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#### **CALL TO ORDER**

[Time: 00:00:01]

Mayor Lane: I would like to call to order the general plan amendment meeting. It's approximately 5:45. Let's start with a roll call.

#### **ROLL CALL**

[Time: 00:00:13]

City Clerk Carolyn Jagger: Mayor Jim Lane.

Mayor Lane: Present.

City Clerk Carolyn Jagger: Vice Mayor Kathy Littlefield.

Vice Mayor Littlefield: Present.

City Clerk Carolyn Jagger: Councilmembers Suzanne Klapp.

Councilwoman Klapp: Here.

City Clerk Carolyn Jagger: Virginia Korte.

Councilmember Korte: Here.

City Clerk Carolyn Jagger: Linda Milhaven.

Councilwoman Milhaven: Here.

City Clerk Carolyn Jagger: Guy Phillips.

Councilman Phillips: Here.

City Clerk Carolyn Jagger: David Smith.

Councilman Smith: Present.

City Clerk Carolyn Jagger: Acting City Manager Brian Biesemeyer.

Acting City Manager Brian Biesemeyer: Here.

City Clerk Carolyn Jagger: City Attorney Bruce Washburn.

City Attorney Bruce Washburn: Here.

City Clerk Carolyn Jagger: City Treasurer Jeff Nichols.

City Treasurer Jeff Nichols: Here.

City Clerk Carolyn Jagger: City Auditor Sharron Walker.

City Auditor Sharron Walker: Here.

City Clerk Carolyn Jagger: And the Clerk is present.

Mayor Lane: Thank you. All right, just some items of business. We do have cards if you would like to speak on public comment. And if you would like to give us written comments there's a yellow card that you can fill out and we will read them during the course of the proceedings.

We do have Scottsdale police officers, Tom Cleary and Jason Glenn right here in front of me. If you have need for any of their assistance, and the areas behind the dais are reserved for the staff and for the council and we appreciate if you have need for the facilities this under that exit sign there on my left.

**PLEDGE OF ALLEGIANCE**

[Time: 00:01:18]

Mayor Lane: Tonight, we have the great privilege of having troop 2325 with their leader Brit Kimball here to lead us in the pledge, if you would come forward, please. Whenever you are ready.

Troop 2325: 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 Lane: Thank you very much. If you would like to introduce yourselves and give us -- let us know where you go to school and what your favorite subject is. It's the general run.

Eileen: I'm Eileen and I go to Arcadia high school, and this is Darcy and Sarah Beth and Darcy is in sixth grade and Sarah Beth is in third school and they go to Arcadia learning center and our favorite activities are camping and service projects and we're currently working on our silver award, which is the service project that we are doing with Eldorado park and we are making educational videos. Thank you for having us.

#### **INVOCATION**

[Time: 00:03:07]

Mayor Lane: Thank you very much. We have with us this evening too, Pastor Josh Rairdan.

Pastor Josh Rairdan: Please join me in bowing your hearts. I thank you for the blessings have lavished, gift of life itself and the daily health to engage in the opportunities you have put before each of us, for the provisions we need for ourselves and others for the many relationships have you given us. Thank you too for this opportunity that draws us together this evening, to come together with a common sense of responsibility to serve our community and the people who call Scottsdale home. Thank you so much for the freedom to know you, to relate with you, and even for some to reject you. Together, we agree with what you have established in the scriptures, that citizens should obey their governing authorities, and that you have ideally ordained officials to promote peace, order, and justice. All the blessings upon the people.

Accordingly, I pray for blessings upon our Mayor, our city council and other appointed and elected city officials who serve and sacrifice for the benefit of all the constituents. Specifically, lord, I ask you grant for each of them wisdom and the true needs of our people. A keen thirst for justice and righteousness and confidence in discerning not just what is good but what is best and the ability to work together in harmony even when there's disagreement, peace in their personal lives and finally joy this their work please give and assurance of what would please you and those who live and work in and around our beloved city. I ask this in accordance with your will and your eternally good nature and the name of Jesus I pray, amen.

#### **MAYOR'S REPORT**

[Time: 00:05:05]

Mayor Lane: Amen. Thank you, pastor. A little bit of a nice item for my Mayor's report here. I would like to report that Scottsdale was named among the top ten digital cities for the fourth consecutive year. The city earned a sixth place in its population category for our participation in what work cities program database, performance management efforts and several informational technology initiatives to standardize hardware, streamline processes and improve outcomes. Here tonight, we have Brad Hartig, chief information officer, who will accept the award, and Brad, if you are here with us, if you could come forward, I might want to say that this was presented, I believe, to Councilman Phillips in the last NLC meeting; is that right, councilman? And so he brought it home for us from Pittsburgh. Thanks.

You know, just a small note. Additional note on all what that means, really, it is a great distinction for the city to be able to have that kind of designation. It is from the standpoint of services and amenities that are available here in our city, but also how we operate here in the city, using technology and being one of the top rated in effectiveness in the use of technology to make sure that we are providing constituent services and responsiveness on a high level. So Brad and his department is directly responsible for that end of it. So just wanted to make sure we got the full mention on that.

