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## **CALL TO ORDER**

[Time: 00:00:01]

Mayor Ortega: I call the November 13, 2023, City Council Regular Meeting and Work Study Session to order. City Clerk, Ben Lane, please conduct the roll call.

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

Mayor Ortega: Present.

City Clerk Ben Lane: Vice Mayor Solange Whitehead.

Vice Mayor Whitehead: Here.

City Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilwoman Caputi: Here.

City Clerk Ben Lane: Tom Durham.

Councilmember Durham: Here.

City Clerk Ben Lane: Barry Graham.

City Clerk Ben Lane: Betty Janik.

Councilwoman Janik: Here.

City Clerk Ben Lane: Kathy Littlefield.

Councilwoman Littlefield: Here.

City Clerk Ben Lane: City Manager Jim Thompson.

Jim Thompson: Here.

City Clerk Ben Lane: City Attorney Sherry Scott.

Sherry Scott: Here.

City Clerk Ben Lane: Acting City Treasurer Anna Henthorn

Anna Henthorn: Here.

City Clerk Ben Lane: Acting City Auditor Lai Cluff.

Lai Cluff: Here.

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

Mayor Ortega: Excellent. We have Scottsdale Police Officer Ryan Lowing as well as Detective Dustin Patrick and firefighter Brad Reynolds should anyone need assistance. The public restrooms are through that rectangular opening at the upper level. No one is allowed beyond that or behind the dais. Let's begin with the Pledge of Allegiance, Ms. Caputi.

**PLEDGE OF ALLEGIANCE**

[Time: 00:01:05]

Councilwoman Caputi: 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'S REPORT**

[Time: 00:01:35]

Mayor Ortega: Okay. Well, our world is experiencing war-torn areas and I would like to call our attention to the Ukrainian people and remember their sacrifice and fight for freedom and democracy is ongoing. So, I ask that you join with us in a moment of reflection for the people of Ukraine. Thank you.

Mayor Ortega: We are continuing with fall in love Scottsdale Civic Center, and we have a variety of events through November 22<sup>nd</sup>. I invite you all to come to Dog's Day Out tomorrow. We will have a dog boutique, a doggy dash, fall fashion contest and more. That is right outside the Civic Center Park area. You can visit from 10:00 in the morning until 8:00 at night. And the dogs know when they are showing off, so that's a good thing. If you go to [oldtownscottsdaleaz.com/fallinlove](http://oldtownscottsdaleaz.com/fallinlove) and you will see a detailed schedule. Tell your friends and we will have an enjoyable time tomorrow.

### **CITY MANAGER'S REPORT**

[Time: 00:03:20]

Mayor Ortega: Next, I call on City Manager Jim Thompson to provide the City Manager's Report.

City Manager Thompson: Thank you, Mr. Mayor and members of Council. This evening we have a short video for all of us to enjoy. Thank you.

Hi. I'm Public Affairs Specialist, Stephanie Hirata with five fast things happening around the city you need to know. Starting us off at number five.

Heads up, drivers! We have new traffic signals coming to two Scottsdale intersections. Traffic signals at the intersections of Osborn Road and 64th Street, and Scottsdale and Dove Valley Roads will be installed based on current traffic and pedestrian volumes to improve safety and connectivity.

Coming in at number four, Scottsdale staff and McDowell Sonoran Conservancy Stewards salvaged hundreds of cacti comprised of seven different species from the new Ashler Hills neighborhood park construction site. The cacti will be planted in the Diamond Fire burn area to help reestablish these species.

Next up at number three, Scottsdale held its annual Veterans Day commemoration honoring those who have served and continue to serve. This year's keynote speaker was Michael McLaughlin, retired submariner and former APS Palo Verde executive. The event was held on the memorial lawn at Scottsdale Civic Center in partnership with American Legion Post 44 and other veteran service organizations. The City also proudly displayed banners featuring local veterans along Drinkwater Boulevard. This recognition program was initiated last year by the Scottsdale Veterans Advisory Commission. Scottsdale is dedicated to celebrating veterans across Arizona year-round.

Learn more about Veterans AZ, a video program and podcast, and see a full list of resources at [Scottsdaleaz.gov](http://Scottsdaleaz.gov) and search veterans.

At number two, who's ready for the most wonderful time of year? Your favorite events get you in the holiday spirit returns at the end of November. Holiday lights at McCormick Stillman Railroad Park will run from November 24th through January 7th. Come and experience the mesmerizing winter wonderland illuminated with lights and enchanting displays. All the details can be found at [therailroadpark.com](http://therailroadpark.com).

Wrapping things up at number one, Scottsdazzle kicks off November 25th with the singalong and tree lighting ceremony. Enjoy live musical performances, holiday treats, and guest appearances at the Scottsdale waterfront. And this is just the beginning. There will be plenty of fun and magical activities through the end of December. Check out all the incredible events at [Scottsdazzle.com](http://Scottsdazzle.com). And that's Scottsdale's Fast Five for November. Thanks for watching.

[Time: 00:06:04]

Mayor Ortega: Excellent. My next announcement is that during tonight's meeting, the Council may make a motion to recess into Executive Session to obtain legal advice on any applicable item on the agenda. If authorized by the Council, the Executive Session will be held immediately and will not be open to the public. The public meeting will resume following the executive session.

My second PSA is per our Council Rules of Procedure, citizens attending Council meetings shall observe the same rules of order and decorum applicable to members of the Council and City staff. Unauthorized remarks or demonstrations from the audience such as applause, stamping of feet, whistles, boos, yells, and/or other demonstrations shall not be permitted. Violation of these rules could result in removal from the meeting by security staff. I also recognize one of the youngest citizens here, who appears to be maybe 11 or 12 years old. These are the rules we roll by in the big room.

#### **PUBLIC COMMENT**

[Time: 00:07:17]

Next, we move to Public Comment. Public Comment is reserved for Scottsdale citizens, businesses, Scottsdale property owners, to comment on non-agendized items that are within the Council's jurisdiction. Advocacy for or against a candidate or ballot measure during a Council meeting is not allowed pursuant to state law and is therefore not deemed to be within Council's jurisdiction. No official Council action can be taken on Public Comment items and speakers are limited to three minutes to address the Council. If you wish to speak on a non-agendized item or even an agendized item for that matter, check with the Clerk to my right.

At this point, continuing with Public Comment, we are proceeding with five requests to speak from

the public. As I call your name, you will have three minutes. You come forward to the podium, and state your name, place of residence and you will see a countdown on that. So, we have Mary Ellen Blinn and Philip Huerta followed by Patricia Deojay So Mary Ellen Blinn and then Philip Huerta.

Thank you. Please proceed Mr. Huerta. You have something for the overhead, and we will get that on for you.

[Time: 00:08:46]

Philip Huerta: Members of the City Council, thank you for allowing us to be here. My name is Philip Huerta and my wife Carman. Our address is 12417 E. Cayuse Court in Scottsdale. We are 40-plus years Scottsdale residents. To get right to the point, this is regarding, we would like your support on a paint issue that we're currently.

Mayor Ortega: You will need to put that on the white portion if there is something right in front of you there. It was off to the side actually.

Philip Huerta: We would like you to support a paint issue that we are currently experiencing with the City. I have spoken to Councilwoman Tammy Caputi on this, and she encouraged me to come before the Council.

My wife and I embarked on building our own dream house last year, as owner/builders. The project went well for the first year, pretty smooth through the myriad of inspections you go through up until the end. We were very close to the end, two or three weeks before final inspections. We received a typical red tag saying you didn't pass something. Typical red tag. We were surprised to find out that they wanted us to repaint our house. It wasn't dark enough. It didn't comply. Our house, by the way, falls in the environmental sensitive lands area at the very, very south tip. The lot is located south of Shea between 124<sup>th</sup> and 128<sup>th</sup> Street. We're at the very southern end, but it just barely catches us, but per -- I'm sure most of you know, per ordinance, Scottsdale Ordinance 455, Section 6.1070, you are not allowed to have light reflectivity values higher than 35%, which is basically a pretty dark color, along the lines of this.

When we designed and wanted to build our house, we picked the color early, an off-white. We picked it based on two reasons, first of architectural intent. It's a contemporary house, and typically these days they are being painted light colors or off-white. But the second most important reason is we scouted the area where our lot is at and there were many off-white houses in that area. In fact, we based our color close to one of the houses that's there in the immediate area. And just to show you and forgive the quality of these prints they are off my printer, but you can tell by the relative shades of the colors, there's about 13 houses just within two-block radius, they are all off-white.

The first house is ours. The one below is a new construction. It was finished two years ago. And it's actually not an off-white color. It's a very very light silver almost white. But definitely a far

cry from conforming to the 35%. Then as Carman flips through these, you will see these are just within the two-block radius. There are many white houses, we figure we fit in. So we just wanted to blend in.

So there's two things why feel that it's not justified that we have to repaint our house. First, they let us go through the whole inspection process. The paint was up six months into construction. We went another seven months of construction and inspections and not one inspector mentioned anything, until one person complained about the color and the inspector told me that's why they flagged us.

When I asked the City why they never mentioned anything throughout the inspection process, they always danced around the question and said it would be hard to get a variance and it was more at the City Council level.

Mayor Ortega: Mr. Huerta, and I thank you, but your time has expired. I will also take note that you did send an email to us. And at this point, we will follow through whether it is a Board of Adjustment or an HOA question. Sometimes the HOAs as well specify what the restrictions are.

Philip Huerta: Thank you very much.

Mayor Ortega: Thank you very much, and we will have staff follow up with you.

Philip Huerta: I appreciate it. There is no HOA and I look forward to hearing from someone to reach out for us.

Mayor Ortega: Thank you for coming tonight.

[Time: 00:13:43]

Mayor Ortega: Next, we have Patricia Deojay, and David Liddell and then Jason Alexander.

Patricia Deojay: Greetings Mayor Ortega, Councilman, and Councilwoman. My name is Tricia. I'm one of your 250,000 plus Scottsdale constituents. First, I want to thank you for serving our beautiful City of Scottsdale as leaders in addressing our authentic City needs. Having listened to your campaign promises, I trusted that identified City needs would be achieved in a manner that valued and respected your constituents, the people who placed you on that dais.

Approximately three years later, I must share that I'm deeply troubled by the frequent 4-3, sometimes 5-1 votes, votes impacting the quality of life of the families in Scottsdale. Higher taxes, road diets, high density development, example, the park, impact all of us. At meetings, I see no evidence-based exchange of ideas regarding your votes. My beliefs based on reading, listening, discussing with others, attending this Council and regional boards lead me to the conclusion that your actions support road diets, vision zero, blue zones, 15-minute cities, urban density, heights

now at ten stories.

I'm curious, are you proud? Are these concepts originating within Scottsdale from the people who live here? I think not. These are global terms that reflect actions happening nationally and internationally. These concepts are written in documents from the World Economic Forum, from the U.N., and others representing specific ideology driven from the top down, not local up. When these concepts are raised by Public Comment, the verbal and nonverbal responses, and reactions by some on the Council are startling to me. I wonder, can you see the forest through the trees? Your isolated actions lead to a way of life unimaginable in this country and in this City. Many residents now are knowledgeable and are voicing their concerns. Are you listening?

Actions by this Board need to be driven by authentic data elicited by your constituency, not driven by grants that fund a specific outcome. All grants have strings attached. A term some Councilmembers challenged at a previous meeting. Please, be a Council for the people, not driven by money from developers, national and international funders, that leads to a Scottsdale that we do not want to live. Your actions tell a story, let's hope it's nonfiction. We based on your campaign promises are on the same team.

Mayor Ortega: Thank you.

Patricia Deojay: Or are we?

Mayor Ortega: Thank you very much.

[Time: 00:17:13]

Mayor Ortega: Next, we have David Liddell and then Jason Alexander.

David Lidell: Thank you, Mr. Mayor and fellow Councilmembers. I appreciate the opportunity to stand before you today. I'm not prepared as you will soon find out. I come before you regarding the Rawhide Wash that runs through nearby Pinnacle Peak and Scottsdale Road. It has been in the works for a while, and it will continue to work for a while.

We moved here in 2021. We have bought our beautiful home in north Scottsdale in 2021. It was the only one for sale at the time. Running from Pima all the way to Scottsdale Road and from 101 up north to Happy Valley. We had lost three homes in June of that year due to you have to produce whatever you pay for the house; you have to produce within 48 hours. So, we were able to do that because the UPS lady in Georgia where we moved from worked there 35 years and she had \$2 million worth of UPS stock, which, of course, excuse me, she paid for my house there, but I did pay substantially over the asking price here, as if you real estate people will know.

Getting to the crux of the matter, we were told, Maria Muiser called me, as soon as we got a home phone number. Oh, there's the number. I better talk faster. She called me and I had no knowledge

of the Wash at that time, neither did my neighbor at the time, nor the fella that bought after him. Apparently, the real estate agents do not have to notify anybody about that. So long story short, I've been in contact with Maria for the two years since. We were told on four different occasions that the fence would be no higher than 72 inches, which the old fence was. We were told that as soon as the wash begins, we would be un-grandfathered from the 56-inch pool requirement of the fence.

So, getting to now, we still did not know that there would be a higher fence until my neighbors went up at 88 inches. Mine is, a crude drawing that won't show up I suppose, mine is 91 inches on the north side and 86 on south side, which is 19 inches higher than the 72 inches on the one side and 12 inches on the other. So, I would plead that we could go back to the original 72 inches, and the answer is to put two fences there. Take the fence off. The wall had to be 40 inches on one side and 32 inches on the other. My plan and I talked to -

Mayor Ortega: Thank you, Mr. Liddell. What's happened is your time has expired but we do have your contact email and we can double check if you wish to leave your telephone number so we can staff can reach you. In general, you know, street and drainage solutions run hand in hand, so they'll straighten that out.

Mayor Ortega: The final speaker for non-agendized Public Comment, Jason Alexander.

[Time: 00:21:36]

Jason Alexander: Thank you, Mayor Ortega, Jason Alexander, 7578 East Sundown Court and I will also be putting a couple of slides on the overhead, please. Earlier today, I emailed the Council a case study that I had read entitled the NIMBY Survey Research Report. And two factors in this study really stood out for me. The first one is that there is a strong correlation between residents who are pro-growth and residents who have lived at their places for one to five years and are 18 to 34 years old. So, a correlation between age, time at the location, and having a more pro-growth attitude. Correspondingly the study goes on to say, that there's also a strong correlation between folks who are antigrowth and have lived at their residences 20 years or more.

The second key takeaway I got from reading this study was that 77% of those surveyed trusted developers when they believed there was transparency, and the developers were seeking to create a win/win consensus among the community for their developments. Now, Scottsdale is full of people who support growth and win/win with development projects. Our demographics back up that conclusion. The City surveys back up that conclusion. And as we all know, people who are happy don't tend to complain.

It's wrong to assume that the emails one might receive in favor of or opposing a particular project represent the entire community. Surely those voices all matter and should all be heard but opponents emailing do not represent all those people who are happy and are simply going about their business and going about their lives and not reaching out to the City Council.



Another factor that I have come to find that I feel has squashed public comment often in support of projects is the outing or the pressure applied sometimes by opponents to those who support a project. During the south bridge issue several years ago, a supporter was verbally assaulted in their place of business by an opponent of the project. And last year during the Ironwood 92 issue, members of the Protect Scottsdale group went into the public record and took out the list of all of those local businesses who had signed letters of support who resided in the Chompie's Plaza and went around to some of those business owners and confronted them.

