and Dynamic Facilita Character Area Plans Rural Desert Character guidelines apply *equitation uses permitted

Proposed Land Use and Parcels

dw/ae = dwelling unit(s) per acre

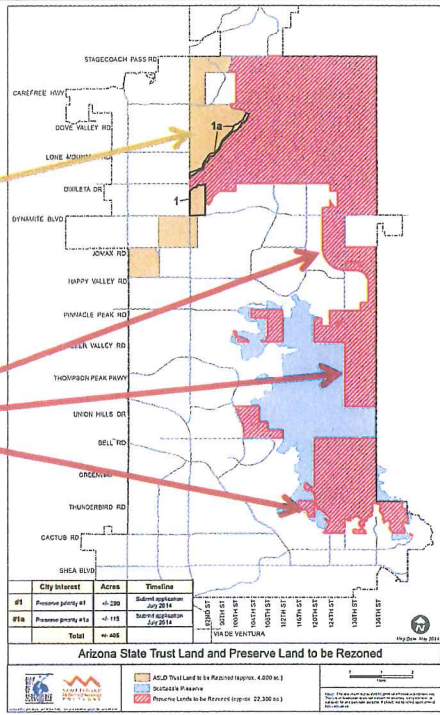
- Rural Neighborhoods
- Suburban Neighborhoods
- Urban Neighborhoods
- Mixed-Use Neighborhoods
- Recreational
- Commercial
- Office
- Employment
- Natural Open Space
- Developed Open Space (Parks)
- Developed Open Space (Golf Courses)
- Cultural/Institutional or Public Use
- * Low Intensity Resort sites to be determined
- * Neighborhood Center (park, retail, other) sites to be determined
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- City Boundary



DRAFT
October 28, 2002

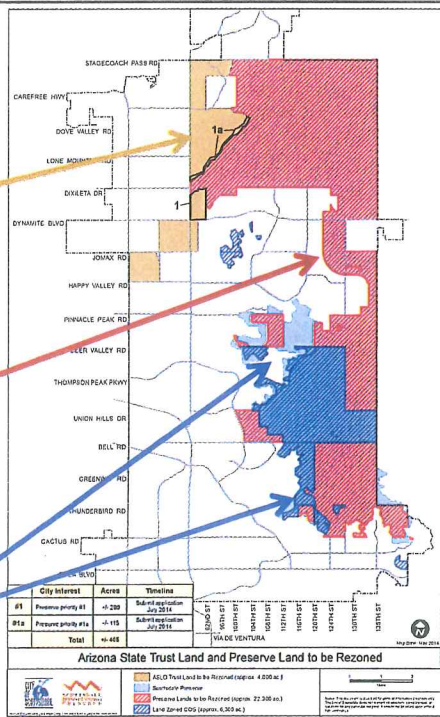
Rezoning Areas

- ASLD Lands – Tan
 - +/-4,000 acres
 - Conforms to GP
 - Residential
- City of Scottsdale
 - Preserve Lands
 - Rezone +/-22,300 acres
 - Conservation Open Space



Rezoning Areas

- ASLD Lands – Tan
 - +/-4,000 acres
 - Conforms to GP
 - Residential
- City of Scottsdale
 - Preserve Lands
 - Rezone +/-22,300 acres
 - Conservation Open Space
 - Existing Conservation Open Space



Recommendation

- McDowell Sonoran Preserve Commission
 - ▣ Has recommended acquisition of Parcel 1 and 1A
 - ▣ Encourages the Council to initiate all three cases in support of the ASLD auction process to ultimately acquire parcel 1 and 1A

Next Steps

- ASLD and COS to submit Zoning Applications
- COS to submit Land Acquisition applications to ASLD for Parcel 1 and Parcel 1A
- On-going processing and public hearing processes related to rezoning and auction applications

