

**SCOTTSDALE**

# **CITY COUNCIL MEETING**

## **\*\*\* AMENDED \*\*\* MEETING NOTICE AND AGENDA**

**[ADDED ITEM NO. 10A AND PUBLIC HEARING LINK FOR ITEM NO. 13]**



### **COUNCIL**

W.J. "Jim" Lane, Mayor

Suzanne Klapp

Virginia L. Korte

Kathleen S. Littlefield

Linda Milhaven

Guy Phillips

Solange Whitehead

**Tuesday, May 5, 2020**

*Until further notice, Council meetings will be held electronically. While physical facilities are not open to the public, City Council meetings are televised on Cox Cable Channel 11 and streamed online at [ScottsdaleAZ.gov](http://ScottsdaleAZ.gov) (search "live stream") to allow the public to listen/view the meeting in progress.*

*Only written comments submitted electronically at least one hour prior to the meeting are being accepted. A written Public Comment may be submitted electronically by clicking on the "click here to submit a written comment on an item" link located at the top of each page of the agenda.*

**5:00 P.M.**

**MARKED AGENDA**

### **CITY COUNCIL MEETING**

Meeting will be held electronically.

**Call to Order – 5:08 P.M.**

**Roll Call – All present**

*Members of the Council will be attending the Council Meeting by telephone, video, or Internet conferencing, pursuant to A.R.S. § 38-431(4).*

**Mayor's Report – Mayor Lane announced the reopening of the City's tennis and pickle ball courts and dog parks.**

## **MINUTES**

**Request:** Approve the [Regular Meeting Minutes of March 17, 2020](#), and [April 7, 2020](#).

**– Councilmember Korte made a motion to approve the Regular Meeting Minutes of March 17, 2020 and April 7, 2020. Councilman Phillips seconded the motion, which carried 7/0, by roll call vote, with Mayor Lane; Vice Mayor Littlefield; and Councilmembers Klapp, Korte, Milhaven, Phillips, and Whitehead voting in the affirmative.**



PERSONS WITH A DISABILITY MAY REQUEST A REASONABLE ACCOMMODATION BY CONTACTING THE CITY CLERK'S OFFICE AT (480-312-2412). REQUESTS SHOULD BE MADE 24 HOURS IN ADVANCE, OR AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE ACCOMMODATION. FOR TTY USERS, THE ARIZONA RELAY SERVICE (1-800-367-8939) MAY CONTACT THE CITY CLERK'S OFFICE (480-312-2412).

FOR ADDITIONAL INFORMATION VISIT: [WWW.SCOTTSDALEAZ.GOV/COUNCIL/MEETING-INFORMATION](http://WWW.SCOTTSDALEAZ.GOV/COUNCIL/MEETING-INFORMATION)

## CONSENT AGENDA      ITEMS 1-10A

**How the Consent Agenda Works:** The Council may take one vote to act on all of the items on the Consent Agenda, or may remove items for further discussion. Items not removed from the Consent Agenda will be considered in one motion. Items removed for clarification or discussion by the Council will be acted on as appropriate. **Action will be taken by a Roll Call vote.**

**– Councilmember Korte made a motion to approve Consent Agenda Items 1 through 10A. Councilwoman Whitehead seconded the motion, which carried 7/0, by roll call vote, with Mayor Lane; Vice Mayor Littlefield; and Councilmembers Klapp, Korte, Milhaven, Phillips, and Whitehead voting in the affirmative.**

1. **Hilton Scottsdale Resort & Villas Liquor License (21-LL-2020) – Approved on Consent.**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 11 (hotel/motel) State liquor license for an existing location with a new owner.  
**Location:** 6333 N. Scottsdale Road  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
  
2. **Rift Wine & Beer Liquor Licenses (22-LL-2020, 26-LL-2020, and 34-LL-2020) – Approved on Consent.**  
**Requests:**
  1. Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 7 (beer and wine bar) State liquor license for an existing location with a new owner, new license series.
  2. Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an additional Series 7 (beer and wine bar) State liquor license for an existing location with a new owner, additional new license series.
  3. Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (beer and wine store) State liquor license for an existing location with a new owner, new license series.**Location:** 431 N. Scottsdale Road  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
  
3. **Trevor’s Liquor Licenses (32-LL-2020 and 33-LL-2020) – Approved on Consent.**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 7 (beer and wine bar) State liquor license and a Series 9 (liquor store) State liquor license for a new location and owner.  
**Location:** 7340 E. McDowell Road  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
  
4. **Papago Inn Liquor License (39-LL-2020) – Approved on Consent.**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 6 (bar) State liquor license for an existing location with a new owner.  
**Location:** 7017 E. McDowell Road  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)
  