We also know that the President of the McCormick Ranch HOA was publicly doxed by members of the Protect Scottsdale Organization last year during the same issue. So, I would ask that the Council, in addition to considering this study I wrote, also be aware and take a stand against people who are trying to squash their fellow residents' ability to speak publicly. Whether it's pro or con, we all deserve to be heard, we all deserve to engage in civil dialogue and to not be bullied. Thank you for your time.

Mayor Ortega: Okay. Well, that concludes the Public Comment portion of our agenda. Therefore, I will close Public Comment. Next, we have consideration of the minutes and if any revisions.

## MINUTES

[Time: 00:25:02]

I request a motion to approve the Special Meeting Minutes of October 10, 2023, Executive Session Minutes of October 10<sup>th</sup>, 2023, and Regular Meeting Minutes of October 10<sup>th</sup>, 2023. Do I have a motion?

Councilwoman Littlefield: So moved.

Vice Mayor Whitehead: Second.

Mayor Ortega: It's moved and seconded, Councilwoman Littlefield and Vice Mayor Whitehead. At this point, please record your vote. Unanimous. Thank you.

## CONSENT AGENDA

[Time: 00:25:56]

Next, we will turn to the Consent Agenda portion of our program. That includes items as posted, Items 1 through 14, there is also an opportunity for the public to comment on any of those items. They are all on file and a public record.

I have one request by an individual to speak on Item 11. Therefore, I would open that up. And then also, if any Councilmember, well, let's hear first of all from anyone wishing to speak.

And in this case, Item 11 is Jeff Caldwell. Thank you, sir. Please state your place of residence and you have three minutes. You'll see the timer.

Jeff Caldwell: Mayor, Council, my name is Jeff Caldwell. My information is on the sheet that I filled out. So, this is an item that has the government getting involved in public affairs, trying to create fun events, make people feel welcomed and accepted in the neighborhood, but the government is supposed to protect our rights. And the government is not supposed to get into these types of business matters. The last type of event that occurred had about 50% turnout. You guys brought in people from out of state nobody had heard of before. The amount that it costs to attend is astronomical. So, I highly encourage that if there are items for the City to consider when it comes to funding fun events, that it is taken with more scrutiny, because we need to preserve our money. We are about to go into an economic crisis, in my opinion. I think we need to, I know it's only \$35,000, but I know that we need to account for every dollar that we have. These are tax paying dollars; these aren't just money that gets printed out of thin air. So please be more courteous for taxpayers. Thank you.

Mayor Ortega: Thank you. He was speaking of Item Number 11, pertaining to the Lloyd Kiva which is declared a national and state historic landmark so that is a wonderful designation and part of our history.

[Time: 00:28:34]

Mayor Ortega: Next, I have Councilmember Graham or if anyone would like more information on any Consent Agenda item. Councilmember Graham?

Councilmember Graham: Thank you, Mayor. Is this an appropriate time to ask for an item to be pulled from Consent?

Mayor Ortega: Sure, if you'd like.

Councilmember Graham: So, I'd like to ask for Item 9, Partners for Paiute to be withdrawn from Consent if I may. And then I just wanted to take a quick second for Item Number 10, Scottsdale Community Partners Agreement, Executive Director. I wanted to invite if you will allow it, Mayor, Executive Director Jenny Adams. We know about Scottsdale Community Partners and the thousands of hours and nonprofit work they do. If she could just make a few brief remarks about that contract.

Mayor Ortega: So in one case, you are saying that you'd like an additional less formal presentation on Item Number 10, so you can come forward. The other one would require the full staff presentation. You want both?

Councilmember Graham: Thank you, Mayor.

Mayor Ortega: Okay. So, we will call forward on Item Number 10 regarding Scottsdale Partners for a full public, well, to answer his question on your mission and accomplishments. Thank you.

[Time: 00:29:47]

Jenny Adams: Thank you so much, Commissioners. My name is Jenny Adams. I'm the Executive Director of Scottsdale Community Partners. So, for those of you who don't know, about 48 years ago, a legendary Scottsdale resident, Francis Young, started a little nonprofit called Scottsdale Community Partners. And for the past 47 years, we've been working in partnership with the City of Scottsdale Human Services to provide special programs all throughout the year. Those include the back-to-school program, the Adopt-a-Family Program, the Adopt-a-Senior Program, Beat the Heat, Healthy Packs, there's lots of them.

Through the very generous donations of our community members, we have been able to help support those programs and in addition our Board of Directors provides thousands of hours of volunteer service to those programs. So, I wanted to thank you tonight for continuing that commitment. We are honored and are deeply appreciative of the commitment that Scottsdale has made to human services. Thank you.

Mayor Ortega: Thank you. Next, I will recognize Vice Mayor Whitehead.

[Time: 00:31:15]

Vice Mayor Whitehead: I just want to call out a project that is on the Consent and it is Item Number 7, Solid Waste Transfer Station Expansion. It sounds pretty boring, but it's pretty cool. So basically, we are adding three, doubling the size of the bays for trucks at our transfer station. For those of you who haven't worked in trash, that's where trucks come in and dump trash and then we carry the trash in bigger trucks to the landfill. But what we are doing is we're expanding green waste collection and hazardous waste. This is a tremendous benefit to the community. We are going to have less illegal dumping. But also, think of the landscapers and their trucks having to drive all the way to the landfill on our neighboring Salt River Pima Community River Reservation and now they will be able to just simply drive into our transfer station, pay the City of Scottsdale the fee to unload the green waste which then we can take clean loads and have more mulch as a result and which is very good for us. And, also have better hazardous waste program so that you don't have to wait as long for our hazardous waste days. Residents will be able to drop it off. It's just one of the many things that the City just quietly does to improve our quality of life, to reduce costs, and to be more efficient with the facilities we have.

So with that, I think I will go ahead and make a motion but, remind me, Mr. Graham, which Item did you want pulled?

Councilmember Graham: Excluding nine.

[Time: 00:32:49]

Vice Mayor Whitehead: Excluding nine, thank you. Okay, thank you, Mayor. I motion to approve Consent Agenda Items 1 through 14 with the exception of Item 9.

Councilwoman Janik: Second.

Mayor Ortega: We have a motion and a second. Further discussion? Seeing none, please record your vote. Unanimous. Consent Agenda items.

## **REGULAR AGENDA**

[Time 00:33:21]

Mayor Ortega: Next, we will move on to the Regular Agenda. One Item, Number 9 was requested to go on our Regular Agenda. Therefore, we will have a presentation and it is titled the contract with Partners for Paiute Neighborhood Center. We have Ms. Smetana making a presentation. Hello, Rachel.

### **ITEM 9 – PARTNERS FOR PAIUTE NEIGHBORHOOD CENTER AGREEMENT REQUEST**

Rachel Smetana: Mayor Ortega, Vice Mayor Whitehead, Council, it's a pleasure to be back in front of you again. It feels like forever. Thank you for allowing me to speak on this. Unfortunately, I did not put together a presentation for this contract, but I am happy speak to any terms. We are asking you to authorize contract 2023-165-COS with the Partners for Paiute Neighborhood Center.

We have, since 1995, Partners for Paiute was incorporated to help the neighborhood around Paiute Community Center after the City purchased it and uses that property for social services, early childhood education, lots of brokerage agencies who provide wonderful services to the community. And right now, we also have a Title One charter school in our community assistance office, which oversees all of our housing programs around campus. Partners for Paiute helps to support those agencies on campus, as well as many of our social services needs that can't be met through Vista Del Camino or elsewhere. I'm happy to answer any questions you may have.

Mayor Ortega: Okay. Thank you. Councilmember Graham.

[Time: 00:35:03]

Councilmember Graham: Thank you, Mayor. Rachel, we're glad do have you back in the Kiva, so welcome back. We know about the good works that they do, Partners for Paiute. Any material changes between the prior contract and this one?

Rachel Smetana: It really is just an administrative cleanup. If you looked at the two contracts

together, Steve Helm, who apologizes that he couldn't be here this evening, on the Board decided if it ain't broke, don't fix it so it is largely the same.

Councilmember Graham: Okay, well, when you see Steve, tell him hello.

Rachel Smetana: I will.

Councilmember Graham: Now this agreement extends the contract up to 15 years. Council, we recently authorized 2019 Bonds, we are doing a lot of construction there. How is that going to look as far as construction disruption? There's a Title One school there. Is that contemplated in the contract?

Rachel Smetana: It is not. This contract, how it works is city staff or nonprofits basically write an application to Partners for Paiute for gap funding for their programs or for social services needs. So, although Partners for Paiute is always a wonderful partner on campus, they are not really contemplated as part of the construction project right now. We hope that they will remain great partners with us in perpetuity, but that really is not part of this contract.

Councilmember Graham: Okay, so in addition to the 2019 Bonds there is going to be some construction disruption. Council also authorized, that's where the 28-unit government housing project is going to be located, that will come federal dollars through Maricopa County. Do you know, is there going to be, is that going to change the mission? Is it going to be more of a mission change? Have you contemplated anything like that?

Rachel Smetana: I have been to several of the Partners for Paiute's Board Meetings, and they are not contemplating that right now. I suppose once that project comes to fruition those discussions may happen and we always have the opportunity to amend these agreements too. Since it's a relatively easy to administer agreement, we might as well make it for 15 years, if something changes materially, we can always bring it back to you.

Councilmember Graham: Thank you, Rachel, for talking to us tonight. Mayor, thank you.

Mayor Ortega: Okay. With that, I would also point out that the Partners for Paiute has been a very valuable nonprofit that channels funds which are donated and then made available pretty much a rapid response when there is gap funding. Someone's battery may have run out on their wheelchair, someone may be facing evictions, someone has been referred to them through our social services contract, and they are able to network very quickly virtually, and they don't need a standing office. So that's how they have been successful. The other matters that you mentioned are not relevant as far as the housing and other components are not relevant to what the nonprofit does.

[Time: 00:38:18]

With, that I would move to adopt Resolution Number 12966, authorizing contract 2023-165 City of

Scottsdale with Partners for Paiute Neighborhood Center, an Arizona nonprofit corporation for the purpose of continued collaboration with the City of Scottsdale, provide resources and support Scottsdale residents with social services, recreational and educational activities. That's my motion.

Vice Mayor Whitehead: Second.

Councilmember Durham: Second.

Mayor Ortega: We have a motion and a second. Please record your vote. Thank you. That's unanimous.

And just for the record, there was no Public Comment on Item Number 9.

### **ITEM 15 – THE PARQUE REZONING**

[Time: 00:39:11]

Mayor Ortega: Next, we will move to Regular Agenda items, beginning with, continuing now with Items 15 and 16. Item Number 15 is The Parque Rezoning, case number 13-ZN-2022 and we do have quite a few people wishing to comment. And just so you know the process, there will be a presentation by the applicant. There will be an opportunity for Public Comment which we'll probably move to pretty rapidly and then we will get back to Questions and Answers from the Council and then take a motion.

So, at this point, the staff presenter is Bryan Cluff, Planning and Development Area Manager. Step forward.

Bryan Cluff: Good evening, Mayor Ortega, Vice Mayor Whitehead, and members of the Council. My name is Bryan Cluff. I'm with the City's Current Planning Department and I will be giving you the staff presentation and overview of The Parque request this evening, case 13-ZN-2022. And specifically this evening, the request from the applicant is for approval of a zoning district map amendment from our General Commercial C-4 district to planned Airpark Core with the Airpark Mixed Use Residential Subcategory and also with the Planned Shared Development Overlay District. It includes a development plan for redevelopment of the site including bonus site development standards for building height and floor area ratio. And this is overall to allow a redevelopment with a combined maximum number of dwelling units and/or hotel units not to exceed 1,322 along with approximately 253,000 square feet of commercial floor area on the 32 acre site.

I will note that this request does include amendments from the applicant. This previously was 1,236 dwelling units and 240 apartment units. Those changes are reflected on the amended agenda that you have in front of you for the combined total of 1,322.

In addition, Resolution 12936 declaring The Parque development as a public record as well as adoption of Resolution 12937 for contract number 2022-144-COS. The site that we are looking at this evening with regard to the zoning request is located on Scottsdale Road and Tierra Buena Lane in between Paradise Lane and Tierra Buena Lane. Most of you probably recognize it as the Crackerjacks site up in the Airpark area. A closer look at the subject site shows existing improvements, which are currently vacant. You can see the site does stretch between Scottsdale Road all the way over to Dial Boulevard and from Paradise Lane to Tierra Buena Lane.

The General Plan 2035 future land use map identifies the site as mixed-use neighborhoods. And within the context of our Greater Airpark Character Area Plan, the site is within the Airpark mixed use residential category, which does allow the proposed mixed-use development, including residential units. This is the existing C-4 zoning on the site as it is today. And the requested planned Airpark Core airpark mixed use residential Planned Shared Development District. And the Planned Airpark Core District is the zoning category that is intended to carry out the intent of the Airpark Character Area Plan. This here is a look at the conceptual site plan from the applicant's proposed development plan. The site is made up of 12 buildings across the site, ranging in heights from 30 feet all the way up to 117 feet in height. You can see there's multiple access points from all sides of the development with internal circulation that will be within private streets, including sidewalks and pedestrian ways and open space throughout.

Some of the recent discussion was focused around the building heights. And the amended stipulations that were included in the packet adjusted some of those building heights. And they are location specific within the development plan, so I wanted to identify here the tallest building on the site at 117 feet, you can see highlighted in yellow there, as well as the second tallest building just under 100 feet at 99 feet 11 inches. The rest of the buildings are 90 feet and lower throughout the site.

This here is several site sections through the development project. To kind of give you an idea of some of the massing of the building through the development and how they step down towards the perimeters and vary through the site. It also shows the required building envelope for building setbacks and step backs that the buildings need to be within, and the proposed development does fit within those standards without amendment. This here is a quick look at the pedestrian circulation plan, so you can see the pedestrian improvements throughout and around the development. Most of these are 8 feet wide pedestrian connections through the project. I will highlight the dashed yellow around the perimeter is a new 8-foot wide public sidewalk around all sides of the development that will be detached from the curb and will include enhanced landscaping.

[Time: 00:45:10]

And into the bonus development standards I mentioned that the applicant is requesting use of bonus standards for floor area ratio and building height. The floor area ratio base is a 0.8 times the net lot area. They are requesting 1.73 times the net lot area which equates to a little more than

1.1 million square feet of bonus floor area. The building height base is 84 feet with the requested 117 feet. That is 33 feet of bonus height. Overall, with the requested floor area ratio and building height bonuses is about \$16.2 million in bonus payment that will be required of the developer and that would be paid to the City into the Airpark Improvement Fund for future use on capital improvements in the Airpark area. And in addition to those improvements that may be constructed with the bonus funds, I also wanted to identify some of the other public realm improvements that will be provided as part of the development that are outside of those funds that are required as part of the zoning request.

I will just highlight a few of them. A new traffic signal at Tierra Buena Lane and Scottsdale Road. I mentioned already the 8-foot sidewalks around the entire development. A new bus shelter and new streetlights on Tierra Buena and Paradise and Dial Boulevard, an enhanced pedestrian crossing that would be across Paradise Lane providing a connection from the site up to the Promenade Development. And then a few terms of the development agreement that I would highlight is consideration of powerline undergrounding for along Scottsdale Road. Those are the larger power lines. They are considered in the development agreement that some of those bonus funds could go towards that.

Additionally, water conservation measures as specified in that development agreement. Those water conservation measures in general is a partnership with the City to harvest stormwater that can be metered into the City's sanitary sewer for reuse and treatment to inject back into the aquifer. Additionally, workforce housing units, that would be 10% of the for-rent unit count. At this time, based on the current unit count that would be approximately 95 workforce housing units and that would be for a period of ten years.