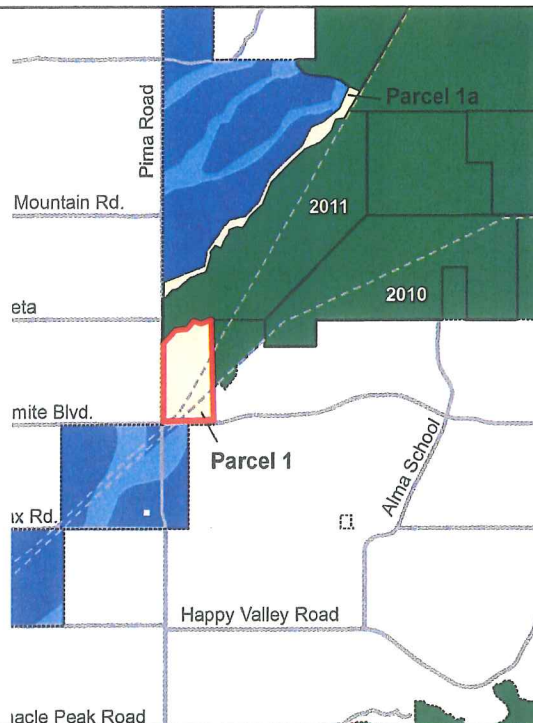
Agenda Actions

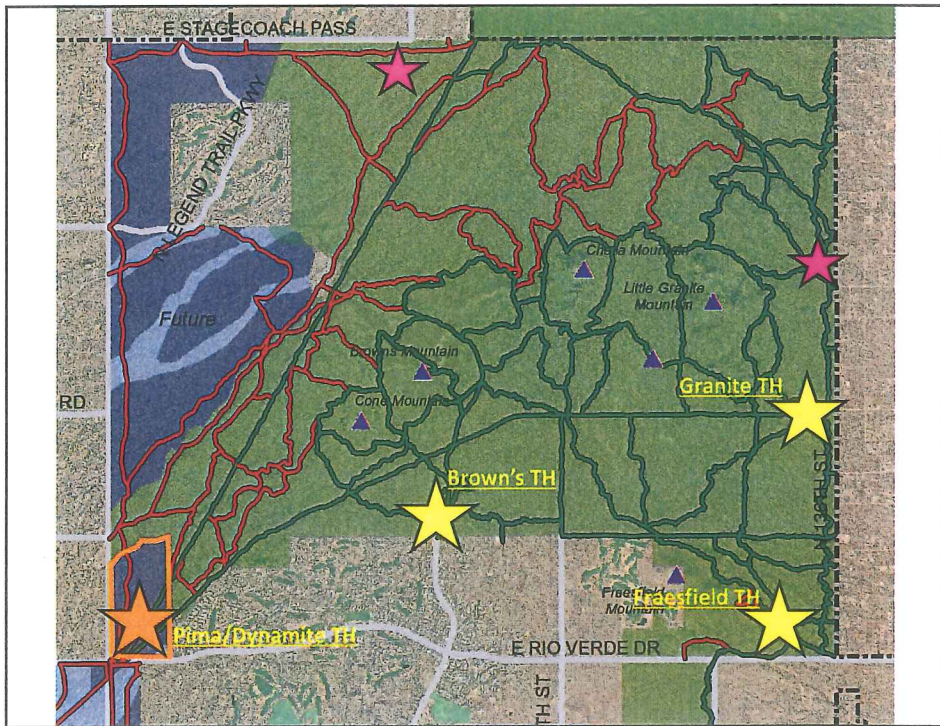
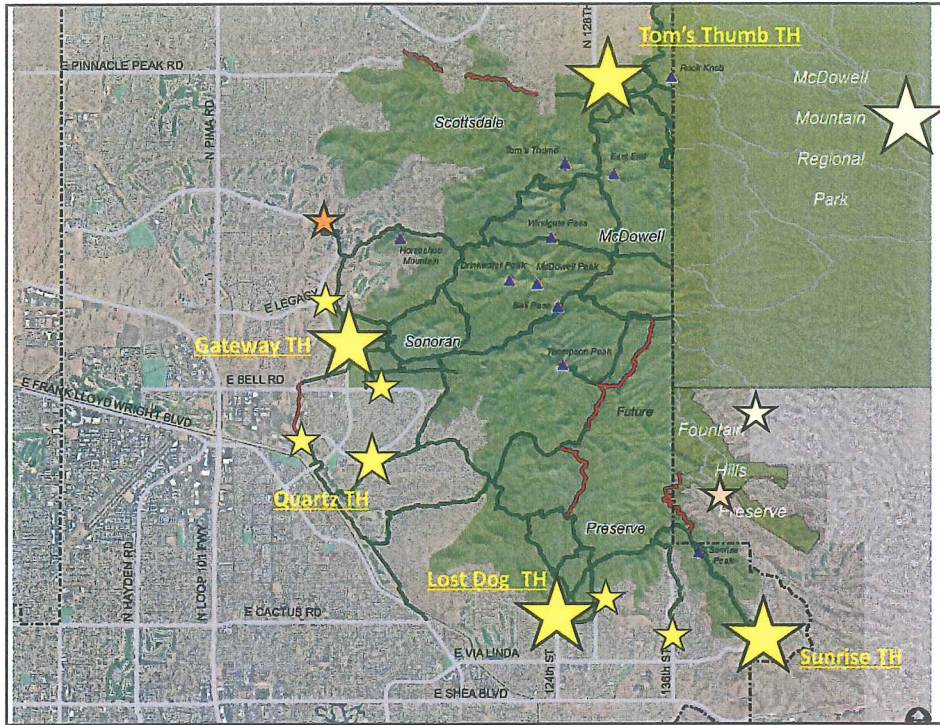
Development Agreement and Case Initiations