All right. We do have next item would be for public comment, which I see we have none. So I won't even go through that necessarily right now. If you are not aware, public comment is a separate point in time, where we do allow for public comment on non-agendized items. We don't -- there's no action taken on it, because they are not agendized but we do take that information from the public at that time. So there's just availability of three minutes each for five people to do just exactly that at our meetings.

**ITEM 1 – DESERT MOUNTAIN PARCEL 19 GENERAL PLAN AMENDMENT, REZONING, AND  
CONDITIONAL USE PERMIT (5-GP-2016, 17-ZN-2016, AND 6-UP-2016)**

[Time: 00:07:53]

Mayor Lane: So we will move right on, we have no consent items on this evening's agenda, and we will start our number one item and that's the Desert Mountain parcel 19 general plan amendment rezoning and conditional use permit. This is 5-GP-2016, 17-ZN-2016 and 6-UP-2016.

We have Jesus -- no, we do not. That is -- is it Taylor?

Senior Planner Taylor Reynolds: Yes, that is correct. He will be joining shortly, though.

Mayor Lane: Oh, I see him over there. I thought, you know, you have gone through quite a transformation, recently, Jesus. I thought, wow, he's taking another step. Blonde hair, you know, the whole thing.

Senior Planner Taylor Reynolds: Good evening, I'm Taylor Reynolds with long range planning here to present the lone general plan amendment for 2016, Desert Mountain parcel 19, this evening I will quickly go over state statute requirements and how we discern a major general plan amendment. I will go over the applicant's request and finally go over some key considerations regarding that request.

So state statute defines a major general plan amendment as one that substantially alters a municipality's land use mixture and state statute goes on to provide that each municipality may create their own criteria. The city of Scottsdale has four. This application, actually meets two of those four criteria. The state statute goes on to define a required process which includes each amendment should be heard in the same calendar year that it's submitted.

So the deadline for submittal this year was in May and then the applications before you tonight for adoption -- or possible adoption, also requires an additional remote planning commission hearing, which this year was held on October 5<sup>th</sup> at Copper Ridge School. And finally, it requires two-thirds majority vote of council or 5 of 7 votes to be adopted.

It's located in the northeast corner of Pima and Cave Creek roads. This aerial further shows the site. Note that it is adjacent to the town of Carefree and also the master planned community of Desert Mountain. The applicant's request is to amend the existing mixture of employment, office, commercial, developed open space and rural neighborhoods to that of suburban neighborhoods and developed open space on a 92-acre site. This slide graphically represents the applicant's request with the top being that existing mixture of land uses and the bottom showing what the applicant is requesting.

As I mentioned before, the city of Scottsdale has four criteria for discerning a major general plan amendment. The in any event of which is change in land use category. The applicant is proposing to change from both groups A and E to group B, so, yes, it is a major amendment.

The second criteria is an area of change criteria and this specific location of the city, any request for 15 or more gross acres of change would denote a major general plan amendment process. Again, 92 acres, so, yes, it is a major amendment there as well.

Some key considerations for the request to the scenic corridor dedications made by the applicant and the reduction of commercial in the northern area of city. Scenic corridors are major thoroughfares that have been designated by the 2001 general plan as being major thoroughfares that should provide a sense of openness from the 100-foot setback. They include a 100-foot scenic corridor setback along the Cave Creek. But they said that Pima corridor, a true corridor is up likely to north or south, to the north it's a gated community and the south to Carefree. The applicant is proposing to provide 25 feet of scenic corridor easement on the east side of that Pima road right-of-way and within that right-of-way our transportation staff have identified 50 feet of excess right-of-way that will be unused in the future, thus creating a 75-foot buffer through this application.

This is a graphic of lands. There's a 12% reduction of commercially designated lands in that area.

With this proposal, that number would be 20% since 2013. Having said that, the applicant has provided a market analysis of the 3-mile radius of the subject site. That analysis has shown that there's a high vacancy rate and lacking in location criteria for the uses and thus is unlikely to develop as a commercial use.

There's been substantial community involvement regarding this case, including the state statute required involvement that needs to be done. Planning commission has recommended approval and the town of Carefree has sent a letter of support and the Desert Mountain master plan community has supported this change as well.

At this time, I will be handing it over to Jesus Murillo who will walk you through the zoning and use permit applications.

[Time: 00:13:40]

Senior Planner Jesus Murillo: Thank you, Taylor. Jesus Murillo a planner here with the city. And I will be presenting in front of you tonight, the zoning case that accompany the general plan amendment request that you just heard from Taylor.

The -- if approved, the rezoning would reduce the currently existing commercial, commercial office, industrial and some of the residential uses to having a town house residential and open space.

The zoning case itself does encompass the entire 92 acres that Taylor mentioned in his presentation, but the conditional use permit will only be for 36 of those acres for the open space portion of the site. I would also like to mention that the stipulations have been amended since the planning commission due to the ongoing discussions that the city had with the applicant and that the applicant was having with the town of Carefree.