This request did go before our Airport Advisory Commission in June, and it was approved with a vote of 5-0. There were a couple of stipulations placed by the Airport Advisory Commission with that approval, and those have already been addressed by the applicant. This was also heard by our Planning Commission in November, I'm sorry, September and approved with a vote of 6-0.

And just in summary, again the action requested this evening, and I would note that we did have several Public Comments come in over last week or so, both in favor and with concerns about the proposed development. Those have all been forwarded to you, mostly in the supplemental packet and over the last couple days. That concludes staff's presentation. I'm happy to answer any questions and the applicant team is here with a presentation as well.

Mayor Ortega: At this point, we will move on to the applicant's presentation. Let me just point out that we have 17 or 18 requests to speak from the public. Many times, I would shorten the period of comment to three minutes. Well, I shorten it from three minutes to two minutes, however tonight, I'm not. You will have a full three minutes even though there may be close to 20 requests to speak, so hang in there.

Next, we go to John Berry as the applicant presenter. Thank you.



[Time: 00:49:37]

John Berry: Mayor, members of the Council, for your record, John Berry, 6750 East Camelback Road in Scottsdale. Before we begin the countdown here, Mayor with your permission, on behalf Mr. Kurtz and myself, I would like to respectfully request approximately an additional five minutes for our presentation if that's in accord with your desires.

Mayor Ortega: Sure, that's fine.

John Berry: Thank you. Mayor, members of the Council, just a little bit of additional context from staff's presentation. In this aerial, you can see Scottsdale Road running north south, the blue on the left side of the diagram is the City of Phoenix, which craves that this part of Scottsdale was actually in Scottsdale, but they have a Scottsdale mailing address, as you know.

Our site is in green right here. To the north directly across the street is the Scottsdale Promenade Shopping Center, which was purchased by my client, Mr. Kurtz last year. One block south of our site is the Scottsdale Quarter which is the same sized parcel as The Parque site. To the east is the Airport and Airpark. So, after Crackerjacks closed due to competitive pressures, folks wondered what was going to happen to this property. And the what, as is often the case, is almost as important as the who. Without the who you don't get the what. In this instance, in this case, the who is good news. The who is George Kurtz. George is a visionary who transformed, literally transformed an industry in the endpoint cybersecurity globally with a company that he founded in 2011, which is now a NASDAQ 100 Company.

Now, speaking of vision, George was also smart enough shortly after he founded his company to leave California and move to the area. So, I do want to highlight a couple of quick things before we get into some of the details. And that is George's vision very much aligns with the City's vision with your Economic Development Five-Year Strategic Plan. If you noticed that last item, George can be that champion that the City is looking for. And this project can be the accelerator for this unanimously adopted Economic Development Strategic Plan. George, if you got a minute, it would be great if you could come on up. Thank you.

[Time: 00:52:16]

George Kurtz: Mayor and members of the Council, my name is George Kurtz. Transformation begins with a vision. In the case of The Parque, our vision is to create a true mixed-use project that not only represents how special Scottsdale is, but a project that respects residents' values and embraces our community's high standards of sustainability. I believe The Parque will be a catalyst that attracts the company's top innovators, technology entrepreneurs, venture capitalists, and knowledge workers. This culture of the best and brightest will accelerate Scottsdale's growing technology community and serve as a cybersecurity center of excellence. Knowledge workers are in high demand and can afford to go anywhere in the country or world.

Why not make Scottsdale their destination to live, work, and contribute to our community? I believe you have the opportunity tonight to show the valley and Arizona and perhaps the country that Scottsdale is a city evolving into a north star of innovation and sustainability. Thank you for your time and consideration of our project.

John Berry: Mayor, members of the Council, before we summarize the advantages and benefits of this project, I do want to bring you up to speed. Staff alluded to this, and there have been some changes in the proposal. I just want to note that thanks to the Mayor and Council and also the community, we listened. And since our initial plan was brought forward, the height of this project has been reduced. We have one single building that's 117 feet and one building at less than 100 feet. In terms of the density of the project, that's been reduced by 24% from our initial plan.

Now in summary of the community benefits associated with this project, we're going to invest over \$1 billion to transform this abandoned infill site and create something very special for Scottsdale. We have a unique opportunity to do that with a unique owner to help make it happen. Staff talked about it. No pun intended, in dry terms, but it is the first capture of stormwater to recharge the aquifer. What does that mean? It's a new source of water. About 5 million gallons a year of water that is typically wasted and run down the streets will now be captured, and we can treat it and recharge it.

We have significant amounts of open space, including a 2-acre central park as a public amenity. We'll build a luxury hotel that supports our important tourism industry and generates bed tax and keeps our quality of life high and our taxes low. We are going to build the first net zero office building shell in the City of Scottsdale. Now carbon offset was something, and I have to note that Mr. Kurtz has a real passion not only for the future of Scottsdale but for sustainability and innovation. And both of those are woven into this project. For example, carbon offset, I have never stood up before you and talked about carbon offset before, other than emitting lots of hot air myself.

On site, we are doing this through planting trees. 786 trees on site which the experts tell me will generate about 47 tons annually of carbon offset. We will be making a contribution to the City's urban forestry efforts which will allow the City to plant offsite away from this project in whatever neighborhoods or areas that the City chooses in order to plant approximately 250 trees. Which again, is an offset of carbon, about 15 tons annually. In total, we will plant over 1,000 trees in our community with 62 tons annually of carbon offset.

Now, this is not first time I've appeared in front of you to talk about technology collaboration with educators, we did that with Chaparral High School on another case. But this is the first time that this collaboration with education has expanded not only to the Scottsdale Unified School District but Scottsdale Community College, ASU, and the University of Arizona.

[Time: 00:56:52]

Now, 10% workforce housing is not new to you either. What is a first for Scottsdale in this instance is the term of that workforce housing is now ten years. When a couple of Councilmembers initiated this effort for workforce housing a few years ago, it was for five years and a whole lot less than 10%. And I will note, there are no taxpayer dollars involved in workforce housing. No government mandates to provide workforce housing. This is purely voluntarily. As noted, we listened to the community. We reduced height. We reduced density and when you reduce that, you reduce the traffic impacts. We will plant over 1,000 new trees as I noted and that will have a concomitant effect of reducing the urban heat island impacts. We are focused on sustainability and innovation. Those are not merely words but to George they are an ethic.

Now, ASU's Seidman Research Institute did a study and notes that the new construction tax directly to the City of a \$1 billion plus project is almost \$84 million. The annual tax revenue directly to the City, not the indirect benefits, but directly to the City are estimated at just over \$94 million dollars. This proposal implements the voter approved General Plan. This is not an ask outside of the voter approved General Plan, it is in conformance with voter approved General Plan. It implements the Character Area Plan for the Airpark. It implements the City's Five-Year Economic Development Strategic Plan unanimously adopted by this Council, except for Councilmember Graham who was not yet on the Council. This will generate less traffic than the existing C-4 zoning. If you recall that graphic that staff put up had the existing zoning, it said C-4 on there. C-4 is the most intense commercial zoning category in the City.

Our residential density is proposed and as reduced is less than those that have recently been approved for projects in the area. Excuse me. This supports Airpark small businesses, the Economic Strategic Plan, the organizational goals of this community. Talk about the importance of small communities or small businesses and supporting small businesses and this project does that in that vast area of the Airpark. We have proof of that with over 100, excuse me, written expressions of support from small businesses in the area. There are no short-term rentals proposed in this project.

Now, I noted that my client has purchased the Promenade Shopping Center directly which is directly north of this project, literally across the street to the north. And he's owned it for less than a year and this ethic of sustainability and innovation is not just talk. It is the walk. And what has happened at that shopping center? At that shopping center they have retrofitted it dealing with outdoor water use which is 70% of how we use our water. And through that retrofit, not cheap, but through that retrofit, we will save 2.7 million gallons a year saved. Very importantly, that becomes a talking point for our water department and others to go to other shopping center owners and say, see, they did it over there, we can do it here. Give it a shot and see what it can do for you. We create new water savings for our community.

We have greater setbacks and lower heights than we could put in on all four sides of this project. This is a bike centric campus with four public bike stations. We will work with the Stardust Foundation to ensure that we reuse our building materials.

[Time: 1:00:31]

And finally, you have city staff recommendation for approval. We come before you this evening with a unanimous recommendation for approval from the Airport Advisory Commission. That Commission that you appointed, their duty and charge is to ensure that the proposed new development does not have a negative impact on the Airport or the future of the Airport. In the words of some others, so it doesn't become Santa Monica. Your Airport Advisory Commission unanimously recommends to you that you approve this project. At the Planning Commission, there were seven members present. And that recommendation was unanimous to you that you support and approve this project.

Mayor, thank you very much for the additional time. Members of the Council, thank you very much for your time and attention. We are happy to answer questions now or wait until after public testimony. Thank you.

#### **PUBLIC COMMENT**

[Time: 01:01:30]

Mayor Ortega: Thank you. We will go into Public Comment. We have a list and at this point, we have Susan Quinn, Dan Ishac, and Andrew Scheck and Carolyn Bissell. So, let's start with Susan Quinn, you have three minutes or less. And next, Dan Ishac, and then Andrew Scheck.

Susan Quinn: Good evening, Mayor Ortega, members of Council and staff. My name is Susan Quinn and I'm a Scottsdale resident. Today, I have come here to talk about a wonderful, positive story. The Parque. Since I settled in Arizona in the last century, I've watched our cities grow and our local governments manage our growth judiciously building parkways and vehicle loops to corral our traffic, use zoning to carefully expand our downtown environments into central and uptown locations, and focus our Airpark facilities for the benefit of all. I know how difficult this can be. I was Deputy Treasurer at the Salt River Pima Maricopa Community, planning the explosive growth along the Loop 101. We worked very hard to expand our tax base while minimizing the impact to our residents.

Today, Scottsdale is thriving from the legacy of good government, led by visionaries who saw sustainable future for our community as it transitioned from orange groves to one of the most desirable places to live in the world. The result of these steps has brought us great economic and quality of life achievements, continuing the strategy of concentrating the business and economic hub of the City at the Airpark will ensure our quality of life and economic health for decades to come. Scottsdale is a lucky community to have this rare opportunity.

We have a local resident going above and beyond the required standards and conditions. In partnering with our local universities, businesses, and citizens. What a vision for the future! The Parque is the place where residents and visitors can share a serene way of life, a sense of

purpose and a healthy, active lifestyle while reducing our impact on the environment. Thank you to the Airport Advisory Commission and the Planning Commission for their unanimous support.

Mayor Ortega: Next, we have Daniel Ishac. And then Andrew Scheck and Carolyn Bissell.

[Time: 01:04:56]

Daniel Ishac: Dan Ishac, resident, address on record. Mayor, Vice Mayor, City Council, thank you for the opportunity to speak. I have already submitted an email with my unequivocal support for this project along with my rationale in quite a bit of detail. I am not going to repeat all of that this evening. Rather, I would like to acknowledge that with over development, there are consequences. And our residents do, at times, have valid concerns with growth.

But based on the feedback that I've read and heard, it appears that the opponents to this project have either not read the project or have disregarded it. This developer has bent over backwards to address the concerns that our residents have whether that be water usage, other sustainable features, workforce housing, ownership versus rentals, setbacks, preservation of sight lines, or the vast amount of open space, green space, and public space. This project ticks all the boxes. So, I would expect that the City Council would unanimously support such a project, not to mention that if it's successful, it will attract the very professionals and businesses that we need as a city to propel Scottsdale forward.

Now, Mr. Graham likes to talk about listening to residents. I will echo some comments already made. There are 242,000 residents of Scottsdale. A couple hundred angry emails is not indicative of the entire population, especially when people have been whipped up into a frenzy over a smear campaign with misinformation on social media, particularly by one individual. Moreover, all of you do need to listen to residents but you have to take into account facts and data. And based on that fact and data, you will see that this is a good project. One should not make a decision based on emotion nor on whether you are going to get reelected. You should make it based on whether it is good for the City.

And Councilwoman Littlefield, you have often said that there were no high rises in the old west. That is true. There were also no paved roads. There were no cars. There were no inside toilets. Women couldn't vote, let alone hold public office. I doubt that the majority of residents from a sense of nostalgia want to bring all of those features of the old west back to Scottsdale.

So, one or two elements of old west should not be the Litmus Test of whether a project is good. I look forward to a unanimous decision from the City Council because this is a great project. And in my remaining time I would like to wish all of you, as well as the charter officers and all the City staff an early happy Thanksgiving and my sincere gratitude for everything that the City does to make it the phenomenal place that it is to work, live and play. Thank you.

[Time: 01:08:13]

Mayor Ortega: Thank you. Andrew Scheck and then Carolyn Bissell, then we will have David Little.

Andrew Scheck: I don't know if I can follow Dan Ishac. I'm Andrew Scheck. I'm on the Board of Coalition of Greater Scottsdale and the Environmental Board, but I'm representing neither today. I understand, as Dan has said and from Jason Alexander's presentation, I have no answers when it comes to the future of Scottsdale, what people want who lived in Scottsdale for so many years, and the changes in Scottsdale. Every time I have answers, I get more questions myself, but when it comes to this project, I don't think there should be any questions. This project goes above and beyond any sustainability that I have seen. Workforce housing, I had someone write to me, an individual to say that they were forcing them to do workforce housing. That's not even the case. They are doing it on their own. And they are doing it at a federal level, not even a level where it is that the next year they are going to raise their rates and it doesn't mean anything.

This is a fantastic project that covers everything. I think this is the best project that I have read covering these cases on Coalition of Greater Scottsdale for last year or so. There's nothing more that this project can do. I wish every project was this way. I have been here for ten years; I wish every project was made in this exact way. This project should have nobody saying no to it. I agree with Dan Ishac, it needs to be a unanimous decision because if there's someone voting against it, there's no reason for it. This covers everything a development should be. I appreciate it. Thank you.

Mayor Ortega: Thank you, next we have Caroline Bissell, David Little, and Jessie Wested. Carolyn.

[Time: 01:09:59]

Caroline Bissell: Good evening everybody, my name is Caroline Bissell, and I have lived in Scottsdale at 7231 East Cactus Wren Road since 1972. When I arrived it was a charming small western town which I immediately fell in love with. While I recognize that will never be again, I also don't enjoy watching it become a huge high-density urban city with ten-story buildings, choking gridlock traffic, unhealthy air pollution, deafening noise pollution, heat islands and overflowing bars.

It seems to me, that as a body, you are incapable of retaining empty space where our beautiful mountains can be enjoyed, and nature can be observed. The massive development, The Parque 13-ZN-2022 will serve only the wealthiest, while diminishing the quality of life for those in the surrounding area, especially as it is being built. Several of you campaigned on slogans such as: Nobody wants to live in a hot desert with wall-to-wall apartments. Nobody! Apartment after apartment will make us hot with a lot of traffic. We must change the course, lower profile buildings and infrastructure, and eliminate gridlock on our roads. As a City Councilmember, I will maintain Scottsdale's wonderful character and be a voice for Scottsdale citizens and not their favorite developer. Do any of you recognize your words?

We trusted your words, got your petitions signed, and even contributed to your campaigns.

And we are left feeling betrayed and lied to. I strongly urge you to vote no on The Parque as it is currently presented. Eventually the Sustainability Plan will only be sustaining gridlock, air and noise pollution, high rise buildings, and a diminished quality of life for Scottsdale residents. In the Sustainability Plan, one resident quoted, keep Scottsdale safe, wild, and beautiful. Maintain Scottsdale's small-town feel. We are losing that goal with every new apartment complex and massive development that is completed. Thank you for your attention.