- **Item 21 - (1)** Adopt Resolution No. 9881 authorizing Development Agreement No. 2014-144-COS with Arizona State Land Department and **(2)** initiation of a rezoning case on approximately 4,020 acres of State Trust Land.
- **Item 22** – Initiate a rezoning application for 22,300 acres of City-owned lands located within the McDowell Sonoran Preserve Study Boundary to the Conservation Open Space district.
- **Item 23** - Initiate a text amendment to Article VI., Supplementary Districts, Section 6.700, the Conservation Open Space (COS) zoning district, to promote consistency with the Preserve Ordinance, Ordinance 3321.

Land Acquisition Priorities for 2014-15

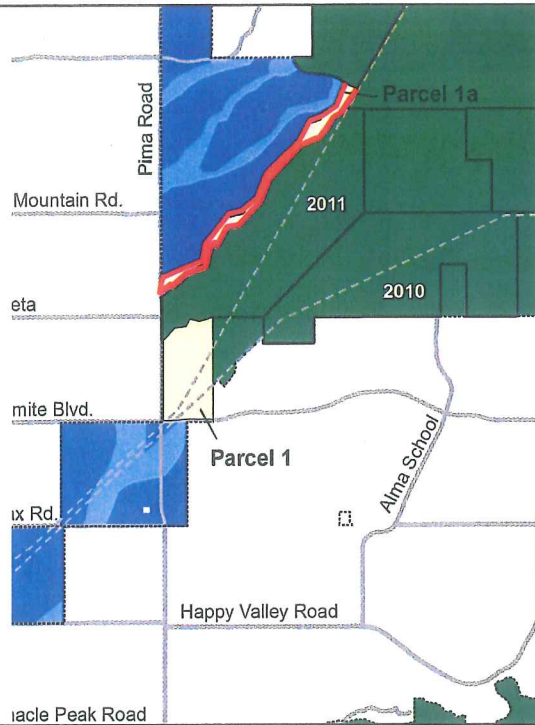
- Parcel 1- 290 acres
 - Link to existing Preserve land
 - Enhance habitat and sustainability
 - Expand passive recreational activities
 - Planned location for a Major Trailhead





Land Acquisition Priorities for 2014-15

- Parcel 1A – 115 Ac.
 - Western edge and embankments of the Rawhide Wash
 - Buffering of the wash/habitat corridor
 - Expand passive recreational activities