Just a quick look again at the site, we will zoom into that. If you notice, these blue areas that you see are existing city well sites as part of this discussion. We will allude to the stipulations that it showed that in order for this process to be completed, there is a stipulation that says that with the final plat, these well sites will be consolidated and relocated to meet both the needs of the applicant and of the city. If you would also notice there are two major washes on the site, one that's right along the northern boundary and the other one that dissects site right down the middle.

So one of the elements that's important to point out is that when this was first rezoned under the Desert Mountain master plan, that was under the hillside district ordinance and with this rezoning case, it will now be under the latest 2004 environmentally sensitive land ordinances and as you can see the commercial office, industrial, commercial, and the two different residential uses from the previous zoning case, and those will be amended if approved to the R4-ESL, when the town house and the OS which is the open space under ESL. And you can see the open space kind of snakes through site and it's over these 36 acres that the conditional use permit will be applied if approved. So kind of pointing to some of the requirements as far as how density will be changing.

Currently there's two zoning categories that discuss how density would have worked on the site. As proposed, the R4 straight standards would allow for 8.31 dwelling units per the acre, but the applicant has suggested being stipulated to, what would be 3.9 dwelling units to the acre, if you are just specifically looking at the 56 acres that are being requested to be zoned to the R4. That is has reduced to 2.6 dwelling units to the acre. If you see that density as being included over the entire 92-acre site in is the site plan that will be provided with the zoning case if approved.

The two blue areas that you see, first one here in the northwest corner is an existing well site that is active, and chances are that will be the location of the future well site as well. One of the sites that you see down here at the south, that is where there's current testing being done to see if that will be the ultimate location of the well site. In the drilling shows that this would not be the appropriate location, that blue -- that blue area might move.

As you can also tell from the site plan, those beige areas are the R4 designations and the green is the open space. The project promotes having two main entrances into the site, one off of Pima and one off of Cave Creek. And there will be an emergency exit further north along the Pima road alignment. This is how the applicant proposes dedicating majority of the naos that you will find on site, again, the majority TV located across the washes that were identified earlier in the presentation. This is how the applicant proposes to dedicate additional open space, I should say.

Now this is open space that will not be -- did not go towards their naos requirement. This will vary from the turf to areas that will be revegetated to a natural state, but will not count as naos in areas that will be somewhere in between. The area that you see in white is the R4 areas. Those will also have additional open space areas dedicated with it that were not included in the calculation to the site meeting its -- excuse me, its requirements. In this a graphic that the applicant has provided to show -- to give an indication of what some of the architecture for the R4 or the club house that will be associated with the golf course, the conditional use permit.

So kind of concluding the preparation, I would like to point out some key considerations. The zoning mapping amendment and the conditional use permit as presented does -- is consistent with the requested general plan amendment. The request also meets the conditional use permit criteria and all the natural area, with special requirement for the site. The consolidation of the existing well sites and the locations to where those might be and staff did receive a letter of support from the town of Carefree.

That concludes staff's presentation. I believe the applicant is here for their presentation but staff is here to answer any questions.

Mayor Lane: Thank you, Jesus. Appreciate that and, yes the applicant, Mr. Berry.

[Time: 00:19:42]

Applicant Representative John Berry: Mayor, members of the Council for your record, John Berry,

6750 East Camelback Road in Scottsdale. Staff gave you a very thorough presentation, actually, two staff members make PowerPoint presentations for you and the staff report is very extensive and it comes in under 400 pages on this.

So what I would like to start off with is I would like to clarify and simplify this request. To clarify and simplify the request, it's very simple. We are taking about 92 acres that, believe it or not, on the far northern reaches of our community, at the front door of one of the most beautiful internationally recognized communities in the world, Desert Mountain, where golf tournaments have been televised and held over the last years, it's a gem and a crown jewel for our city. At the front door of Desert Mountain, there's 92 acres that are generally planned and zoned for industrial uses for retail uses, and for office uses.

What is this request? Is this to acknowledge that that was a bad idea back in the day and just for the record, I had nothing to do with that one. So to take that 92 acres and turn it into something that is -- that exudes the ambience and the cache of Desert Mountain, which allows some of the homeowners up there that live in beautiful, very large homes, the opportunity if they wished to downsize and still stay within the Desert Mountain Community. This will be part of the Desert Mountain Community. So these will be homes, some attached, some detached with an 18 hole short play -- I don't play golf. Short game -- I don't play golf. Short game golf course which will be available and accessible to players of all levels.

So we are taking something that made no sense at the time and turning it into something that the Desert Mountain Community has embraced, in fact, the Desert Mountain Community actually voted on this and the numbers were in the high 80%, in support of this. So this is something that the community has embraced.

It's interesting that with this project, I don't want you to hold this against me some time in the future but this will result in less development than the current general plan allows. Less development than the current zoning allows. Less height than the current zoning allows. It would allow up to 52 feet in height for industrial uses. Instead, the maximum right here is 30 feet. In terms of water usage, if this were ever built under the current zoning and general plan, it would -- our proposal would result in an 83% reduction in the amount of water consumed and that's even taking in the golf course element here. It also would result in less traffic. A 93% reduction in the amount of traffic compared to the current general plan and the current zoning.