Mayor Ortega: Thank you. Next, we have David Little, Jesse Wested, and Ori Eisen. David Little? Going once. Going twice. We will move on to Jesse Westad and Ori Eisen.

[Time: 01:13:05]

Jesse Westad: Good evening, Mayor, City Councilmembers, Jesse Westad. I live at 8347 West McKenzie Drive, Scottsdale, Arizona. Basically, over on Indian School and Granite Reef, also known as STR hellscape because of the amount of STR's that are around me are miserable. So, when we go back to this quaint little town and what's messing up our neighborhoods, it's not the apartments. I have two apartments that are kitty corner to me and they're amazing neighbors. They have been there the entire time I have been there they are great. But the person that lives right behind me that cut down all of my little shrubbies and my tree because he thought he could cut down a foot onto my path, and I'm staring at these bachelor and bachelorette parties everyday that is an issue. So, I think the people that are constantly saying I'm here for the citizens and I'm here to help this western flavor town, maybe we need to focus on the one thing that has biggest impact but that's neither here nor there. That's not what we are talking about today.

We're talking about what I knew when I first came down here in 2002. Scottsdale, we knew it as Scots Vegas, Scollywood, Snobsdale. I don't know when this quaint little western town was, I was down in Fort Huachuca, we had Tombstone. Every time I think, when I am hearing these things, I'm like, okay we are talking about Tombstone not this giant metropolis that is part of Phoenix. I don't know where this is all coming from. We're not Tombstone. We're not even Tucson. We're Scottsdale. Something completely different. So, we have got this project that is an infill development. We are putting in some crazy amount of trees. So, let's not talk about urban heat island because right away, we are punching that down because of the amount of trees that we are throwing on it. We are capturing all of this rainwater. I'm loving that. By the way, I'm a landscape architect, so I love my tree boys and harvesting some water.

What else have we got. Oh, public bike stations. I ride my bike everywhere. But again, today so I could be counted. I grew my beard and got some gray hair because normally when I come in here, I don't get counted as a citizen. So, I got my gray hair and I drove my F-150 today, so I'm a motorist. I'm an avid motorist. What other things. I'm wearing my Good Wood hat. It's a bar right here, local. I moved my office right here on the corner so I'm a business owner. I'm trying to check all the boxes here guys. So, I'm for this plan. We have a bunch of trees, we are harvesting rainwater, it is an infill development. I'm for it, just want to say that. Let's do something about them STR's though. Let's just work this out too. Thank you.

Mayor Ortega: Thank you. Ori Eisen. And then Jessica Jankowski and Michal Joyner.

[Time: 01:15:57]

Ori Eisen: Thank you, Mayor, I will be as brief as I can. I heard Michael Jordan is speaking after me. I will be quick. My name is Ori Eisen. I have lived in Scottsdale for 20 years now at 7501 North Via De La Escuela. I wrote my notes, so I will go as quick as I can. On Friday, I marked 33 years in the United States. I came here to New York City with \$1,000 in my pocket. And through my journey in the United States, I got to Scottsdale. What do you know. I was the head of risk at American Express here in town and that led me to start a few companies in the cybersecurity space.

Our area is unique to this space because we don't have natural disasters like earthquakes, flooding, all of those other things California has. I started my company here when people said you can't do it in Scottsdale because we don't have the very talent you need to start a technology company here. That was in 2004. However, we banded together, a few businesspeople here in town, to start a website called [CyberSecurityCanyon.org](http://CyberSecurityCanyon.org). You can look it up. And people like me and Tod Davis got money from the biggest Venture Capitalists in the world to start companies here because we told them, we live here, and we want to make this community relevant to security and technology and the internet.

So why am I here? Since 2010 or so, we worked with prior Mayors, Mayor Lane, and Mayor Stanton in Phoenix, just to date me, and with Chris Camacho at GPEC, to make this area a place where people can come live, leave California, come do their work here, and come with flip flops to the office. That's a big benefit. You can own a home here. That is another big benefit. You can have a pool. So, I'm happy to report that we're now at a point where we have a few amazing companies here in town. But we need to do more. And for that reason, I came to speak here. I don't have to do this, but I believe that this project, The Parque with George's visionary tenure in the space, will bring start-ups and businesses and more jobs here to town so we can have a real ecosystem and not sparsely few companies around. The proposal is sustainable as you heard so I won't add anything else. My own wife said, I just want to make sure it's not too high, so I do live here, and I want to make sure that they are doing everything within the space, and I love the fact that it's already reduced from what it was.

And the last thing I will say, I look forward to supporting it as a person, because I know I want my kids not to go to school here and then run out to California to get a job in technology. We want to keep this talent here because we want the families to stay together. We want the City to be with more jobs and we want Scottsdale to be the best place to live. Thank you so much for listening tonight. I appreciate it.

Mayor Ortega: Thank you, sir. Jessica Jankowski and Michal Joyner and then Landen Klein.

[Time: 01:19:08]



Jessica Jankowski: Hello, my name is Jessica Jankowski, I'm a Scottsdale resident. I live at 8576 East Indian School Road Unit J. That's a condominium that I recently purchased as a Gen Z community member in Scottsdale. I'm very proud of being one of the few younger homeowners in our community.

I really do think that The Parque redevelopment project is going to be great for our community. The fact that it is a low-density development, that is lower density than the adjacent Scottsdale corridor, I think speaks a lot to what the developer is doing to listen to the community. I've had a lot of fantastic experiences around the Scottsdale Quarter and Kierland Commons, and I would like to expand my realm from downtown Scottsdale with my friends to just enjoying and experiencing northern Scottsdale.

I think that the open space, specifically the park that's on the site and the sidewalks that are going to be redeveloped there, really create an awesome opportunity for us to gather in north Scottsdale and outside which is special. I attended this Council presentation previously, when the Council voted to implementing the IGCC International Green Construction Code. Sustainability is very important to me, as a young resident in Scottsdale. And from the gardening to having the first net zero, which means the energy that the building produces is the same as it needs to generate day by day use, being that a first net zero office shell is really exciting to me. And I think that it's unique that Scottsdale is trying to achieve these feats, even though the code requirement isn't there yet, we should I think support developers who are going above and beyond.

The technology incubator tenants that we are trying to bring to The Parque, I think it's a big deal. Technology is going to keep developing. People my age are going to keep researching. We're going to keep working and we're going to go to the places that allow us to do that, whether or not Scottsdale is ready for us. It's gonna happen, so let's let it happen in our community. Let's build each other up. Let's look towards the future and not the past. And let's create a better Scottsdale for my fellow peers who are maybe not brave enough to come to these types of meetings because they are young, but I think that it's important that you listen to our voices and that's all. Thank you.

Mayor Ortega: Thank you very much, Jessica. Next Michal Joyner and Landon Klein and then John Doering.

[Time: 01:22:19]

Michal Joyner: Mayor Ortega, Vice Mayor, and Councilmembers. My name is Michal Joyner, 11216 East Dale Lane, Scottsdale, Arizona. This is the first time I've stood before you either to speak pro or con on any project. Like you have voters in this room, I have friends in this room. Some would have you believe that you should vote no on every project that comes before you no matter what it brings to the City. I truly love Scottsdale and I believe everyone in here does too. But we love the amenities that we have, and these amenities do not come without a cost.

To remain vigilant, we must evaluate each and every project and choose how that development will add to Scottsdale. I remember the uproar that occurred in Scottsdale when the Quarter was coming in. Yet I will bet you everybody in this room has been to the Quarter in the last two weeks. I know I have. Maybe even this week. This project had unanimous support from Planning and the Airport Commission. The Parque has heights, but the east faces the Airport, the north and south are commercial. The interesting thing is, in talking to some of the residents who approached me who were against this project, most of them were completely unaware of what was really in the 522-page application that was part of this. I read every one of them. I found that many were unaware of the two-acre public park that's going to be there and none of them knew about the state-of-the-art recapture water system that's being implemented.

This is a visionary development, and we should be applauding them for coming to Scottsdale. Also, I think this project is an architectural design jewel. Kudos to the architect. This will bring value to the Open, to Barrett-Jackson, to the horse shows, and to the airport, and many other elements that will serve our community. Please vote yes. Thank you.

Mayor Ortega: Thank you, Michal. Next, Landen Klein, John Doering and Michael Dandrea.

[Time: 01:24:42]

Landen Klein: Good evening, Mayor Ortega, Vice Mayor Whitehead and members of City Council. My name is Landen Klein. I reside directly across street from the Crackerjax site at 7140 East Kierland Boulevard. It seems pretty positive, so that's good, going into this. But I actually, I walk my dog past the site almost nightly. I grew up here. I have been here since I was 6 months old, so since 1997. I went to Crackerjax. I went to Fiddlesticks when Fiddlesticks was around and loved it, but I would love to see the growth that Scottsdale is becoming, right?

So being a curious neighbor, naturally, I took the time to figure out what the future was for Crackerjax, considering I look at it daily, right. I read into it; this is one of the most exciting projects I ever read about. And in my opinion, would shine a very bright light on the City and put yet another notch on our map. And I have anticipation through the roof about it. The potential for growth, both economically and culturally with it is just endless. And as I have witnessed the decline of Crackerjax, I wholeheartedly believe it's time for this rundown site to undergo a major facelift.

The proposed Parque development offers a promising solution to revitalize and rejuvenate a space that has been neglected. And for people of Scottsdale either grew up with or saw and want to see it come back to live. Improvement projects is not just about building massive development structures, it's about revitalizing and welcoming a community, providing opportunities, and fostering a vibrant environment. So, I work in real estate investment, and I truly believe that it is going to have a positive impact on property values in the area as well. You know, bringing up local businesses and overall quality of life.

I urge City Council to approve the long overdue transformation that The Parque development promises and let us seize the opportunity to turn a neglected site into a beacon of progress and innovation. I think that we can put it on the map and like I said, you know, turn a neglected space into something that is just beautiful and thriving and with a lot of really innovative ideas. So, thank you so much.

Mayor Ortega: Thank you, Landen. Next John Doering, Mike Deandre, and then Jason Alexander.

[Time: 01:27:50]

John Doering: Mayor with your permission, I brought my business partner with me. Good?

Mayor Ortega: You have three minutes. Enjoy.

John Doering: My name is John Doering, and this is Dr. Amber Enright. As the cofounders of Scottsdale Living Business Edition, we have a deep connection with small businesses that define Scottsdale. Our community engagement extends over 1,600 small businesses, 50,000 Scottsdale residents, and 455,000 Scottsdale residents between Facebook and Instagram. With an intimate understanding of Scottsdale's residents and businesses, we want to express our support for The Parque project proposed for the old Crackerjax location. In our daily interactions with the diverse group of residents and local businesses, it becomes clear that the heart and soul of Scottsdale lies within our small business community.

Recently a comprehensive survey of 600 small businesses, there were two things that were consistent across the board. First the need for more opportunities to collaborate with fellow small business owners. And secondly, options for increased financial support through grants, angel investing partnership, et cetera. The prospect of establishing a tech incubator in Scottsdale, one that could garner regional or even national attention, holds the promise of fulfilling both of these requests. Our small business community represents the lifeblood of Scottsdale and the creation of such an incubator would provide them with valuable opportunities for growth, innovation, and collaboration.

[Time: 01:29:10]

Amber Enright: Hi, I'm Amber Enright. Outside of running community groups, I'm a small business owner and a healthcare provider here. I care about people. I care about their stress, and I care about the health of my entire community. Scottsdale Living alone manages over 500,000 community interactions that we see and hear, and trust and we are here to give honest feedback about what they would say.

The top three discussions and requests are for housing, jobs, and recommendations for places to go and things to do. Of course. People want housing that's close to work. Thank you for providing that. People want small businesses, want opportunities to compete and provide their skills and

products. Thank you for providing that. And people want cool outdoor places that are safe to walk and socialize. Scottsdale will never be the lowest rent area, but the new residents and family units will give our retirees, public servants, small businesses, healthcare workers and families the ability to live in an area that they are working and enjoying. What a relief.

We hope developers consider the little guys, all of the people that we represent. I can't say enough good things about the 2 acres of central park planned. There's nothing worse than staring out of your office window or living room at brick walls and dirt lots which is basically what they see right now and all of the area around this is actually already developed just like it. So, saying no doesn't really make sense. Our 50,000 member residents are constantly asking where they can take their grandparents, their friends, and their families to do something specifically active and in an outdoor safe, green well-shaded area. The park in The Parque, plans to take that serious interest and using the most beautiful of our Arizona trees, shrubs, all of that into account. So it's still going to look like Arizona when you are sitting inside the park. I think that that is absolutely amazing and adding water to the system, if you are from Arizona, not just lived here a little bit, that is the most important thing I could possibly think of.

Mayor Ortega: Thank you.

John Doering: Thank you to the Mayor and City Council and thank you to Mr. Kurtz for the opportunity.

[Time: 01:31:27]

Mayor Ortega: Thank you. Next Mike Dandrea, Jason Alexadra, and Frank Accetta.

Mike Dandrea: Wow, things look different from this side. I haven't been here for a while. Mayor Ortega, members of the Council, for your record, Mike Dandrea. I kind of wear a lot of hats here tonight, a 26-year resident of Scottsdale, my girls, my family is here. My parents moved from the very cold chilly Chicago, and they are glad they are here. By way of my vocation, I'm an architect developer and builder and been a part of a lot of projects I'm very proud of in the City of Scottsdale. And then finally, I was your Scottsdale Planning Commission Chairman for 12 years on the Development Review Board and, in fact, served with then Councilmember Ortega and hopefully did a lot of good things when I was here.

I'm here today in support of The Parque project. I mean, what an exciting opportunity to have a project like this. I want to highlight the three major reasons why I think we should have unanimous support for this project. I mean, one is the location. The former Crackerjax site and that side of Scottsdale Road, I think Mr. Berry mentioned it, what an exciting opportunity to. Once again, Phoenix did the Kierland Commons. We did the Scottsdale Quarter. We get the answer here with a tremendous, tremendous opportunity in a project that we know will be incredibly beautiful.

[Time: 01:32:47]

In terms of quality, as a former Planning Commissioner, I have seen a number of applications and I'm here to speak. I haven't been back in the Kiva since 2014, so obviously this was super important that I come back and speak on this project. Fantastic quality of the project. The ownership group and all the team associated, I mean not only is Mr. Kurtz, he's an absolute winner, not only independently, Fortune 500 tech CEO, but this is a gentleman that races cars very fast and he won the 24-hours of Lemans in their 100<sup>th</sup> running of it in his first start ever in the rain. So, if we are going to turn the keys over to anyone to do something fantastic here, we got a great opportunity.

The proposal meets the new standard of quality and innovation, not only because of its committed ownership group but the diverse product offerings, hospitality, tech innovation, technology company incubator for Scottsdale. This is everything that we really want. Economic impact has been mentioned but I would like to highlight the linkage between this site and the existing start-up companies, support companies for Taiwan Semiconductor, Intel, and the tech industry. They want to have a presence in Scottsdale, and we are giving them an opportunity.

In closing, again, I have always felt that as we look at the side of the streets, this is our chance to once again, differentiate and showcase Scottsdale's world class lifestyle and high project standards for development. And I think we are going to have it here. I'm sure that's why the Planning Commission unanimously voted for it, and I would urge you all to support the project to 100%. Thank you very much.

Mayor Ortega: Thank you. Next, we have Jason Alexander, Frank Accetta, and then Jeff Caldwell.