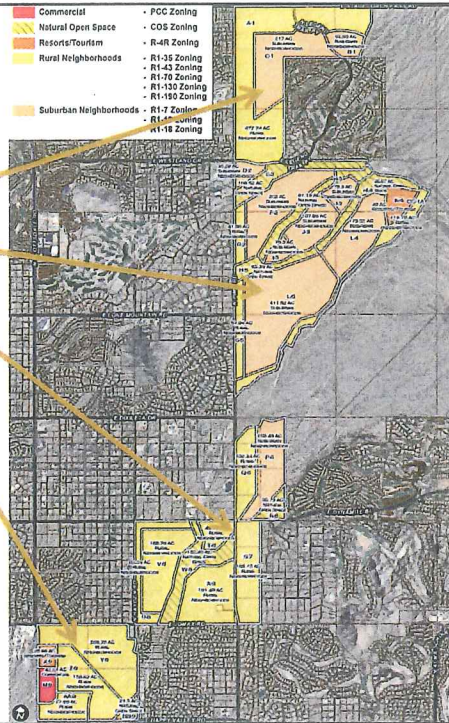


Preserve - Zoning District Overview

- Majority of land in Preserve is zoned residential (R1-XXX)
 - Districts are oriented to Single family residence usage and control
 - Approvals for Preserve uses such as trailheads require a Use Permit Process
 - Planning Commission Recommendation
 - City Council Approval
- Conservation Open Space district (COS) is similar to Preserve purpose
 - Intent is to amend district to link COS Use/Activity to Preserve Ordinance
 - Preserve uses would still require City Council Approval

Zoning Priorities

- ASLD Lands
 - +/-4,000 acres
 - Conforms to GP
 - Residential



Preserve Land Acquisition **Example**/Projections through 2015 (From 5/13/2014 CC Presentation)

Projected Capacity/Available \$'s from the 1995/2004 preserve taxes		≈ \$94M
Projected Preserve Expenditures		Sub Total of Costs to COS
Projected Costs for Access/Control/Trails through 2034		≈ \$28M
		≈ \$66M

Preserve Land Acquisition **Example**/Projections through 2015 (From 5/13/2014 CC Presentation)

Projected Capacity/Available \$'s from the 1995/2004 preserve taxes		= \$94M
Projected Preserve Expenditures		
	Sub Total of Costs to COS	Projected Balance
Projected Costs for Access/Control/Trails through 2034		= \$28M = \$66M
Projected Preserve Land Acquisition Example Expenditures		
Parcel 1 –290 ac.– ASLD app. to be filed June 2014	Auction Spring/Summer 2015	
Parcel 1A – 115 ac.– ASLD app. to be filed June 2014	Auction Spring/Summer 2015	

Preserve Land Acquisition **Example**/Projections through 2015 (From 5/13/2014 CC Presentation)

Projected Capacity/Available \$'s from the 1995/2004 preserve taxes		= \$94M
Projected Preserve Expenditures		
	Sub Total of Costs to COS	Projected Balance
Projected Costs for Access/Control/Trails through 2034		= \$28M = \$66M
Projected Preserve Land Acquisition Example Expenditures		
Parcel 1 –290 ac.– ASLD app. to be filed June 2014	Auction Spring/Summer 2015	
Parcel 1A – 115 ac.– ASLD app. to be filed June 2014	Auction Spring/Summer 2015	
2014/15– remaining private properties –10-15 ac.	Acquire in 2014-2015	

Preserve Land Acquisition **Example**/Projections through 2015 (From 5/13/2014 CC Presentation)

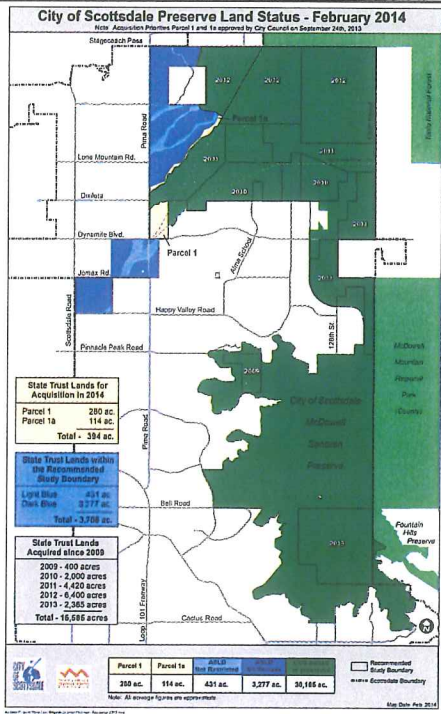
Projected Capacity/Available \$'s from the 1995/2004 preserve taxes		= \$94M
Projected Preserve Expenditures	Sub Total of Costs to COS	Projected Balance
Projected Costs for Access/Control/Trails through 2034	≈ \$28M	≈ \$66M
Projected Preserve Land Acquisition Example Expenditures		
Parcel 1 –290 ac.– ASLD app. to be filed June 2014	Auction Spring/Summer 2015	
Parcel 1A – 115 ac.– ASLD app. to be filed June 2014	Auction Spring/Summer 2015	
2014/15– remaining private properties –10-15 ac.	Acquire in 2014-2015	
Sub-Total of all projected Land acquisition example expenditures through 2015	≈ \$37M	
Example - Remaining Projected Capacity of Preserve Taxes		≈ \$29M