Now, you can argue would it ever be built? But the reality is the zoning is there and the general plan is there and as long as it's there, it's a possibility. One thing that is brings is more rooftops and more wallets and high-income wallets to support the retail that is struggling up in that area.

Now, back in September, I know Mayor, councilmembers you received a letter from the Mayor of Carefree supporting our case but articulating some concerns they wanted us to work out with traffic and drainage and technical issues and as we always try and do, we -- whether it's the Mayor of Carefree or citizens in our own community, we met with them, we listened to them carefully, Carefreely -- carefully, and at the end of the day, you now have a revised letter from last month, from



the Mayor saying we have come to agreement on these issues, no remaining issues and they are in support. And some of those changes are reflected in the revised stipulations of city staff directed your attention to.

There's strong support for this request from the community. I think you will hear from some folks from the Desert Mountain Community, their level of support for this I'm not aware of any opposition from any Scottsdale residents. That may not -- we may be behind the curve on that one but not aware of any opposition. And we have the strong support of the planning commission, unanimous request, recommendation to you, and we have strong support from your city's staff.

Mayor, members of the council, this is the proverbial win/win, and very importantly, I only took half of my time. A true blessing to all of you. Mayor, members of the council.

Mayor Lane: Are you stopping now?

Applicant Representative John Berry: I am. I'm happy to answer any questions. Thank you.

Mayor Lane: All right. Thank you Mr. Berry. I appreciate that. We do have some comments from some folks who have joined us from the northern frontier. We start with David Kandall.

[Time: 00:24:50]

Mayor Lane: You need to come to the microphone, if you would. Do we have a microphone available?

David Kandall: My name is David Kandall. I'm a resident of Scottsdale and a member of Desert Mountain. And along with a lot of my friends support this wholeheartedly, and can't wait. Thank you.

[Time: 00:25:48]

Mayor Lane: Very good. Thank you. Next will be Harold Eastridge.

Harold eastridge: Councilman, Council ladies, Mayor. First I want to thank you. I met with you, with several other individuals last spring. You were very courteous and listened to our proposals. We appreciate that. Desert Mountain has 1900 memberships, some 3800 members. And so it's a significant organization. We bought the club from the developer a little over 6 years ago. At that time, this land became ours and it's a cornerstone of the economic viability of Desert Mountain. Probably all of you know that it's not been easy times for country clubs and it's important that we provide for the economic stability of Desert Mountain and this project is going to do that. 87% of the members of Desert Mountain voted in favor of this. When I first -- I was on the board when we bought the property, and as a retired developer and builder, I was interested in parcel 19 and I did a lot of research on it, and I couldn't believe the zoning that was present there. After a while, it became clear because at one time, Desert Mountain was zoned for 10,000 homers.

That has been cut down to approximately 2400 today. So there's simply not the population on the mountain, nor in the surrounding areas to support commercial retail, et cetera, et cetera. So anyway, we would really appreciate your positive vote today. Thank you.

[Time: 00:27:55]

Mayor Lane: Thank you Mr. Eastridge. Next would be, I believe it's Bob Borsch.

Bob Borsch: Mayor Lane, city councilmembers and fellow Desert Mountain members, gathered in the back here.

Mayor Lane: If I might and it's something we do normally, if you could give your address.

Bob Borsch: My address is 4205 North 113<sup>th</sup> way in Scottsdale which is in Desert Mountain.

Mayor Lane: Very good, thank you.

Bob Borsch: I am a transplant from cold country, and came here 22 years ago to find a place in Desert Mountain. I can't add a lot no what Harold said but I can add some passion. I am a serial volunteer and for more than a decade, I have been working at Desert Mountain to make it better. I have been the head of the H.O.A. and been on the board for five years and I started the Desert Mountain Community Foundation, which gives scholarships to our employees. Net/net I'm passionate about making Desert Mountain be the best place. That's the end of my speech.

[Time: 00:29:21]

Mayor Lane: Thank you very much. Next is Bill Robinson.

Bill Robinson: Bill Robinson. 39741 North 106<sup>th</sup> Place, Scottsdale, Arizona, 85262. Mayor Lane, councilmembers, first off, I would like to say, I'm also a transplant. I have been a full-time resident now for about 10 years and I think Scottsdale is absolutely the finest place I have lived anywhere across the United States. So thank you for all the work you do to keep making it even better. You know, my wife and I both are in strong support of this. All of our friends that we have at Desert Mountain, they are also in support of this project. This project brings us amenities, another golf course, different types of housing that's going to allow many more members. One, it will attract new members but it will allow current members to sustain their existence at Desert Mountain. Nobody ever wants to leave there once you are there, because it's such a beautiful place. This program this process that we are going through now will enable us to continue building Desert Mountain into what we all believe is the finest resort community in the United States. It's a jewel to Scottsdale. It's a jewel to the state of Arizona, and it will bring not only new residents. It will bring new revenues, tax dollars to Scottsdale in the state of Arizona. So as a full-time resident, I beg you to approve this -- this proposal. Thank you very much.