5. **Desert Rock Distillery Liquor License (40-LL-2020) – Approved on Consent.**  
**Request:** Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 18 (craft distillery) State liquor license for an existing location and owner, new license series.  
**Location:** 7302 E. Helm Drive, Suites 1001 and 1002  
**Staff Contact(s):** Tim Curtis, Current Planning Director, 480-312-4210, [tcurtis@scottsdaleaz.gov](mailto:tcurtis@scottsdaleaz.gov)

6. **Walkway North Parcel Light Fixture Easement and Installation and Maintenance Agreement – Approved on Consent.**  
**Request:** Adopt **Resolution No. 11758** authorizing Agreement No. 2020-071-COS with Gateway at Main St. Plaza Scottsdale Condominium Association permitting the continued operation of light fixtures used to illuminate a public walkway.  
**Location:** South side of Main Street halfway between Marshall Way and Goldwater Boulevard.  
**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)
7. **Site 42 Reservoir Storage Expansion Project Preconstruction Phase Services Contract – Approved on Consent.**  
**Request:** Adopt **Resolution No. 11781** authorizing CM@Risk Contract No. 2020-076-COS with MGC Contractors, Inc., in an amount not to exceed \$37,387, to provide preconstruction phase services for the Site 42 Reservoir Storage Expansion project.  
**Location:** 26602 N. Pima Road  
**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)
8. **Paiute Park License Agreement – Approved on Consent.**  
**Request:** Adopt **Resolution No. 11780** authorizing Agreement No. 2020-075-COS with the Salt River Project Agricultural Improvement and Power District to continue to operate and maintain Paiute Park.  
**Location:** East side of 64<sup>th</sup> Street and south of Osborn Road  
**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)
9. **SkySong Ground Lease Agreement – Approved on Consent.**  
**Request:** Adopt **Resolution No. 11685** authorizing Agreement No. 2004-119-COS-A8, the eighth amendment to the agreement with ASUF Scottsdale, LLC, to add the City's 1.5-acre parcel into the lease for an assemblage fee in the amount of \$3,595,000 and additional annual lease payments.  
**Location:** Southeast corner of Innovation Lane and McDowell Road  
**Staff Contact(s):** Daniel Worth, Public Works Director, 480-312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)
10. **Baseball Facilities Agreement – Approved on Consent.**  
**Request:** Adopt **Resolution No. 11787** authorizing Agreement No. 2019-039-COS-A1, the first amendment to the agreement with San Francisco Giants Baseball Club, LLC, and Scottsdale Charros, Inc., for the operation of Major League Baseball training facilities.  
**Staff Contact(s):** William Murphy, Assistant City Manager, 480-312-7954, [bmurphy@scottsdaleaz.gov](mailto:bmurphy@scottsdaleaz.gov)
- \*\*\*10A. **Patrick Gibbons Settlement Agreement and General Release of All Claims – Approved on Consent.**  
**Request:** Adopt **Resolution No. 11802** authorizing Agreement No. 2020-085-COS with Patrick Gibbons in the amount of \$100,000 to settle Patrick Gibbons' claim against the City and its employees.  
**Staff Contact(s):** Sherry Scott, City Attorney, 480-312-2405, [sscott@scottsdaleaz.gov](mailto:sscott@scottsdaleaz.gov)

## **REGULAR AGENDA      ITEMS 11-14**

**How the Regular Agenda Works:** The Council takes a separate action on each item on the Regular Agenda. **Action will be taken by a Roll Call vote.**

11. **Pre-Tentative Fiscal Year 2020/21 Operating Budget and Capital Improvement Plan**  
**Request:** Presentation, discussion, and possible Council direction to staff regarding the Proposed FY 2020/21 Operating Budget and Capital Improvement Plan, including the City's proposed FY 2020/21 rates and fees.  
**Presenter(s):** Jeff Nichols, City Treasurer; Jim Thompson, City Manager  
**Staff Contact(s):** Judy Doyle, Budget Director, 480-312-2603, [jdoyle@scottsdaleaz.gov](mailto:jdoyle@scottsdaleaz.gov)

- City Treasurer Jeff Nichols and City Manager Jim Thompson presentations.
- Mayor Lane made a motion to direct staff to return with a realistic assessment of revenue projections, taking as much information as possible and matching it up by providing a year-over-year budget comparison of the adopted budget for fiscal year ending 2020 to the projected budget for fiscal year ending 2021, so the Council can review line by line items as to actual budget reductions and funds that will be moved to the reserve accounts. Councilwoman Klapp seconded the motion, which carried 7/0, by roll call vote, with Mayor Lane; Vice Mayor Littlefield; and Councilmembers Klapp, Korte, Milhaven, Phillips, and Whitehead voting in the affirmative.
- Councilmembers made the following suggestions:
  - Provide updated sales tax numbers to the Council and public.
  - Prepare a graph, spreadsheet, or chart showing last year’s numbers for large income producers and actual numbers for this year, and then estimate a trendline for the rest of the year, and possibly for next year.
  - Provide current revenue forecasts specific to Scottsdale.
  - Provide information on how much the City has saved to date in expenditures related to closing city amenities, personnel layoffs, and shutdowns and projected savings through the end of the year.
  - Evaluate city staffing levels in each department and consolidate or eliminate positions.
  - Place holds on business fees, license increases, and residential rates and fees.
  - Evaluate timing of any and all capital improvement projects.
  - Reduce items from the contingency budget related to merit increases, market rate increases, and vacation trades.