[Time: 01:34:28]

Jason Alexander: Thank you, Jason Alexander. Address on record. Again, I'm going to use the overhead briefly. So, I have worked as a software engineer here in the valley since 2000 and I have been based in Scottsdale and lived in Scottsdale since 2010. What I'm showing you here is a site called Greg's List. Greg's List with a g, not Craig's List. It is a software research site that tracks software companies in all the major markets around the country. And you can see in Phoenix here, that there are 784 software companies in the Phoenix area. Now, when you drill down on this site, into Scottsdale, you get 276 software companies just here in Scottsdale. That's pretty amazing. We have one third of all the software companies here in the valley.

As an employee, you can move to Scottsdale for your job, and know that if my product line is cut, that if my company goes through a retraction, if we are bought out, if we run out of money, there are hundreds of other employers that I can choose to work for. And this was exactly my story when I was living in Mesa and working for Ticketmaster at SkySong and I made the decision to move to Scottsdale. As an employer, you know that you can find talented engineers and product specialists because the area is rich with talent. As an employer, there's, again, a reduced risk in basing your company here because you know there's so much talent. People come, people go, people change jobs, but you can always fill those positions with local resources.

[Time: 01:36:11]

Now, if you are in software, you might have the best idea in the world, but nobody is building a world-class software company in, for example, Show Low. Beautiful place, but there's simply not the talent there. Now, Scottsdale is an incredible software ecosystem, 300 companies and like any natural ecosystem, like the valley's chip manufacturing system, which Mr. Dandrea just mentioned. Like our cure corridor, it takes decades of growth and investment to develop this where volumes of quality employees, creative entrepreneurs, talented knowledge workers and skilled college grads become a self-sustaining economic engine of high-paying jobs and new businesses.

Now for a City, software is a fantastic industry because it's very low impact. Very low traffic. Many people work from home, so the trips are reduced. I myself have worked from home fulltime for six years and was part time since 2006 working from home. It's a clean pandemic proof industry. High paying jobs, knowledge workers, people who invest in the community, and then re-invent the community by creating new jobs and new companies. Scottsdale has a track record of supporting software, tech jobs with SkySong. And this offers to further accelerate our economic engine and industry diversity, like SkySong, it will be an anchor of the tech industry. I think it's going to be a phenomenal project. It going to further diversify our economy and give us another engine, another economic feather in our cap, again along the same lines as the cure corridor. I urge you to vote yes. Thank you so much.

Mayor Ortega: Thank you. Next Frank Accetta, Jeff Caldwell, and James Jimmy Keeley. How are you?

Frank Accetta: Mayor, City Council, good evening. As you can tell from my accent, I'm not originally from here, but I chose to be in Scottsdale for a reason. It's beautiful. I love it here and what you are doing is taking away the loveliness, the genuine beauty of this City. Having a 100-foot building just obscures the beautiful trees that we have lining the road. And I don't know how you can vote for this. All the soft soaping and whitewashing these developers are doing, all they are doing is ruining the beauty of Scottsdale. If you vote for this, you are morally bankrupt. Thank you.

Mayor Ortega: Next, we have Jeff Caldwell and James Keeley, followed by Lee Ann Witt.

[Time: 01:38:40]

Jeff Caldwell: Mayor, Council, so in July you guys banned households having grass in their front yard, but yet we see pictures of grass being in the two-acre park in The Parque. And so, I'm not sure if it is going to be real grass or fake grass, but it looks like it might be real grass. Now, I know that this doesn't necessarily fall under new houses, but it is a housing opportunity. So, I don't think it's fair for new house owners to forgo their grass if you are going to put 2 acres of grass in the park. I think that's hypocritical.

Now, on top of that, I actually do go to the Quarter. I don't go there as often as some people do, but I have been there quite a few times. I'm concerned about the traffic. I know that has been addressed today, however, I'm not sure if we have gotten updated traffic data that is new regarding traffic from old times to now. Because I'm pretty sure that was a concern that was addressed but I'm not sure if it's been handled or not. Another issue that I have is the trees. I didn't realize that there is going to be over 1,000 trees planted. Sure, that is great. But based off of the estimates, the first year of watering the trees is going to require 1 million gallons of water. So, I understand that the park is going to be bringing in over 4 million gallons, but I am very concerned about watering the trees as well. Those are my concerns. I'm not necessarily against the development itself. I'm just concerned about the sustainability issues and the traffic. Thank you.

Mayor Ortega: Thank you. Next, we have James Keeley and the final one on my list is Lee Ann Witt.

[Time: 01:41:11]

James Keeley: Thank you, Mayor, Councilmembers, and staff. I'm Jim Keeley, I reside at 9785 East Doubletree Ranch Road in Scottsdale. The Scottsdale Airpark is kind of my baby. I've started working there in 1981, when there was a million square feet of buildings, and today there's 46 million square feet of building. I have had a chance to work with small businesspeople, with developers, with numerous City Councils and Mayors. And I've got to tell you that I'm so excited about this project. Many comments have been made that I won't repeat. But I had the opportunity to work with the Herberger family also over the last 40 years, and on this project, we had a comment from Jeannie Herberger, President of Herberger Enterprises. She stated we have had an excellent relationship with the Crackerjax Land Company LLC, during the negotiation of this complicated sale and we congratulate George Kurtz as they move forward with the development of their project.

The Herbergers had over 50 projects in the Airpark itself, various lands, subdivisions that they sold off various lots, and this is the final big project. And I know on behalf of them, they are extremely excited to see this come to fruition. George Kurtz wants to build a legacy. The numerous avenues he's taken to make this an incredible legacy is unbelievable. One of my hobbies is traveling and a curious guy. So, I visited the Los Colinas in Dallas, the Denver Tech Center, the John Wayne Airport Irvine area, the Research Triangle Park in North Carolina, Hudson Parks in New York, and all of those projects have an element that reminds you of what that project is. And I think this will be the epitome of what the greater Scottsdale Airpark is. I support it. Thank you.

Mayor Ortega: Thank you. Next Lee Ann Witt.

[Time: 01:43:33]

Lee Ann Witt: Mayor, Vice Mayor and City Councilmembers thank you for the opportunity to speak. I think I'm the last one tonight. So, I'm going to make it short and sweet. My fellow citizens have capitalized on a lot of great comments. I will not reiterate them. I want to thank Mr. Kurtz for

bringing such an outstanding project before us. A legacy to be left. I am all this in favor of this project and I thank you for your consideration. Thank you.

Mayor Ortega: Thank you. That does conclude Public Comment. Therefore, I will close Public Comment. We'll now go back to the applicant to clarify any questions or reiterate further, so you have five minutes, I think.

John Berry: Mayor Ortega, members of Council, you gave me five minutes earlier and I will note I actually finished in less than that time. I have a five additional minutes. I do not have much to follow up with, with those public comments. I'm happy to give my five minutes back plus to the Council.

[Time: 01:44:44]

Mayor Ortega: Thank you. You can step aside for now. We have an order as Council has queued in. I will lead off. And this is not the first time that a best-in-class technology, national defense and encryption company, has come to Scottsdale. When the President of the United States challenged us as a country to advance technology world leadership, Scottsdale played a major role in making it possible with communication equipment developed at Motorola here in Scottsdale, Arizona. Scottsdale has always, well, Motorola already dominated the wireless radio sector for law enforcement.

Scottsdale already advanced, Scottsdale Motorola had advanced technology used by the military. And a great part of that success on the Motorola campus, remember, that started over 60 years ago. So, when people moved here in '78 or, you know, in the '60s, Scottsdale was and has been the west's most western town, but it also had a very skilled technology edge. So that began over 60 years ago, and it can continue today.

CrowdStrike is the best-in-class encryption and hacker shield for financial services, commerce, and the military. It protects our bank accounts. It protects the City's infrastructure and protects our water system that's got layers of fire walls to prevent chaos even in our traffic systems, where hackers can come in and try to ransom our city. And those kinds of attacks are vital for our national defense. Also, it's vital, frankly, for combatting the war aggression against Ukraine. It's that technology that launched satellites. It's that technology that we depend on as a city, a state, and a nation. This project is truly mixed use.

It brings nearly 250,000 commercial owner user space called CrowdStrike. This is the opportunity for CrowdStrike to have really a flagship presence in the southwest. And they will bring many affiliated companies to one campus with substantial open space that is open to the public. I would call it a talent magnet and that is very essential. It's the same process that started in Scottsdale and Motorola over 60 years ago. It's very consistent. Well, Motorola became General Dynamics. A big fish. And General Dynamics had a strong 60 years here in Scottsdale. Some of you know or may have heard that General Dynamics is shutting down in Scottsdale. They are turning off the lights.



Okay? They are a great company. They are an international company. And they are moving on.

So, they've had 60 years of success that helped create the prosperity in south Scottsdale and brought many outstanding engineers. Gave us the golden years of Coronado High and Scottsdale High. Those were sons and daughters of engineers and all of the affiliated companies that were strengthened by having that high-tech edge. And right now, we have the opportunity with basically Motorola, General Dynamics, which was here and a part of our beautiful City going on, moving on. And we have CrowdStrike ascending at the same time.

[Time: 01:49:10]

So, yes, the west's most western town can coexist with the best in class. Motorola is 4 miles south from here, from Old Town. Motorola is 4 miles south from historic Main Street and coexisted very well. CrowdStrike is 10 miles north and closer to the freeway bend over there. And it's equally a strength for our City and a great opportunity, especially since it lies, you know, so close to the corporate airport that we have. It is true, it is a different world around the Airpark. It was zoned that way. It's not Old Town. We work very hard to maintain the identity of our Old Town area. As to context, this Parque project abuts the back side of the Promenade.

If you look at the back side of that, all you have is basically loading docks and a storage facility there. You also have a street leading to the Department of Motor Vehicles to the east. It's not exactly intrusive or invasive for anything, you know, 15 and a half-year-old drivers get their permits there, right? It has access by street all around it, which I think is excellent. The setback from Scottsdale Road and the 2 acres of open space is watered really by the water that we can capture from rainwater and reused. So that's great. That matters. Otherwise, water would be purged into a storm drain system. It would go down and eventually come out somewhere. Somewhere else.

This project pays for water. That is a requirement when it comes to me and other members of the Council. Since 1978, Scottsdale was the first city to say development must bring water. We were first one to assess a water development fee for anybody if they want to have housing, subdivisions, if they want to look at commercial development. Other cities have, of course, followed suit. This is so important a connection to weave together so many of the future possibilities for Scottsdale.

[Time: 01:51:38]

I see Councilwoman Janik and Councilmember Durham and Vice Mayor Whitehead. So, go ahead.

Councilwoman Janik: Thank you, Mayor. I do have a question for Mr. Berry. I think we could use some more information on what you've done to preserve the view corridors. I know that's been a point that many of the people who object to this development have brought up. I would like to hear from you, what you have done to enhance the view corridors to keep them as they are.

John Berry: Mayor Ortega, Councilwoman Janik. I'm the wrong person to answer that question. I would prefer that we have our architect, Jeff Brand, come up and give you some of the insights and analysis that they did on that issue because it has come up pretty consistently. Mr. Brand, if you could come up, I would appreciate it. Thank you.

[Time: 01:52:34]

Jeff Brand: Thank you, Mr. Berry. Hello Mayor, Vice Mayor, Council. My name is Jeff Brand, a Scottsdale resident at 8128 East Mitchell Drive as well as partner in Ellison Partners and we are the architect and planner of the project. I also want to thank John for insisting we use the overhead and harken me back to fourth grade. Let's see here, I think we want to go through. Councilwoman Janik, are you talking about the height or just the height of the buildings and openness of the site?

Councilwoman Janik: What I'm talking about is the diagram that I saw where the height was moved to the east side of the development, and you showed the angles and what it would look like for someone on Scottsdale Road looking to see the McDowell's again which is a beautiful view.

Jeff Brand: Let me go through this section real quick. There's a lot to this conversation. Let me find the slide here that we need. Here it is. So again, I will start with this, the comparison of the building down the street. I do want to note that the openness along the Scottsdale Road corridor is incredibly important. So, compared to Scottsdale Quarter where we have 21% of the frontage on the open space of Scottsdale Road, over 50% of this development is one story or zero stories across the frontage of Scottsdale Road. So, the idea is to preserve the view corridors from Scottsdale Road that are in place.

This is the section that describes the view angle of a person standing either in the median or the west side of Scottsdale Road. If you look at actually someone that's occupying the Scottsdale Road corridor, a building that is at 100 feet in height, which is the white box that is shown as the buildings are indicated on the eastern edge of the site, the equivalent height for someone standing on the west side of Scottsdale Road, not the east side, the east side it would be 10 feet, but it's an 18-foot tall building.

The visual impact of where the 100-foot building is on the site, which is all the way to the east portion, the 99 feet 11-inch building, which is here, is the impact of an 18-foot tall building, built on Scottsdale Road. So, a one-story retail building is the same visual height comparison of that, or the height of a semi-mature street tree. And so, the idea is that for the heights in the open space is to have the ability to step back buildings along the street and roadways so you can get views through the streets and roadways into the site and through the streets so that you are able to tier back the buildings instead of creating larger buildings with larger footprints.

[Time: 01:55:38]

Councilwoman Janik: Thank you. With that in mind, I would like to propose the adoption of

ordinance number 4612 approving a zoning district map amendment from general commercial C-4 to Planned Airpark Core Development, Airpark Mixed Use Residential Planned Share Development Overlay, PCP-AMU-R PSD, including a development plan with bonus development standards for building height and floor area ratio to allow a mixed use development with approximately 1,236 dwelling units, now 1,182 dwelling units, 223 hotel keys and now a minimum of 140 hotel keys for a combined maximum number of dwelling units and or hotel units not to exceed 1,322 and 253,000 square feet of commercial floor area on a plus or minus 32.29 gross acre site. Two, adopt Resolution 12936 declaring the document titled The Parque Development Plan to be a public record. Three adopt Resolution number 12937 authorizing the development agreement number 2023-144-COS with Crackerjax Land Company, LLC.

Vice Mayor Whitehead: I will second that motion.

Mayor Ortega: And would you like to speak to your motion and then you can speak to your second?

Councilwoman Janik: Thank you, Mayor. Yes, I would. I want to start by saying I have been and will always be a proponent of thoughtful growth. I have not veered from that pathway. I appreciate all the emails. And I appreciate all the people who spent the time to come here tonight and speak. That's why I love Scottsdale. Now, I went through the negative comments, as well as the positive comments. You have heard a lot of them tonight. I just wanted to address them. I don't want to take too much of your time, but I want to make sure that you know we have studied this. We have looked at it. I'm hoping that after I have spoken to these different issues, that some of you will have changed your objection this plan.

Now what I want to start with is the mixed-use zoning. I think a lot of people say it starts at the top, why are we changing this zoning? When I look back historically, application 8-GP in 2011 was approved by City Council in October of 2011 for the subject site amending the greater Airpark Character Area Plan from airpark mixed use to airpark mixed use residential allowing for the addition of residential units to the existing mixed-use designation. It was laying the groundwork for future redevelopment of the subject site, with mixed-use development including residential, hotel, and commercial land uses. So, we have a historical pathway as to why we feel that it is appropriate to make this zoning change. We have already talked to the preservation view corridors. I think our development team and the people who worked on this project have done an outstanding job of listening to the citizens.

I love sustainability. I want to address a couple of the issues. I have heard a lot about the heat island effect. Well, here is what they are doing to minimize the heat island effect. High solar reflective index, hardscape, and roofing. That means you want the light to reflect off the surface, rather than being absorbed by the surface, contributing to the heat island. They're going to select hardscape to mitigate the heat island effect. Now, what I'm hoping here is, I am not sure what the 2-acre green is going to be, real grass or artificial turf, but I think that's an issue that can be worked out and discussed. The other thing we are going to have covered parking with solar

panels, covered ride-share areas, e-bikes, secure bike parking, changing stations. We are going to create a shade-rich environment with pavilions, building overhangs, and a lush tree canopy. We are going to mitigate temperatures across the site with heat regulation strategies including cool pavement. So you will be able to walk on that sidewalk. You will be able to take your dog on that sidewalk and you won't burn the dog's paws.