[Time: 00:31:12]

Mayor Lane: Thank you, Mr. Robinson. Next is Keith Johnson.

Keith Johnson: I'm Keith Johnson. I live 39856 North 105<sup>th</sup> Place, Desert Mountain, Scottsdale. I have been a member of Desert Mountain for 19 years, and for the last four years I have been a full-time resident of Scottsdale and I also compliment the Mayor and the city council on a beautifully run city. I can say this is a win/win, win/win. It's a win for the city. It's certainly a win for the Desert Mountain community itself, and it's also going to be and for the cities of Carefree and Cave Creek as I think someone referred to these high wallet move into the area. It will support the retail stores and also the services in that area and I hope you support this for us. Thank you.

[Time: 00:32:13]

Mayor Lane: Thank you, Mr. Johnson. Next would be -- I will try this, Steve is it Drezia?

Steven Draizin: My name is Steven Draizin, I live at 35992, North 95<sup>th</sup> Street in Scottsdale, which is within Desert Mountain. I acknowledge the council for the great work that you are doing. In 2006, I was chairman of the advisory board at Desert Mountain when we exercised an option to purchase 9 property. At the time that we were to have the club turned over to membership. At that time, 91% of the members voted in favor of that option to take over the property. Our concern then, as it has been, was that it was going to be developed commercial. And by gaining control over it, we were able to control and work with people in order to have the property have its appropriate use. My colleagues have talked about how wonderful Desert Mountain is. This may be the crowning jewel that goes on top of Desert Mountain. This net addition. It will be a wonderful, wonderful additional amenity.

Besides, a small side point, I live within hailing distance of Cave Creek road and one of the amenities that -- or -- I will call it an amenity, that's going to take mace is a repaving of Cave Creek road in order to reduce the noise levels from the traffic, and so I will be a personal beneficiary of the quieter, which we much appreciate.

[Time: 00:34:10]

Mayor Lane: Thank you Mr. Draizin. Next is Ben Bejina. How close? Not very. Sorry about that.

Ben Viglietta: Good evening, my name is Ben Viglietta. I have been at the club for about 10 years now, about half the time before the members purchased the club and about half the time after. Parcel 19 has always been an important part of Desert Mountain, one that was always contemplated as being developed, and we are very excited at the club, at the prospect of the development as it's been presented. It's provides a diversity of amenity and wonderful opportunity that homes can down size. And it's a wonderful use, and we are excited. Thank you.

[Time: 00:35:16]

Mayor Lane: Thank you. Next will be Bob Jones.

Robert Jones: Good evening, my name is Robert Jones. I'm the C.O.O., general manager of the club. I reside and work at 10550 East Desert Hills Drive, Scottsdale, Arizona. I would like to heartily endorse what has been said tonight. I have been with the project almost 20 years, working 15 with the developer and then helping the membership buy the club and being part of that leadership. I understand why this parcel exists. It was an outcast of a larger development plan that's no longer required. So this is clearly the best use of this property. I want to endorse and advise the council that over 87% of the membership supported this amenity, and see it as a wonderful extension to the club and the community providing mandatory memberships along with the real estate property and the ability to downsize and have a different choice in homes. The property not only provides these new residents. It is compatible with the other communities with inside the Desert Mountain gates. It's also compatible with the other communities that are located with Scottsdale. Having owned and been part of three quarters of the -- what this site abuts to, I can heartily ask for your endorsement tonight and thank you Mayor and council for your consideration and approval.

[Time: 00:37:07]

Mayor Lane: Thank you, Mr. Jones. Next and last is Robert Ames.

Robert Ames: Good evening to Mayor and City Council, my name is Robert Ames, I'm the club manager at Desert Mountain Club. You have heard the address. You have heard many, many wonderful accolades about this project and it's fantastic and I echo every single one of them. The one that I didn't hear, which I think will add a little bit more icing to the cake is the creation of job. As a fellow Desert Mountain employee of which we employ 425 employees year round and almost 650 during our high peak season of November through April, this wonderful amenity that we hope will be approved will not only provide a wonderful new addition to Desert Mountain and the community and the members, but the creation of wonderful new jobs for young professionals like myself to be in the industry, the service industry in terms of the golf course, the club house, the restaurant, and all social and lifestyle amenities that will be provided. Thank you for your time.

Mayor Lane: Thank you, Mr. Ames. That does complete the public testimony, and we now have some opportunity for the council to -- if there's any comments or questions. We will start with Councilmember Korte.

[Time: 00:38:37]

Councilmember Korte: Thank you, Mayor. Great project. Thank you. I have one question. We have two egress/ingress from -- two egress/ingress points in the property. Is there -- I don't see from the site map that there is a way to directly get into the rest of Desert Mountain from the site. So it seems to be isolated?