Land Acquisition Future (From 5/13/2014 CC Presentation)

Example Remaining Funds:
≈ \$29M

Remaining Lands:

- Blue Areas Total ≈ 3,708 ac.
- **Examples** of Land Values:
 - \$100K/ac ≈ \$370M
 - \$150K/ac ≈ \$555M
 - \$200K/ac ≈ \$740M
 - \$250K/ac ≈ \$925M



Monthly Financial Update

As of August 31, 2014

City Council
September 23, 2014
Prepared by: City Treasurer

General Fund Operating Sources

August 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

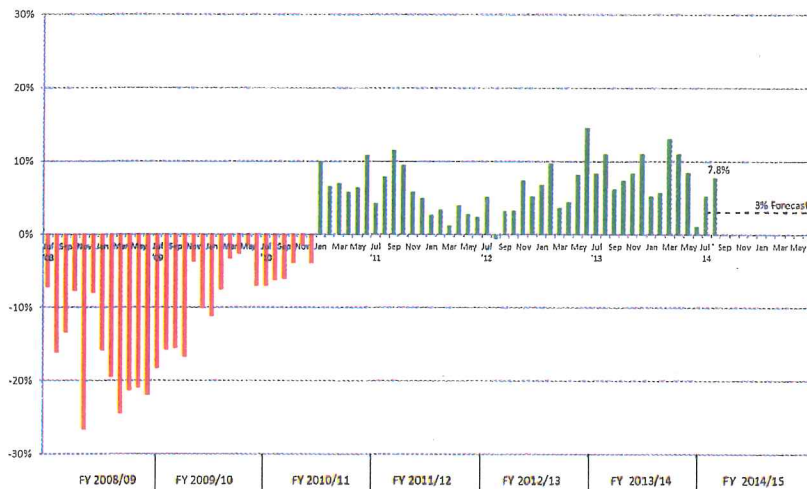
Sources Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$12.7	\$13.7	\$14.6	\$14.4	\$0.2	2%
0.1% Public Safety	1.3	1.4	1.4	1.4	-	-
State Shared: Sales Tax	2.9	3.1	3.2	3.2	-	-
Income Tax	3.7	4.0	4.4	4.4	-	-
Auto Lieu Tax	1.2	1.4	1.1	1.3	(0.2)	(13%)
Property Taxes (Primary)	0.4	0.4	0.4	0.5	(0.1)	(14%)
Franchise Fees/In-Lieu Tax	2.0	2.0	1.7	2.0	(0.3)	(14%)
Other: Licenses, Permits & Fees	0.8	0.7	1.0	0.8	0.2	27%
Fines & Forfeitures	1.2	1.0	1.2	1.2	0.1	5%
Miscellaneous	1.1	1.3	1.8	0.9	0.9	nm
Building Permits	2.1	2.6	3.4	1.7	1.7	100%
Interest Earnings	0.2	0.3	0.2	0.1	0.1	nm
Indirect Cost Allocations	1.2	1.1	1.1	1.1	-	-
Transfers In	1.4	1.4	3.0	2.7	0.2	8%
<i>Subtotal Operating Sources</i>	<u>\$32.2</u>	<u>\$34.4</u>	<u>\$38.5</u>	<u>\$35.5</u>	<u>\$3.0</u>	<u>8%</u>
Bed Taxes	0.7	-	-	-	-	-
<i>Total Operating Sources</i>	<u>\$32.9</u>	<u>\$34.4</u>	<u>\$38.5</u>	<u>\$35.5</u>	<u>\$3.0</u>	<u>8%</u>