Next, I would like to address the workforce housing. There was some concerns that it was limited to certain people and it was discriminatory. That's not true. It is open to all who qualify using the federal guidelines. The next thing people have said, they want more ownership opportunities. There will be over 200 units that available for purchase. All the construction will be built according to higher guidelines for condominiums. I am sure that there will be an opportunity should it be needed to have more condos and fewer apartments.

And then this is a huge one, and I don't want to minimize the effect of traffic. There will be more traffic. But a couple of things that we will do to try to mitigate the effects of that increased traffic. We just got a huge grant from the State to improve traffic flow within the vicinity of the expressway. So, I believe that will help. That will be intelligent modeling. Now the other thing that has not been brought up, but it's extremely significant especially for this type of project. As of 2023, according to Forbes Magazine, 12.7% of full-time employees work from home, while 28.2% work a hybrid model. And what that means, especially with this type of community development, I believe we can expect the numbers that were anticipated by the traffic study to be greatly reduced because these are the type of people that work from home. Some of whom work from home full-time but others it will be part-time. They'll come, they'll change ideas, and then they'll go back to their home, which hopefully is close to this site and that would mitigate some of the bad side effects of traffic.

[Time: 02:02:01]

It's worth noting, but it's been said the Airport Advisory Board and the Planning Commission were unanimous in their support. I want to go back real quick. Water is a huge issue. I think we have heard some pretty good information on water. When I went back and reread that document for the second or third time, they talked about bio retention cells. I looked it up. It's a rain garden. It's designed to treat polluted stormwater runoff from an adjacent parking lot. And it's based on what the material in the rain garden is and it can absorb some of the pollution which will then, when the water is purified to a certain extent, it will then go back into our sewer system. So, those big numbers you saw, that is the foundation for preserving the runoff from the parking lots.

Okay. And then, the other thing I want to say is the Love statue is iconic Scottsdale. I truly believe that The Parque will be the next iconic Scottsdale. A lot of economic impacts. I am going to leave that to my friend and colleague Councilwoman Caputi to talk about all the economic impacts. But in general, I support this project. I think it is going to be a wonderful project for our City. And I want to give a big thanks to Mr. Cluff and his staff for all the work they have done to make sure that this project serves the needs of the citizens, so thank you.

Mayor Ortega: Thank you. You can speak to your second, Vice Mayor. And then we have Councilmember Durham and Councilwoman Caputi.

[Time: 02:03:37]

Vice Mayor Whitehead: Well, I just want to comment that those were very good remarks, Councilwoman Janik. Water is a big issue and there is a lot of valid concern about water. The City of Scottsdale, the State, is not going to run out of water but we have to be smart about water. And I think one of the data points that I found interesting was about Mr. Kurtz. Who develops a project, who owns a project, matters. One of our best sources of new water, of course, is conservation. And when Mr. Kurtz bought the Promenade Shopping Center to the north of Crackerjax, the data that we received is he reduced the water usage of that shopping center by 57%. So, it's not about not developing or developing, it is about developing right. But on the water issue, I going to see if our water director Mr. Biesemeyer would be willing to come down and talk about the stormwater recapture system. Scottsdale sets the bar on so many fronts. And this, once again, we are going to set the bar on this particular aspect of the project. Here he comes.

Brian Biesemeyer: Mayor and Council, Brian Biesemeyer, Executive Director for Scottsdale Water. Vice Mayor Whitehead, yes, we have been working with the developer for a number of months on how to be innovative, and how to actually mitigate the water impacts of this development. And the stormwater harvesting was the result of those discussions. It can't be done everywhere because of the limits of sewer capacity, but this is one place that it can be done. And we were encouraged by it, and it does allow us to actually harvest water from that development, put it back into our sewer, send it to our state-of-the-art water campus, treat that to drinking water standards, and inject that back in our aquifer for future use. Yes, we have been involved. We think it's a very unique and innovative project, and we're encouraged by that and are anxious to see the results when it's built.

Vice Mayor Whitehead: Thank you, Mr. Biesemeyer. I will just continue. This is not about pro or being for development or against development. You know, Arizona has really strong private property rights and that's a pretty good thing. So we don't tell you what to do with your house, but we also cannot stop a developer from developing land. And when I came here, many of the neighborhoods you all live in were not here and it was wide open spaces. And I'm grateful to the City Councils back then that allowed development. They upzoned, yeah. They upzoned a lot, but they allowed development that raised the bar, raised the quality of life, added open space, increased the value of all of Scottsdale and that's definitely what we're doing here today.

The Waterfront, in its day 250-foot towers in the middle of downtown, that was a pretty controversial project. Anybody who spent any time in downtown, wow, especially Canal Convergence. I brought my husband there in May or June. He biked down with me. He was like, "This is a great downtown." He's been here 27 years, but I guess he hadn't been there much. You know, the Waterfront transformed that area. It was really the first that I was aware of, of height for open space project. It was not to the detriment as people worried. It did not ruin Scottsdale. In

fact, it is probably one of the factors that saved our mall as opposed to all the malls that are going out of business.

So yes, we were elected to protect Scottsdale's character. And what that means is we, I'm one of seven, so my colleagues, we fight pretty relentlessly to protect our neighborhoods. Yeah, the developments like this get all the attention, but believe me, there are little developments trying to chip away at the character of our neighborhoods all the time. And I've had more than one zoning attorney, including one zoning attorney who happens to be present tonight, tell me that his, his client, his developer client, pulled the plug because of my opposition. So, we are fighting every day to protect your neighborhoods.

But when we have an urban growth quarter, did I make this urban growth quarter? Actually, Councilwoman Littlefield was one of the votes that added apartments to Scottsdale Quarter, and I thought what was she thinking? But she was right, and I was wrong. Scottsdale Quarter is a success. And so, we have a growth quarter. So now, what we want, we can't stop development, but what we want is great development and that doesn't happen by accident. It happens because I have colleagues up here who have the audacity to really raise the bar. We have fundamentally raised the bar on development. And I am going to talk about a few ways that we have done that. We have absolutely reduced heights and reduced the density that in the surrounding areas. The projects we have approved are often lower in heights than what would be allowed and this one is about half the density of Scottsdale Quarter.

[Time: 02:09:32]

We have demanded architectural excellence. We have removed an incentive that gave developers financial and time considerations to build lower quality buildings, higher buildings, buildings that didn't adhere to our standards. We got rid of that. We have stringent water and energy codes. And we are always demanding something that really never happened in a lot of projects until I was elected, which is this perpetual public open space. Scottsdale's value is not because we have nice houses. There are nice houses in a lot of cities. Scottsdale's value is that for generations, the City Council valued open space. And we have about 33% open space, but as we build the infill projects, we don't own the land. We can't buy the land. The open space that we are getting in this development would cost us millions and millions of dollars and we're getting it in exchange for one building that is above 100 feet.

So, one more thing I just want to mention, this Council spearheaded the workforce housing component. It's one thing to say that you stand by the small businesses or your first responders or nurses, or all the people in this town that every day provide services to us, but it's another thing to deliver. We have heard from all of those groups that what they want is housing that they can afford. And so, we've delivered that. My colleagues and I, and I'm really proud of that. This particular project is 10% for ten years. You know, we set the bar high. And then we asked for more and, in this project, we got that. So, I'm incredibly supportive of this project. I guess it sounds like Councilwoman Caputi is in charge of the economics, so I won't go into that. But I do want to thank

all my colleagues for the negotiations. And I do want to thank the applicant for not only investing in this property, but other properties in our City, and doing it right. You are setting the bar high and that's what we demand anyway, so thank you.

Mayor Ortega: Okay, next we have Councilmember Durham, Councilwoman Caputi, Councilwoman Littlefield. Proceed, Tom.

[Time: 02:11:56]

Councilmember Durham: Thank you, Mayor. A gentleman asked a question about the irrigation of the lawn, I don't know if it's going to be grass, and the irrigation of the trees. But I believe there's a system for recapturing any irrigation water, isn't there?

John Berry: Mayor Ortega, Councilmember Durham, yes.

Councilmember Durham: Alright, thank you, so that solves that problem. I'm going to be supporting this project also. I think it does push the envelope in a number of ways for what we should allow in Scottsdale. I think it needs to make a very strong case for approval, and I think it's done that. When I ran for the Council, I promised to support smart growth, thoughtful growth as Councilwoman Janik referred to. Some people have misinterpreted that as being no growth. And that's never what I have advocated for.

And I think this fits into the category of smart growth. As Councilwoman Janik described, it is in an area designed for growth, designed for mixed use, including residential. In the current zoning of this site is C-4, which includes warehousing, light industrial, so Mr. Kurtz, or anybody else who bought this site, could build an Amazon warehouse there. And I don't think anybody wants that. We need to find a better use and I think this is the right use. Much of my support for this depends upon Mr. Kurtz. I think he will be the type of person who can develop this into a jobs center. He's done that before. He's a leader in technology. And I agree with Councilwoman Janik that I think this will become an icon in Scottsdale.

Some people have claimed that we are allowing an exemption from zoning for this, and some other projects, but that's not really true. The bonus provisions that we have do allow for increased height and density and this project falls within those provisions. In fact, it could have conceivably have gone up to 135 feet under the full bonus. But I'm not a fan of those provisions. I don't think I voted for any project allowing the full bonus. I think we've pulled back every project from using the full bonus. So, I'm not a fan of those provisions, but as a member of the Council, that is our law. Those are our rules. Developers are entitled to the use of our rules and it's our obligation to rein those in as we think appropriate, and I think that's what we have done here.

[Time: 02:15:18]

Mr. Brand covered very well the question of height. The height on this, unlike our neighbors to the

west, we don't allow height along Scottsdale Road, it's pulled back over to the east, and so it will preserve sight lines. It's not going to interfere with the sight lines of anybody who lives near there. The only people who might have a detriment is people who live on the west side of Scottsdale and our Phoenix neighbors. So, everyone is interested in water. We have covered that quite a bit here. A lot is being done to conserve water here, including the recapture of irrigation and other features that have been talked about. Mr. Kurtz has shown his commitment to saving water and it's evident in this proposal.

My main issue here was traffic. I received several emails asking if I had driven then section of Scottsdale? I did last week. I had the good fortune or bad fortune, depending how you look at it, to drive up Scottsdale Road. And it's not fun. I understand that. The flow is slow, but it does move, and it moves pretty constantly. It's not the place to go if you want to speed although some people have done that there. And I spoke to Mr. Berry before the meeting, to get some more details. And almost of the intersections will remain at their current level of service, which is a level of service E. And that's the level of service that what you would expect in an urban environment of this type. Heavy traffic but moves with the stoplights and gives you a pretty good flow. One intersection is going to go down one grade from E to F. I think it's important to know that this information includes all of the proposed development along Scottsdale Road including the building on the west side of Scottsdale that is going to be located at the corner of Frank Lloyd Wright and Scottsdale. So, the traffic is going to stay relatively the same to what it is today.

There's a gentleman here who talked about how he wanted to live here and he wanted to move here because it's such a beautiful city. And I understand him. That's the reason I moved here too. But the problem is 240,000 other people are in agreement with him and they want to live here. We have to allow them. We can't stop them. What a problem to have. People want to come here because it's such a wonderful town. And that's due to the success of generations of people who have lived here and made it into a great city, past Mayors, past Councils and as Ms. Deojay pointed out, there's 240,000 people here.

Ms. Bissell said she wanted to keep the small-town feel, but I'm sorry, 240,000 people is not a small town anymore. And there's not a lot we can do about that other than manage it. And I think that's what we do. We have designated areas for growth. This is one of them. We put on very stringent requirements on height, step backs, setbacks, the green construction code, open space, sight lines, and sustainability. By keeping these urban centers, where more concentrated development happens, that allows you to keep your neighborhoods clear and support your jobs, tax revenue, and everything else that keeps this a great city. I wish we were still 50,000 or whatever we were 20 years ago, 30 years ago, but it is not gonna happen. We have to manage that as best we can, and I think this project is a step in that management. Thank you.

Mayor Ortega: Okay, Councilwoman Caputi and then Councilwoman Littlefield and then Graham.

[Time: 02:20:09]



Councilwoman Caputi: Thank you, Mayor. Mr. Berry, I'm just going to take almost exactly the five minutes that you gave me back so I can't thank you enough. This is a really large and impactful project, and we don't see a whole lot of those. In fact, we haven't had a whole lot of development projects in last few years and so I do want to take a couple of minutes to make some comments. And there will be more about demographics than economics but I'm sure there will be some economic comments in there as well.

So, what we hear a lot from people is they are not anti-development, they simply want quality development and that is exactly what this Council has delivered. In the last three years, I and my colleagues have approved only one handful of the highest quality development projects, projects that meet all of our strict requirements and provide measurable community benefits. The applicant has shown us that this is a project of exceptional quality worthy of our gold standards here in Scottsdale. He is investing \$1 billion into our Airpark.

And we made the project even better over the last two years of negotiations, removing height and density, adding a meaningful amount of desperately needed work force housing, increasing the view corridors, and all of these other great benefits that you have heard tonight. So, the voices that we hear in opposition to this project, and frankly on every project, are concerned with the same things. They don't want more projects. They are worried about traffic and water and over development. I'm concerned about these same things. I'm a Scottsdale homeowner, a business owner, a parent of young children. I'm here tonight, and most Tuesday nights, because I care about our property values, our quality of life, and the future of our city. We judge each project on its own merit, but I think we do need to take a couple of minutes and just big picture step back and look at how this project actually fits into our City's overall long-term plan.

So, Scottsdale as a city is close to build out. A lot of people don't realize that. We are looking at only infill and redevelopment projects at this point. It is our job on Council to determine the best use for the few areas that remain. There are no large tracts of land left for single family housing projects. And I think Councilman Durham mentioned, we have to accept some height and density, where it makes sense, so that we can protect our residential neighborhoods. There are only three growth areas in our entire City, that allow for more intense development, and the Airpark, which is our major employment and commercial center, is one of them. The only place that traffic backs up, and I drive this section of Scottsdale Road all the time, is the pedestrian light at the Scottsdale Quarter, which I'm grateful for, because you can actually cross there. Traffic is not at capacity here even though it does get busy at times, and this is not in a neighborhood.

A couple of the points that are super important and have not been mentioned tonight. Scottsdale is one of the least dense cities in our valley. We have three times the land mass of Gilbert or Chandler, and only three-quarters the population. Almost 40% of our city is open space, 30,000 acres of which are preserve. Our population growth in the last ten years was less than 1% per year, with most of that growth occurring in people over 55. We are losing employees, and families with young children. We are facing decreasing state-shared revenues because our population growth is actually slowing.

We have approved six quality development projects in the last three years that I have been sitting on this dais. That is two projects a year. We are not growing out of control. We are certainly not becoming L.A. We are Scottsdale. We are planning incredibly carefully for the future. Our General Plan and all of our planning documents are extremely clear, and this Council is very deliberate. We are actually having a Work Study Session tonight on our Sustainability Plan. And you will see that our water treatment facility is one of the most sophisticated in the country. And I think this bears a couple moments of comment. We recapture and treat 20 million gallons a day to better than bottled water standards and we've banked 250,000-acre feet of water. Scottsdale is using 13% less water per person per day today than we did 20 years ago. And less water overall, even with our increased population.