Applicant Representative John Berry: Mayor, Councilmember Korte, there are two access points into the Desert Mountain Community. There's no direct vehicular access. There is extensive pedestrian and cart path access between the communities. So within the community, walking, riding your bike and using a golf cart are the preferred modes and I think our transportation folks would appreciate that.

Councilmember Korte: I completely understand the golf cart thing. Thank you.

Mayor Lane: Thank you, Councilwoman. Councilwoman Milhaven.

[time: 00:39:37]

Councilwoman Milhaven: I think this is the first time where we had a major case and no one stood up to object. Thank you, gentlemen, for coming down and making it so enjoyable.

I would make a motion to adopt, resolution 10647, and ordinance 4290, zoning district amendment to rezone the subject 92-acre site and adoption resolution 10648, approving a conditional use permit for the golf course on 36 acres.

Councilwoman Klapp: Second.

Mayor Lane: Seconded by -- motion made and seconded by Councilwoman Klapp. Would you like to speak toward it?

Councilwoman Klapp: My only comment would be is I have never met such pleasant people at a council meeting for a major general plan amendment. It must be a nice place to live. Because you all seem really happy! So I'm very happy to second the motion.

Mayor Lane: Very good. Thank you Councilwoman. Just for record, obviously it is. It's great to see this kind of project and certainly, it's great to have that kind of support for it, and it's for obvious reasons. It's a great use of the property. Everybody acknowledges that. So thanks for the presentation and thanks.

You have some closing comments? You look like you are ready to make some further comments but you don't want to screw this up so just don't say anything. But in any case, I think there's no further comments that we have here so I think we are then ready to vote on the motion that's been expressed. And so all those in favor please indicate by aye and register your vote. Aye. As was to be expected, it's unanimous.

Applicant Representative John Berry: Thank you all very much.

Mayor Lane: We don't generally allow clapping but at the same time, this is a memorable event.

**ITEM 2 – COMPREHENSIVE FINANCIAL POLICIES AND GOVERNING GUIDANCE**

[Time: 00:41:42]

Mayor Lane: All right. The next item on the regular agenda is item 2, which is a comprehensive financial policies and governing guidance. And we have our esteemed city treasurer Jeff Nichols here. You are poised and ready to go on the request and the adoption of resolution 10583 relating to comprehensive financial policies and governing guidance.

Councilwoman Milhaven: Are you feeling lonely out there?

City Treasurer Jeff Nichols: Thank you, Mr. Mayor. By the way, I did tell Mr. Berry that I golf. He doesn't but I do, just in case his client wanted to know.

Mayor Lane: What was the word he was searching for?

City Treasurer Jeff Nichols: I don't need to play executive courses yet. Maybe one day.

Mayor Lane: I thought it was a short hole course but anyway, be that as it is.

City Treasurer Jeff Nichols: So a little bit to start, each year before we kick off the budget process, we look at our financial policies, as it's noted they were first adopted in 94/95 and we looked to each and every policy. We review it as a team. We see if any changes have been made, any updates need to be made, if there's any clarifications or any additions. The reason we do that is to promote the sound financial planning. I think that really helps. It does assist in helping to make fiscal strategy and it contributes to the city's AAA bond rating.

We have five categories in financial policies, operating, capital, debt, reserve management and then financial reporting. So the notable changes that we have coming forward for your consideration this year operating management policy number 3 all we are doing is taking and striking through the word "programs" and adding "departments." And the reason we are doing that is to more appropriately indicate what level of the organizational effectiveness and efficiency criteria documentation will be included in the annual budget.

The next one, operating management policy number 17, the council has directed staff to take the food sales tax, the sales tax from the sale of food for home consumption and phase it over into the capital improvement program, over a three-year period. So we are capturing that policy here from that direction from council. And, again, the rationale.

Operational management policy number 19, all we are doing is clarifying that the -- the employees that are eligible for the city to participate or reduce their cost for health insurance are public safety disabled and not just public safety disabled retirees and not just retirees.

New operating management policy, number 20, as it relates to the policy, the previous policy, this will happen after fiscal year -- so in the next fiscal year budget. So right now we are in '16/17 and in

'17/18, the cost of the previous policy will work in a transfer, into the health service fund because of the direction of council to help with the subsidy, the cost of providing healthcare benefits to sworn public safety disabled retirees.

Operating management policy number 21, just needed a clarification it wasn't in there. We recover the G.O. debt service. We recovered the revenues required by the prior expense of the tort reforms that you all approve and then we wanted to add the new growth added to the tax rolls and just the clarification there.

Operating management policy number 23. Last year we brought forward the policy on the 5% increase based on performance for each qualified sworn police officer this year we are adding firefighter, fire engineer and fire captain. And, again, just up to 5%, based on performance.

We are deleting capital management policy number 27 in its entirety and that's because we are going to have capital management policy number 28. We are talking about adding the future -- when you approve a capital project and the following year, once that project is complete, we will add the -- the new operating costs related to that project in future budgets so that we capture those costs and don't burden the departments that have to maintain those assets.