12. [Public Hearing on Water and Wastewater Rate Increases](#)

**Request:** At the request of staff, continue to May 19, 2020.

The City Council adopted a notice of intention to increase water and wastewater rates on March 3, 2020, and set a public hearing date for May 5, 2020. City Hall is currently closed to public access due to the COVID-19 pandemic, and City Council meetings are being conducted remotely through electronic means. Therefore, staff is requesting the public hearing be continued until May 19, 2020.

**Staff Contact(s):** Brian Biesemeyer, Water Services Director, 480-312-5683, [bbiesemeyer@scottsdaleaz.gov](mailto:bbiesemeyer@scottsdaleaz.gov)

– Councilman Phillips made a motion to continue the public hearing on water and wastewater rate increases to May 19, 2020. Vice Mayor Littlefield seconded the motion, which carried 7/0, by roll call vote, with Mayor Lane; Vice Mayor Littlefield; and Councilmembers Klapp, Korte, Milhaven, Phillips, and Whitehead voting in the affirmative.

\*\*\*13. [Public Hearing on the Community Development Block Grant Program Five-Year Consolidated Plan for Fiscal Years 2020-2024; Fiscal Year 2020/21 Annual Action Plan; and Analysis of Impediments to Fair Housing Choice](#)

**Requests:**

1. Solicit public testimony regarding the Community Development Block Grant (CDBG) Program Five-Year Consolidated Plan for Fiscal Years 2020-2024; the FY 2020/21 Annual Action Plan for the use of \$1,205,605 in CDGB funds and \$343,555.71 in HOME funds; and the Analysis of Impediments to Fair Housing Choice.
2. Adopt **Resolution No. 11671** to approve the CDBG Five-Year Consolidated Plan for Fiscal Years 2020-2024; the FY 2020/21 Annual Action Plan; the Analysis of Impediments to Fair House Choice; and authorize:
  - a. Use, award, and allocation of federal CDBG and HOME funds for eligible programs and services and associated contracts;
  - b. Reprogramming of prior years’ remaining funds and the return of program income;

- c. Associated HUD certifications and contracts; and
- d. Mayor, City Manager, and Community Assistance Manager to take certain actions furthering this resolution.

**Presenter(s):** Justin Boyd, Housing Supervisor

**Staff Contact(s):** Greg Bestgen, Human Services Department Director, 480-312-0104, [gbestgen@scottsdaleaz.gov](mailto:gbestgen@scottsdaleaz.gov)

- Mayor Lane noted for the record that there were no requests to speak for the public hearing.
- Housing Supervisor Justin Boyd and Western Economics Services Senior Project Manager Megan Brace presentations.
- Councilmember Korte made a motion to adopt Resolution No. 11671. Vice Mayor Littlefield seconded the motion, which carried 7/0, by roll call vote, with Mayor Lane; Vice Mayor Littlefield; and Councilmembers Klapp, Korte, Milhaven, Phillips, and Whitehead voting in the affirmative.

14. **[Detroit Coney Grill Awnings and Canopy – Appeal to City Council \(2-DR-1994#3\)](#)**

**Request:** Request by the property owner and applicant for City Council to reconsider the Development Review Board's approval of Case No. 2-DR-1994#3 that included a stipulation for the existing orange awnings and canopy to be replaced with a teal color or other compatible color at a restaurant located in the Gateway Park shopping center.

**Location:** 6953 N. Hayden Road

**Presenter(s):** Katie Posler, Planner

**Staff Contact(s):** Randy Grant, Planning and Development Services Director, 480-312-2664, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

- Planner Katie Posler and Applicant Representative Geoffrey Kerksmar presentation.
- Councilman Phillips made a motion to modify the Development Review Board decision. Mayor Lane seconded the motion, which failed 3/4, by roll call vote, with Mayor Lane and Councilmembers Milhaven and Phillips voting in the affirmative and Vice Mayor Littlefield and Councilmembers Klapp, Korte, and Whitehead dissenting.
- Councilmember Korte made a motion to affirm the Development Review Board decision requiring a teal color or other color in context with the shopping center. Councilwoman Klapp seconded the motion, which carried 5/2, by roll call vote, with Vice Mayor Littlefield and Councilmembers Klapp, Korte, Milhaven, and Whitehead voting in the affirmative and Mayor Lane and Councilman Phillips dissenting.

**Mayor and Council Items – None**

**Adjournment – 9:09 P.M.**