[Time: 02:25:31]

And we are still improving as again, as you will hear in our next Work Study. We are always plan for a future of living in the desert with scarce resources. This project fits into our Sustainability Plan and it also reflects our community values, listed in our Strategic Plan, which interestingly enough, is our next agenda item. It's so cool how that works. The elements of this project are exactly what we say we want for our city. We are following our voter-approved plans and we are carefully considering our long-term infrastructure needs with every project.

We need to balance our sustainability efforts and our controlled growth with economic vitality to maintain our highest amenities and our open space and our lowest property taxes. This is what makes our city special. We cannot stand still. This is a vacant, privately owned lot on a valuable commercial corridor. Leaving it empty or underutilized is simply not an option. The City is for all of our residents, including the next generation who will be hoping to live here and find housing and jobs. Successful cities do not stagnate and after careful consideration, careful consideration, I support this quality project and I hope that the rest of my colleagues will as well. Thank you.

Mayor Ortega: Thank you. Councilwoman Littlefield, Councilmember Graham.

[Time: 02:27:10]

Councilwoman Littlefield: Thank you, Mayor. Let me get this over here. And thank you for your interest in Scottsdale. I appreciate it. I'm sure it will come as no big surprise to any of you that I am going to vote no on this project and there are a number of reasons why. It is a very difficult decision to make, I have to say. This project has many, many good characteristics, and good features, as you have heard here tonight. And I fully appreciate them, but I also have some major concerns that have not yet been addressed. While I do not object to the repurposing of the Crackerjacks land for a better community purpose, I do object to some of the issues surrounding the project. I have obviously studied it in detail. It is better than most projects that we have seen come before us, but that does not make it good or appropriate for this particular location, and there's a reason for that.

To start with the general surrounding area. First, the traffic study as presented to the D.R. Board was old and outdated. Some of the counts were done in 2021, just as we were coming out of COVID. Developer traffic studies done in 2022, show an increase in the traffic in all but one small segment. In this consideration, however, you have to look to the future for the traffic development. Across street on the Phoenix side, which we do not control, off Scottsdale Road, the new apartments currently being built will, of course, cause very predictable traffic increases. An additional 1200 apartments, plus or minus, at Crackerjax will simply add to that increase. And since both sides of Scottsdale Road will then be totally built up, and there will be no way to expand the road for more lanes to accommodate this additional traffic.

I can see no alternative but that Scottsdale Road, already extremely busy street, will become much more heavily trafficked in the future should this project be built. That needs to be considered. And that is considering an additional consideration that only anticipated increases in the near local area of Scottsdale Road are being considered. Look at what is happening in the general vicinity, such as the state land and the properties further north. I think I may be, even now, underestimating the traffic increases that we will see in this area in the coming years.

[Time: 02:30:13]

A second concern I have is a very close proximity of this project to the airport. I know you have had permission from the Airport Commission, but I respectfully disagree. I am quite familiar with municipal airports, and I've had a great deal of experience with them for many, many years. Most single runway municipal airports do not have anywhere near the heavy traffic that ours has. And the City relies and depends on the use of our airport for many of the national and even international events that we hold here.

Scottsdale Airport is the only non-airline airport in Arizona not classified as urban. It is under the airport airspace. And to conforms with the development plan, oh, that's not what I meant to say. I got to turn it this way. That returns the profit, this airport is the only one like it, that returns a profit to the city that owns it. In addition, the most affluent 2% of our tourists who visit Scottsdale arrive here via our airport. Why is this a concern? Because all over the country, municipal airports and their operations are being restricted or even being closed because of noise complaints from surrounding neighbors and residents.

You mentioned one, John. Santa Monica. Either of these outcomes would be a disastrous negative impact on Scottsdale's economy and allowing 1200 apartments, plus or minus, to be built that close to our airport will put it in more jeopardy. It only takes one accident. Two years ago, we had such an accident in Scottsdale and four people were killed in a crash. It was going in the other direction but what if it was going towards Crackerjax? I urge the Council to look ahead with a realistic and non-emotional and pragmatic view for the future possible negative consequence to our City of approving all of these apartments that close to the Scottsdale Airport. We are increasing accident possibilities.

[Time: 02:32:48]

Another issue I have is apartments versus condos. I much prefer condos where those living there own the homes and have a vested interest in Scottsdale and its future. I'm glad to see that there are some. That kind of personal financial concern for their investment and the future of the City helps to ensure that our residents have a say in how our city grows and keeps its unique character and charm that they liked when they bought here. If you must add more residential to the mix on Scottsdale Road, let people buy to own, so they can accumulate value of ownership and build for themselves an independent future. That's the American dream. That's what we want. And I'm glad to see that there at least some of that here.

Finally, in addition to the concerns I listed above about the project itself, I have some concerns with the development agreement we are asked to approve. And I don't have the paper here that I had. But there's a small quote on the bottom of every page that this is only a concept, and it can be changed at a whim and it's really not binding to that effect. What are we approving then? It's not here. I really have a hard time with that because they can change it. They can modify it and it's already been approved. Council should not even be considering this until we can get these issues resolved. The proposed development agreement, which you wish for us to approve tonight, relies on a conceptual-only development plan. This Parque Development Plan states, here is what it is, in the lower right-hand corner of every page, and I quote, because I had to get any magnifying glass out to read it, the print is so small, plans, designs, guidelines, and other elements of this document are conceptual only and subject to future modifications.

So, what are we approving here? That we are going to do it and it can be anything? And also, the development shall conform with the development plan. This seems pretty loose to me when there's no development plan and wide open to massive interpretations and changes. When you have such a massive exclusionary statement on every page going forward, you can't be certain that any of this plan will be built or what it will really look like. I would like a little more definition in this and a little more conformity to what we think we are doing. So, the question here is: Should a development agreement be based on a conceptual only document with no limits to the modifications that may be put in place? I do not think so. Some modifications may be needed, but I find it very difficult to approve a project where the documentation openly admits it is basically meaningless and that every term and condition can be changed on a whim. The Parque may end up being a quality development and if built, I hope it does. It sounds very nice and it's very hard for me to sit up here and say some of these things when I actually like a lot of what I heard. But I can't do it if I don't think it's in the best interest of the City and the citizens who live here.

Like the Optima it doesn't excuse it for being too tall or too massive. Our views suffer, our roads suffer, and our people will suffer for that. It's our job to protect us against those things. I do not oppose, let me be very clear, I do not oppose a rezoning on this land per se. I think it's needed. I would like to know what it really is that's going to be built there. Somehow, I just don't believe it is going to look like all of these pretty pictures. I have seen too many pretty pictures in the past that when you drive by and the project is built, it has no connection to those pretty pictures. There are

too many unknowns and too many conceptual only visions here. So, I unfortunately and unhappily having to vote no on this. Thank you.

Mayor Ortega: Okay, Councilmember Graham, Vice Mayor Whitehead, and then we'll take a vote.

[Time: 02:37:13]

Councilmember Graham: Thank you, Mayor. A lot has been said on both sides and we have heard from many people on this project. As Councilwoman Littlefield said this project does have a lot of good features. I have fond memories of Crackerjax as a kid, and I was not only sad to see it go, I'm also sad to see the abandoned property as it sits there today. And it's been crushing to see what they have done across street on the Phoenix side with 10 or 12-story towers, practically hanging over Scottsdale Road from Phoenix. It reminds me of how lucky we are to live here in Scottsdale and the standards that we set for so many of our projects.

I studied the application and I noted there are several positives that many of my colleagues, speakers, and the applicant have mentioned tonight. We're setting new environmental standards and sustainability standards. The voluntary workforce feature is worth remarking on. It's gonna be very high-quality hotel and condominiums for sale. We appreciate the energy efficiency features and open space in the project. The water recapture and harvesting and adding to the City's effluent. We have seen some of that proof of concept in the abutting property at the Promenade. And which, by the way, I believe that was voluntary, right? Nodding, the applicant is nodding his head. And I am pleased about the tree canopy that is going to be offsetting a lot of heat island. So if passed, or when passed, I hope the project succeeds. And without belaboring it more, with all of this said and everything that has been said, considering the positive aspects of the project, I still struggle with overall size of the project and how it may impact the area of the City. So, I will keep my remarks brief. I will leave it at that. Thank you, Mayor.

[Time: 02:40:05]

Mayor Ortega: Good. Okay. So, we are at the point to vote. And everyone has spoken. I just had a couple other things to add. That we have several processes and once, for instance, we have Development Review Board. We have other opportunities. I don't sit on the Development Review Board as Mayor, but other Councilmembers do. And that's a good thing. The standards quality expressed can be achieved, and I think that's how we role in Scottsdale. At this point, I would just ask, please record your vote.

Okay. Motion carries 5-2 with Graham and Littlefield dissenting. Thank you. Next, we will take, can we take a little break or are you ready to go? Well, we have only one more item, 16, but let's take a break as the crowd moves on, and we'll take about an 8-minute break. Okay, thank you.

Mayor Ortega: Okay. We are resuming our Regular City Council meeting on November 13, 2023, moving on to Item Number 16 Organizational Strategic Plan. Our presenter is both Brent Stockwell

and Zamora. Stephanie Zamora will be beginning the presentation. Thank you.

**ITEM 16 – ORGANIZATIONAL STRATEGIC PLAN**

[Time: 02:47:42]

Stephanie Zamora: Good evening, Mayor Ortega and members of the City Council. My name is Stephanie Zamora and I am a management associate to the City Manager. Tonight, you will hear from me about the proposed 2024 Organizational Strategic Plan and if accepted this guiding document would be in effect through December of 2024. Led by the City Manager's Office, the Organization's Strategic Plan is created from the voter approved Scottsdale General Plan 2035. The City Council takes objectives from the General Plan and align those with the community values. These constitute the Council priorities, and these elements together form the Organization's Strategic Plan.

Based on the Council direction, staff developed an associated action plan for each priority, to clarify what will be done by when and by whom. Both executive team and the City Council provided input throughout the development process of this plan and feedback was addressed. In summary, the organization's Strategic Plan is a guiding document that provides a process to achieve Council priorities which are based on community values and a systematic and coordinated manner through action plans and associated measures.

As mentioned, the Council priorities are grouped by a corresponding community value. And these are as shown on screen. In the General Plan are even more values of equal importance listed under these seven main goals. These values are included within the Organization Strategic Plan and help explain why the Council priority is important. Each value has two to three initiatives associated with it and were identified by the City Council at their April 2023 City Council Retreat. They are written using language directly from the General Plan and are as follows.

To fulfill the community value to respect character and culture, public art and character area plans will be focused on. To create vibrant and attractive places that accommodate a variety of ages and incomes and support the arts and multicultural traditions, the Tourism and Events Department will focus on updating and amending public art ordinances, policies, and procedures. Specifically, the art in public places ordinance and the cultural improvements program ordinance are being looked at. Council has already heard a Work Study Session on the art in public places ordinance in October and any updates will be decided on by the end of this calendar year. The cultural improvements program ordinance changes are proposed to be done in June 2024, per the Organization Strategic Plan.

To enhance and protect the Scottsdale's neighborhood identity. Back one slide. There you go, thank you. One second, let me find my place. To enhance and protect Scottsdale's neighborhood identity, character, and livability, through appropriate land uses and high standards for design, Council identified the creation and timing of new or revised character area plans as a priority. If accepted, the Planning Department would work to complete prioritization and develop a timeline

and develop a public involvement plan for the identified character area plans by June 30, 2024.

[Time: 02:51:45]

To lead the region in the stewardship and sustainable management of the Sonoran Desert Environment, these initiatives were aligned with the conserve and preserve the environment community value. The Organization Strategic Plan lays out a goal to adopt the Sustainability Plan and to finalize the community led heat plan for southern Scottsdale by June 30, 2024. It is important to note that the Council will have opportunities to discuss any adjustments to the Sustainability Plan at two Work Study Sessions, one of which will be held tonight, and the following in the spring of 2024, before it's finalized and potentially adopted in 2024.

The Drought Management Plan is a tool that is used in an ongoing basis to provide guidelines that can be used to manage water supply and water use during an episode of reduced supply availability. As such, Scottsdale Water will continue to implement the Drought Management Plan and educate both municipal staff and the public on sustainable water management. To embrace citizens as active partners in decisions that affect their city, staff have been assisting the Protect and Preserve Scottsdale Task Force with its work to develop recommendations to the City Council on strategies to protect and preserve Scottsdale's open spaces and quality of life. Led by the City Treasurer's Office, staff will have completed assisting the Task Force with their work by May 31<sup>st</sup>, 2024. This includes conducting public meetings, Work Study Sessions, community outreach, and developing final recommendations for the Council.

The Office of Communications and Public Affairs and the City of Scottsdale were recently awarded a national Voice of the People Award for leveraging technology to expand the ways residents can provide input and ideas. To continue to embrace citizens as active partners, they will explore ways to increase the effectiveness of outreach for City programs and services, including capital improvement projects and planning and zoning cases.

To support the foster well-being community value, staff will work on these initiatives to help promote a culture of lifelong physical and mental health and well-being in our community. These include supporting Honor Health and partners by participating in the Scottsdale Blue Zones initiatives. In addition, Human Resources will identify strategies for ongoing workforce training and staffing needed due to attrition. And further the Human Services Department will work on implementing a Citywide housing study and participate in bridge housing efforts.

Focusing on connecting the community and to protect the safety, form, and comfort of urban communities, transportation staff will work to update construction mitigation and roadway noise policies. To ensure cost effective, adaptable, and efficient capital projects, the City Engineer will regularly monitor Bond 2019 construction project design, construction, and spending.

[Time: 02:55:03]

To support the community value to revitalize responsibly and to positively contribute to the community's physical, fiscal, and economic needs, while improving the quality of life for area residents, a cross-departmental team will collaborate to provide recommendations for updates to the special noise violations ordinance, including information gathered from community workshops.

To enhance and protect Scottsdale's neighborhood identity, character, and livability, the City will continue comprehensive efforts to reduce negative impacts from short-term rentals. And Council will hear a Work Study on this topic on November 20<sup>th</sup>.

And finally, to embrace a diverse and innovative economy to sustain our high quality of life through a variety of businesses, tourism, and cultural elements. The Economic Development Department will work collaboratively to develop a program to support Scottsdale businesses. Additionally, staff will focus on comprehensively marketing City-owned tourism and events facilities.

The Organization Strategic Plan guides the City and provides a pathway to deliver on our community's values through Council identified priorities. To ensure completion of these initiatives each priority has an associated action plan and an accompanying operational measure. If accepted, the Plan would be in effect through December of 2024. Updates on the progress to completing the objectives of the Organization Strategic Plan will be available by going to [Scottsdaleaz.gov](http://Scottsdaleaz.gov) and searching priorities. Just as some of the priorities have already had Work Study Sessions scheduled, the remainder will also have opportunities for input. Thank you, Mayor Ortega, and members of the Council. Tonight, we ask that you make a motion to accept the 2024 Organization Strategic Plan or to provide direction. Thank you.

Mayor Ortega: Thank you. We have two requests to speak. So, I will open Public Comment at this time. Item Number 16, is it Doris Green? Darius Green. Excuse me. And Jeff Caldwell. If you could please come forward, you have three minutes to discuss item, if I have it right, 16. So we're on this item.

## **PUBLIC COMMENT**

[Time: 02:57:33]

Jeff Caldwell: Mayor, Council, so one of the objectives of the Organization Strategic Plan is to finalize and adopt a Sustainability Plan merged with the net zero energy plan. So based off of the information that we have from MAG we still have ozone pollution, even though we are reducing our particulate matter pollution. So, I am not 100% sure that we will be able to obtain the net zero energy plan even if we implement stringent policies against businesses and individuals, like reducing people from having grass on their house lawn. But on top of that, I would urge that we don't include road diets, we don't include reducing.