Debt management policy number 38, we want to make it very clear if you recall voters approved \$500 million in general obligation bonds to pay for purchases of land within the preserve. There was never any intent of council to have that fall to the tax rolls. It's paid out of the sales tax for the preserve, the two tranches, and we just wanted to make sure that that was captured in the policy. So there is no confusion on that.

The staff recommendation is to adopt, 10583, the policies have just gone over. If have you any questions, I would happy to go them at this time.

Mayor Lane: I think it's very clear, at least for myself. I don't see any particular questions on that. If there are none, I would accept a motion to accept. Councilwoman Korte?

[Time: 00:47:25]

Councilmember Korte: Mayor, I move to adopt resolution number 10583.

Vice Mayor Littlefield: Second.

Mayor Lane: Motion was made by Councilwoman Korte and I believe it was seconded first by Vice Mayor Littlefield. Any comments at all? Okay. I think then we are ready then to vote. So all of those in favor please indicate by aye and those opposed with a nay. And it's unanimous as would be indicated. So thanks very much on that.

City treasurer Jeff Nichols: Thank you, sir.

**ITEM 3 – STANDARD PRACTICES AND PROCESSES FOR GATHERING PUBLIC FEEDBACK**

[Time: 00:47:54]

Mayor Lane: Our next item is item 3, and standard practices and processes for gathering public feedback and we have our acting city manager Brian Biesemeyer to address this issue.

Acting City Manager Brian Biesemeyer: Thank you, Mayor. I'm going to let Kelly give you a more in-depth presentation on this.

Mayor Lane: Very good. Thank you. Mr. Corsette.

Communications and Public Affairs Director Kelly Corsette: Thank you Mr. Mayor, city council, my name is Kelly Corsette, I'm the communications and public affairs director. You all know, it's for our audience.

The steps taken by staff to ensure that input receives through the city's website is reliable feedback received from individual citizens. Now, as a result, staff began assessing the specific avenue of online feedback, which quickly led us to a larger consideration of our standard practices and processes for gathering public feedback online and in person. This has been a very useful discussion for staff, as the world of public discourse has evolved, our tools for feedback have multiplied. So a review of our methods and practices was overdue.

I have two additional slides for you this evening to provide the requested update, and outline the core of a new set of policies and procedures that would apply to all city employees and firms working under contract with the city. These are contained in an administrative regulation, currently in draft form, which will be finalized shortly.

Now, as we thought about the topic, we realized that public interaction we're speaking about really falls into three categories. There's feedback, there's public comment, and there's surveys and polls. Feedback is really follow-up. So customers who received a city service, participated in a city class, can tell us how we did.

With feedback, we are asking questions like: How did we do? What could we do better? And this kind of feedback is really a core element of the way that we do business and the city's commitment to customer service. It's most commonly gathered via paper and online forms.

Now, public comment, as you well know, as a core element of open government, allowing members of the public to express their thoughts, ideas, and opinions about the things that we, their local government, are considering or doing. With public comment, people are answering questions like, what do you think? Or what would you like? Or conversely, what don't you like? What don't you want? Now, public comment is commonly provided in person at city council and other public meetings, or via paper or electronic forms that like we often use during public outreach efforts that are attached to specific proposals or projects.



And finally, surveys and polls are statistically valid methods that allow us to measure opinions and draw larger conclusions. To answer questions like how do people feel or what do people do, surveys and polls are usually conducted via qualified third parties with expertise and representative sampling and statistically valid methods.

Two of these are actually underway right now. The national citizens survey is open for 1500 randomly selected Scottsdale households. And then the national employee survey is currently open to all city of Scottsdale city employees.

Now, to provide consistency across the organization, the draft administrative regulation provides specific direction for staff when collecting feedback, public comment, or conducting surveys or polls. As I mentioned feedback is really a routine part of the way that we do business and can be collected at division or department discretion. Public comment is also a standard city practice and can be collected at department or division discretion, however, for larger more substantial projects, proposals or issues, a public participation plan should be used to set specific goals and ensure sufficient time for public notification, review, and comment. Those participation plans are reviewed and approved by the division or the department head.

Now surveys and polls are not used as commonly as other method, partly because doing them correctly requires significant expertise and that often means hiring a third party at additional cost. For these reasons this method requires city manager approval.

Now, regardless of the type of outreach conducted, if it employees online or electronic channels it will use methods to protect against exploits and ensure authentic responses to the degree possible. Online feedback or public comment forms will use a digital challenge response test or similar technology. You are probably all familiar with those when you fill out an online form, you click the box that says I'm not a robot and then complete some additional task that theoretically requires a human touch. Other electronic techniques may require a simple email validation or similar method to provide feedback that this is authentic and from individual respondents.

Now the whole of this guidance is contains in the draft, and that's under review. I'm happy to answer any questions that you may have.

[Time: 00:53:57]

Mayor Lane: Very good. Thank you. It was very comprehensive. One thing I was going to ask, each of these areas of things provide us with some insights as to how we may operate or how we may proceed, but they would not necessarily be a source for policy direction unless we went through a normal process of governance, of policy, of budgeting or anything like that. We wouldn't -- or instituting a tax or regulations. We can get input into how people feel but they would never displace the election process, or the voting process, either here in the dais and/or the public.