General Fund Operating Sources: Sales Tax August 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$2.1	\$2.2	\$2.2	\$2.3	-	-
Large retail stores	1.3	1.3	1.4	1.4	-	-
Misc goods & services	0.8	1.0	1.1	1.0	0.1	11%
Grocery & convenience	0.9	1.0	1.0	1.0	-	-
Auto sales & maintenance	1.7	1.9	2.0	2.1	(0.1)	(3%)
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	0.4	0.5	0.5	0.5	-	-
Restaurants & bars	1.1	1.1	1.2	1.2	-	-
<u>Business:</u>						
Construction	1.4	1.7	2.1	1.8	0.2	12%
Rental	2.1	2.1	2.1	2.1	-	-
Utilities	0.7	0.8	0.8	0.8	-	-
Licenses, penalties/interest	0.2	0.2	0.2	0.2	-	-
Total 1.0% Sales Tax	\$12.7	\$13.7	\$14.6	\$14.4	\$0.2	2%

General Fund Sales Tax: 1.0% General Purpose — Year over Year Change



General Fund Operating Uses: by Category August 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$22.2	\$22.0	\$23.7	\$23.8	\$0.1	0%
Overtime	1.3	1.4	1.1	1.0	(0.1)	(12%)
FICA	1.5	1.5	1.6	1.6	-	-
Retirement	3.0	3.2	3.5	3.6	0.1	2%
Health/Dental & Misc	2.5	2.6	2.6	2.7	-	-
<i>Total Personnel Services</i>	<u>\$30.6</u>	<u>\$30.7</u>	<u>\$32.6</u>	<u>\$32.7</u>	<u>\$0.1</u>	<u>0%</u>
Contractual, Commodities, Capital Outlay	10.1	10.1	12.0	12.2	0.2	1%
<i>Total Operating Expenses</i>	<u>\$40.7</u>	<u>\$40.8</u>	<u>\$44.6</u>	<u>\$44.9</u>	<u>\$0.3</u>	<u>1%</u>
Debt Serv. & Contracts	0.5	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
<i>Total Operating Uses</i>	<u>\$41.2</u>	<u>\$40.9</u>	<u>\$44.6</u>	<u>\$44.9</u>	<u>\$0.3</u>	<u>1%</u>
*Pay Periods thru August:	5	5	5			

General Fund Operating Uses: by Division August 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

Division	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$3.4	\$3.5	\$3.6	\$3.8	\$0.2	6%
Administrative Services	3.5	3.0	3.6	3.6	(0.1)	(2%)
Comm. & Econ Development	4.6	4.7	5.5	5.2	(0.3)	(6%)
Community Services	6.2	6.2	6.5	6.6	0.1	1%
Public Safety - Fire	5.5	5.6	5.8	6.1	0.3	5%
Public Safety - Police	15.2	15.6	17.0	17.0	-	-
Public Works	2.3	2.4	2.6	2.6	0.1	2%
<i>Total Operating Expenses</i>	<u>\$40.7</u>	<u>\$40.8</u>	<u>\$44.6</u>	<u>\$44.9</u>	<u>\$0.3</u>	<u>1%</u>

General Fund Results: Summary August 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$32.9	\$34.4	\$38.5	\$35.5	\$3.0	8%
Uses	41.2	40.9	44.6	44.9	0.3	1%
Change in Fund Balance	(\$8.3)	(\$6.5)	(\$6.1)	(\$9.4)	\$3.3	

General Fund Operating Sources August 2014

(in millions: rounding differences may occur)