Communications and Public Affairs Director Kelly Corsette: Yes, Mr. Mayor, none of this would

intend to replace that sort of process but simply provide tools for stuff to address programs or services or for you the policymakers to gain some insight into what the community may be thinking in a particular area.

Mayor Lane: Yeah. Very good. Thank you. Just a clarification on that. And I didn't take from your presentation that that's what you were alluding to, but I do think that sometimes there is a -- some direction in the public where sometimes these were meant to displace a wider scope of things given a policy of a vote, a public vote or otherwise or a council vote.

So let me start with the first question or comment from Councilman Smith.

[Time: 00:55:31]

Councilman Smith: Thank you, Mayor. I would like to commend staff for -- and whoever was involved in doing this. I suspect it was a useful discussion and I think it's a useful result that comes out of it in terms of -- if nothing else, getting the nomenclature of how we describe these things more uniform -- uniform across the city. And reserving for statistically accurate surveys the term survey. So I think it's a good exercise. I commend you on the results.

I do have a question of understanding. You indicated you have two surveys, the 1500 resident survey. I'm aware of that and you said also a survey of all employees. Is it -- I wouldn't think it would be a statistically meaningful survey if you just put out a survey to all employees knowing that you won't get a random response. You will -- can you talk to that for a moment?

Communications and Public Affairs Director Kelly Corsette: Mr. Mayor, Councilman Smith, members of the Council, in the situation with city employees, we can reach every single city employee. So every single employee has the same opportunity to participate, and therefore, it is statistically valid. We can draw conclusions about employees at large. It would be prohibitively expensive, although it could be possible to give every single Scottsdale house hold the opportunity to participate in the national citizen survey. It's just a matter of cost. So the employee survey, we can reach all 2400 or so city employees, and so that is a statistically valid method and we can draw conclusions from it.

Councilman Smith: Are we paying for that survey?

Communications and Public Affairs Director Kelly Corsette: Yes, sir, we are paying for that survey.

Councilman Smith: Wouldn't it be cheaper to have somebody survey 150 employees in a statistically correct fashion and get the same statistically accurate result by surveying 2500 employees.

Communications and Public Affairs Director Kelly Corsette: Councilman Smith, Mayor, I don't know that we have ever asked that question. I suppose it's possible. I think the overhead in delivering that survey is kind of a sunk cost. So I'm not sure how much additional cost would be saved by randomly selecting employees within that audience.

Councilman Smith: Well, I will leave it to you. I -- it was an interesting question, or interesting to me, anyway, but I commend you again. I think it is a good step forward. Thank you.

[Time: 00:58:25]

Mayor Lane: Thank you, Councilman. It looks like we have the city manager who would like to weigh in or make a comment on this.

Acting City Manager Brian Biesemeyer: Thank you, Mayor and Councilman Smith, part of it is we want -- we want our workforce to feel engaged with us, and so because we have the ability and the cost differential is very small, to have everyone feel that they are engaged is -- is, I believe, a very worthwhile part and that's the big reason for reaching out to everybody.

Mayor Lane: Thank you, Mr. Biesemeyer. Councilwoman Milhaven.

[Time: 00:58:52]

Councilwoman Milhaven: Thank you, well done. To validate the email address. Giving our citizens a way that we can rely on the feedback and know that it's representative of individuals, I think helps to make government better. I want to thank you for all the hard work you have put into that.

Mayor Lane: Thank you, Councilwoman Korte.

[Time: 00:59:21]

Councilmember Korte: Thank you. Good process. Appreciate it very much.

Mayor Lane: Thank you, Councilwoman. I want to commend you for what you have done here. It serves us well to continue to sort of refine what we do rely upon. You know, we have some mechanisms that can be somewhat less than scientific and create -- it could be a petition. It could be a number of things that we have some difficulty and really weighing exactly what we are looking at. Even from a select community or otherwise. And so it's always important to keep in perspective that we have to have something substantive about the process, or I should say more scientific about the process, and/or completeness of it, in order to put a whole lot of weight into something that's in front of us. It doesn't mean that it doesn't have some influence but it's something that we need to quantify, and I think that's help -- what you are doing here is helping us in that regard. So thanks very much.

There's no further comments on this. I don't know -- there's not an actionable item, I don't believe, we have here. So this is for information.

Communications and Public Affairs Director Kelly Corsette: That's correct, information.

**ADJOURNMENT**

[Time: 01:00:46]

Mayor Lane: Okay. Well, thank you very much, Mr. Corsette and Mr. Biesemeyer for working through that with us. We have no further -- that completes that item and completes our regular agenda items. We have no public comments. We do have any indicated Mayor or council items and with that, I would accept a motion to adjourn.

Councilmember: So moved.

Councilmember: Second.

Mayor Lane: It's been made and seconded. All of those in favor of adjournment, please indicate by aye. We are adjourned. Thank you very much, everyone.