Sources Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$6.1	\$6.6	\$7.1	\$6.9	\$0.2	3%
0.1% Public Safety	0.6	0.6	0.7	0.7	-	3%
State Shared: Sales Tax	1.4	1.5	1.6	1.6	-	(3%)
Income Tax	1.9	2.0	2.2	2.2	-	-
Auto Lieu Tax	0.6	1.1	0.4	0.7	(0.3)	(39%)
Property Taxes (Primary)	0.1	0.1	0.1	0.1	-	(31%)
Franchise Fees/In-Lieu Tax	0.9	0.0	0.0	1.8	(1.8)	(100%)
Other: Licenses, Permits & Fees	0.4	0.3	0.4	0.3	0.1	25%
Fines & Forfeitures	0.6	0.5	0.6	0.6	-	(5%)
Miscellaneous	0.4	0.6	0.5	0.5	-	(2%)
Building Permits	1.5	1.2	1.5	0.9	0.6	73%
Interest Earnings	0.1	0.1	0.1	0.0	-	74%
Indirect Cost Allocations	0.6	0.5	0.5	0.5	-	-
Transfers In	0.7	0.7	2.2	0.6	1.6	Nm
Subtotal Operating Sources	\$15.8	\$15.9	\$17.8	\$17.4	\$0.4	2%
Bed Taxes	-	-	-	-	-	-
Total Operating Sources	\$15.8	\$15.9	\$17.8	\$17.4	\$0.4	2%

General Fund Operating Sources: Sales Tax August 2014

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Consumer Spending:</i>						
Small retail stores	\$0.9	\$1.0	\$1.0	\$1.0	-	-
Large retail stores	0.6	0.6	0.7	0.7	-	-
Misc goods & services	0.4	0.4	0.5	0.4	-	-
Grocery & convenience	0.4	0.5	0.5	0.5	-	-
Auto sales & maintenance	0.8	1.0	1.0	1.0	-	-
<i>Tourism/Entertainment:</i>						
Hotel lodging & misc sales	0.2	0.2	0.2	0.2	-	-
Restaurants & bars	0.5	0.5	0.6	0.6	-	-
<i>Business:</i>						
Construction	0.7	0.8	1.0	0.9	0.1	14%
Rental	1.0	1.0	1.1	1.0	-	-
Utilities	0.3	0.4	0.4	0.4	-	-
Licenses, penalties/interest	0.1	0.1	0.1	0.1	-	-
Total 1.0% Sales Tax	\$6.1	\$6.6	\$7.1	\$6.9	\$0.2	3%

General Fund Operating Uses: by Category August 2014

(in millions: rounding differences may occur)

Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Personnel Services*:</i>						
Salaries & Wages	\$13.1	\$13.1	\$13.7	\$13.8	\$0.1	0%
Overtime	0.8	0.8	0.6	0.5	(0.1)	(17%)
FICA	0.9	0.9	0.9	1.0	-	-
Retirement	1.8	1.9	2.1	2.1	-	-
Health/Dental & Misc	1.3	1.3	1.3	1.3	-	-
Total Personnel Services	\$17.8	\$18.0	\$18.7	\$18.7	\$ -	-
<i>Contractual, Commodities, Capital Outlay</i>						
	5.9	4.6	6.4	6.1	(0.2)	(4%)
Total Operating Expenses	\$23.6	\$22.5	\$25.0	\$24.8	(\$0.2)	(1%)
Debt Serv. & Contracts	0.3	0.3	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Operating Uses	\$23.9	\$22.8	\$25.0	\$24.8	(\$0.2)	(1%)
*Pay Periods in August:	3	3	3			

General Fund Operating Uses: by Division August 2014

(in millions: rounding differences may occur)

Division	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.8	\$1.9	\$1.9	\$2.0	\$0.1	5%
Administrative Services	2.3	1.6	2.1	2.1	-	-
Comm. & Econ Development	2.4	2.5	2.8	2.4	(0.4)	(17%)
Community Services	3.4	3.4	3.6	3.6	-	-
Public Safety - Fire	3.2	3.1	3.2	3.5	0.2	7%
Public Safety - Police	9.1	8.5	9.6	9.5	(0.1)	(1%)
Public Works	1.4	1.6	1.7	1.7	-	-
<i>Total Operating Expenses</i>	<u>\$23.6</u>	<u>\$22.5</u>	<u>\$25.0</u>	<u>\$24.8</u>	<u>(\$0.2)</u>	<u>(1%)</u>

General Fund Results: Summary August 2014

(in millions: rounding differences may occur)

	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$15.8	\$15.9	\$17.8	\$17.4	\$0.4	2%
Uses	23.9	22.8	25.0	24.8	(0.2)	(1%)
Change in Fund Balance	<u>(\$8.1)</u>	<u>(\$6.9)</u>	<u>(\$7.2)</u>	<u>(\$7.4)</u>	<u>\$0.2</u>	