Mayor Ortega: Thank you, sir. That's not the topic. I don't know if you saw the presentation, but this has to do with our strategic objectives, not particular details. So, thank you. You should please stick to those topics.

Jeff Caldwell: So, she asked for guidelines, right?

Mayor Ortega: Yes.

Jeff Caldwell: So, is it not a request of citizens to not move forward in specific energy sustainability goals?

Mayor Ortega: You can continue but I am just trying to say we are looking for a general outline that lets us have further discussions in workshops and as you are aware, we have our Work Study afterwards as well.

Jeff Caldwell: Right.

Mayor Ortega: So, if you wish to conclude or stick to the general topics that we were looking at. Thank you.

Jeff Caldwell: So, I would urge that in order to help reach the goal of net zero, you lobby the State and the federal government to deregulate hemp. The tallest hemp building in the world is carbon negative. And we have stringent restrictions in the United States against hemp. And I think that deregulating hemp would allow for us to attempt to actually reach net zero, since it's carbon negative. So, I leave that. Thank you.

Mayor Ortega: Thank you. Again, we only stick with our own jurisdiction and certainly if someone wants to talk to their congressmen and get results at that level. We have a, we didn't have Darius Green. So, at this point, I would close the public testimony. I see Vice Mayor Whitehead responding to our case before us.

[Time: 03:00:44]

Vice Mayor Whitehead: Yes, I wanted to thank Ms. Zamora for reaching out to all of us individually to get input to put this together for us. So, with that, I would motion to accept the Organizational Strategic Plan reflecting the City Council priorities for 2024 as discussed at the April 13, 2023, City Council retreat.

Councilwoman Janik: Second.

Mayor Ortega: Do you want to speak to your second? Ms. Janik. Okay, you said second. And I would also say that the way it's outlined with structured opportunities for public input and so forth is the right way to go. And Ms. Caputi.

Councilwoman Caputi: Just super quick. Stephanie, I gave this presentation about a month ago to my daughter's eighth grade class, which Mr. Stockwell helped me put together, and it had our community values listed. And every single kid in that class was just super excited about our list of community values and I think that speaks volumes. Even at that 8<sup>th</sup> grade level, they got it instantly and they were just so excited to see that those were our community values. Great job. I am totally supportive.

[Time 03:01:56]

Mayor Ortega: And I would just add that aspirationally, Scottsdale will continue to be a leader in the region and that is very important. Also, our other AMWUA cities are all looking at one another to make sure we take conservation measures. And it is very important for every household, business, boardroom, school, any organization to look at energy use, water conservation, other measures that make them more sustainable so they can deliver on their mission. Please at this point, I will ask, we have a motion and a second. So, I will ask for people to, Councilmember Graham. Go ahead.

Councilmember Graham: Mayor, sorry I thought I hit the request to speak. I guess I must have missed it.

Mayor Ortega: No, you are pressing, it just came on.

Councilmember Graham: Oh, did it really.

Mayor Ortega: Really. Just now.

Councilmember Graham: Sorry. I will ask a couple of questions then. Thank you. Sorry about that. Thank you, Mayor. Stephanie, you may have mentioned it, but where is it? A2, if you go to provision A2. Maybe I missed something, but it says that, where is it? I lost my spot. My apologies. It's been a little bit of a long night. You might say. Complete art in public places ordinance changes by December 31, 2023. Did you mention that one? Are we, is that, is that like next month?

Stephanie Zamora: Mayor Ortega, Councilmember Graham, that is next month. And this Organization Strategic Plan has been in the works since the April 2023 City Council Retreat. Some of this work has been in motion and if you accept this plan tonight, this would just solidify our work moving forward. And the Council can provide direction on any one of these items at any time and we could always adjust the plan based on that direction.

Councilmember Graham: How do we adjust it? Because we're probably not going to meet that benchmark. Should we just move it out or do we just, is it just like an administrative decision that happens later?

Stephanie Zamora: I will divert to Assistant City Manager Brent Stockwell for that answer.

Brent Stockwell: Mayor, members of the Council, Councilmember Graham, we had the Work Study item on it. The team met today. We are trying as quickly as possible to look at and implement the direction that you provided at that meeting. It may or may not require ordinance changes. So, when we looked at this, we felt it was fine for now, and if any of these timeframes slip, we'll let you know and keep you updated.

Councilmember Graham: This kind of goes back to some of my concerns with the Sustainability Plan, is that I would rather do it right than to do it fast. Doing it rapidly for the sake of doing it and meeting a deadline. If we need more time, then we need more time. So, is it okay if we don't, there's not like a consequence but if in the unlikely event we may not hit that, what happens?

Brent Stockwell: Mayor, members of Council, Councilmember Graham, it's a fair enough point. We were trying to respond to Council direction back in April to come up with an action plan with timeframes and measurables. And so, one of the challenges is when you do that over time, you know, so.

Councilmember Graham: Yeah, it just happens, right.

Brent Stockwell: The other alternative is, is to not to have timeframes and measurables and you are not ever going to meet them.

Councilmember Graham: I understand. And then I was also going to ask, the net zero reference. So, is that, I guess we are going to merge net zero with the Sustainability Plan. I guess I missed that or something. Can you say? Was it a Sustainability Plan? Does that incorporate a net zero?

Stephanie Zamora: Mayor, Councilmember Graham, the net zero portion of these plans was discussed at the July Work Study Session, and at that point, the direction that was decided on was to make that part the energy chapter, and, again, as I mentioned, the Sustainability Plan has its own Work Study Session tonight and will have one pending in spring of 2024. So, you can definitely provide direction before that plan is finalized. The Organization Strategic Plan does not determine the final form of the Sustainability Plan, and there will definitely be time to, add any adjustments if necessary. But to answer your question, that was absorbed into the Sustainability Plan and will be the Energy Chapter and Lisa McNeilly is also here if there's any other questions but, again, that might be something that can be discussed at the Work Study.

[Time: 03:07:07]

Councilmember Graham: Okay. We are going to talk more about that more at the Work Study. I just have concerns about that being included in there and how we are merging them and what that means for net zero as far as a city the size of Scottsdale. That's a concern of mine but I will suspend further questions until then. Thank you, Mayor.

Mayor Ortega: Councilwoman Littlefield.

Councilwoman Littlefield: Thank you, Mayor. This is kind of an odd question so bear with me. When we discussed this about a year or so ago, there were some major differences between the City staff and our Commission. Have those differences been worked on and repaired? I would like to know if they're still working on it or what the status is on that.

Brent Stockwell: Mayor Ortega, members of Council, Councilwoman Littlefield, that perhaps is a question better left to the Sustainability Plan Work Study Item which is coming up in two items from now.

Councilwoman Littlefield: Okay, I'm sorry.

Mayor Ortega: So, to be clear, this is a great outline. It has our strategic priorities and it's got some actionable items. That is what we are voting on right now. The sustainability portions of our Work Study are set up in edible sizes, okay. We are not taking on the whole sustainability chapter by chapter. We are just looking at two basic areas at this time. And that's how that approach will be pretty decisive as we move forward. So, at this point, I don't see any other hands raised. This just keeps us on task and then we will get to the specifics as it rolls forward. So please record your vote on the motion.

Mayor Ortega: Okay. We are unanimous to move forward. That concludes our Regular Agenda items. And at this point, we will reopen Public Comment. There were no requests for Public Comment on a second session. Therefore, I will close Public Comment.

Next one is Item Number 17, which would permit a citizen petition as per our Charter. Seeing none, we will close that matter, Item Number 17 as posted.

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

[Time: 03:10:09]

Mayor Ortega: Next, we will go to the Mayor and Council Item Number 18. Number 18 is the Boards and Commissions. And at this point, I will turn the meeting over to Vice Mayor, this is the nominations portion of Boards and Commissions and Task Forces. I will turn the meeting over to Vice Mayor Whitehead. She will be chairing this portion of the meeting.

Vice Mayor Whitehead: Thank you, Mayor. This evening, the City Council will be nominating Scottsdale residents interested in serving on Citizen Advisory Boards, Commissions, and Committees. The Scottsdale City Council is responsible for establishing City policies and enacting laws in support of those policies. The Council relies on volunteer, citizen-based boards and commissions to research issues and make recommendations in support of the Council's mission and goals. The information and recommendations provided by Council-appointed advisory boards is a valuable tool in helping Councilmembers in their deliberations.

Appointments for their positions will be made at a Special City Council in December. As we begin our process this evening, I'd like to remind my colleagues that an applicant only needs to receive one nomination in order to advance to the interview before the Council. When I call you, if your chosen applicant or applicants have already been nominated by a Councilmember, please state "no additional," and we'll move on. Thank you, now let's get started.

We're going to start with the Board of Adjustment. There is two openings. The Board of Adjustment is a quasi-judicial body that hears variance requests, appeals of the Zoning Administrator's interpretations, decisions, and decides on administrative decisions on zoning requirements, which creates unnecessary hardships in the development of property because of exceptional or extraordinary conditions. Brian Kaufman and Matt Metz have terms ending in December and both are ineligible for reappointment. There are two vacancies and three applicants. The applicants are Alexander Hayes, Jay Leopold, Azam Qayum. So now, I will entertain nominations for the Board of Adjustment. And each Councilmember can nominate two and I will start with Councilwoman Caputi.

Councilwoman Caputi: Alexander Hayes, Azam Qayum.

Vice Mayor Whitehead: Councilwoman Janik.

Councilwoman Janik: Alexander Hayes and Jay Leopold.

Vice Mayor Whitehead: Councilwoman Littlefield. Well, actually we have all three. We're moving on. Thank you. All right.

[Time: 03:12:44]

Development Review Board, three openings. The purpose of the Development Review Board is to review and approve architectural design and layout of proposed development plans. Special qualifications as outlined in the Scottsdale City Code, the membership shall consist of a City Councilmember, a Planning Commission member, and five public members, three of whom shall be architects, environmental scientists, landscape architects or persons otherwise qualified by design background training or experience; and two of whom shall be land developers, builders, or contractors.

Terms of Jeff Brand and Ali Fakhri expire in December. Both are eligible for reappointment, and both have submitted applications. Doug Craig's term ends in December, and he is ineligible for reappointment. There are three openings and 16 applicants. The applicants are Julie Berry, Jeff Brand, Francisco Castell, Michael Corso, Danielle Davis, Paul Ejups, Ali Fakhri, Jon Griffin, Thomas Kube, Ed Peaser, Christopher Schroeder, Brian Silverstein, Robert Stickles, Roger Strassburg, Scott Tiedemann, Michael Wills. We are going to start with Councilwoman Janik.

Councilwoman Janik: Jeff Brand, Ali Fakhri, and Michael Wills.

Vice Mayor Whitehead: Councilwoman Littlefield.

Councilwoman Littlefield: Jeff Brand, Ali Fakh, and Scott Tiedemann.

Vice Mayor Whitehead: Mayor Ortega.

Mayor Ortega: Julie Berry, Ed Peaser, and my other one has been nominated.

Vice Mayor Whitehead: No additional for me. Councilman Durham.

Councilmember Durham: John Griffin.

Vice Mayor Whitehead: Okay, Councilman Graham.

Councilmember Graham: Michael Wills, Roger Strausburg, and Mr. Kube, was he nominated?

Councilwoman Janik: No.

Councilmember Graham: Thank you.

Vice Mayor Whitehead: Councilwoman Caputi.

Councilwoman Caputi: Just add Danielle Davis, please.

[Time: 03:15:08]

Vice Mayor Whitehead: Okay. Got that? We are going to move on. Environmental Advisory Commission, one opening. The Environmental Advisory Commission provides guidance on the prioritization of future environmental activities and recommends environmental policies to the City Council. Special qualifications as specified in the Scottsdale City Code, the membership of the Board shall reflect both scientific and non-scientific interests. Tammy Bosse's term expires in December and is ineligible for reappointment. There is one vacancy and four applicants. The applicants are Lauren Click, Alisa McMahon, Nathan Nutter, Alexandra Sellers. I will now entertain a nomination for the Environmental Advisory Commission, where each Councilmember nominates one applicant, and we'll start with Councilwoman Littlefield.

Councilwoman Littlefield: Alisa McMahon.

Vice Mayor Whitehead: Mayor Ortega.

Mayor Ortega: Lauren Click.

Vice Mayor Whitehead: No additional. Councilman Durham.

Councilmember Durham: No additional.

Vice Mayor Whitehead: Councilman Graham.

Councilmember Graham: None.

Councilwoman Caputi: No additional.

Councilwoman Janik: No additional.

Vice Mayor Whitehead: Okay, we are going to move on to the Judicial Appointments Advisory Board, two citizen rep openings. The Judicial Appointments Advisory Board (JAAB) makes advisory recommendations to the City Council regarding the appointment and reappointment of full-time City judges. Special qualifications, the seven-member JAAB will consist of two active judges, one representative from both State Bar and Scottsdale Bar Associations, three citizens appointed by the City Council, who are not judges in any official capacity, nor retired judges, nor members of the State Bar of Arizona. Brian Adamovich's term expired in August and is ineligible for reappointment. Laura Ingegneri resigned from the Board in September. There are two citizen representative vacancies and four applicants. The applicants are Donna DeFelice, Aurea Flores, Kristina Jensen, and Janice Shimokubo. I will start with Mayor Ortega.

[Time: 03:17:17]

Mayor Ortega: Janice Shimokubo and Aurea Flores.

Vice Mayor Whitehead: No additional. Councilman Durham.

Councilmember Durham: Kristina Jensen.

Vice Mayor Whitehead: Councilman Graham.

Councilmember Graham: No additional.

Councilwoman Caputi: No additional.

Councilwoman Janik: No additional.

Vice Mayor Whitehead: Councilwoman Littlefield?

Councilwoman Littlefield: No additional.

Vice Mayor Whitehead: Okay. Thank you. McDowell Sonoran Preserve Commission, one opening. The McDowell Sonoran Preserve Commission provides citizen oversight for the acquisition,

preservation, management and stewardship of the McDowell Mountains and related Sonoran Desert for the benefit of this and future generations. Stephen Coluccio's term expires in December. He is eligible for reappointment, and he has submitted an application for consideration. There is one vacancy and four applicants. And the applicants are Stephen Coluccio, Susan Hirshman, Ryan Rybarczyk, and Kevin Walsh. I'm going to start with myself and I'm going to nominate Stephen Coluccio. Councilman Durham.

Councilmember Durham: No additional.

Vice Mayor Whitehead: Councilman Graham.

Councilmember Graham: No additional.

Councilwoman Caputi: No additional.

Councilwoman Janik: No additional.

Councilwoman Littlefield: No additional.

Mayor Ortega: No additional.

[Time: 03:18:38]

Vice Mayor Whitehead: All right, thank you. The Neighborhood Advisory Commission, one opening. The Neighborhood Advisory Commission advises and makes recommendations to the City Council on policies, plans, strategies, and programs for the preservation, improvement and revitalization of Scottsdale's housing and neighborhoods. Louise Lamb's term expires in December. She is eligible for reappointment and has submitted an application for consideration. There is one vacancy and 9 applicants. The applicants are Lawrence Beer, Michael Crooker, Bob Dahms, Sandra Dunn, Katherine Erwin, Diane Frei, Doreen Hollowell, Louise Lamb, and Susan Rogge-Adyniec. I'm going to start with you Councilman Graham, I'm sorry, Councilman Durham.

Councilmember Durham: Louise Lamb.

Councilmember Graham: No one additional.

Councilwoman Caputi: No additional.

Councilwoman Janik: No additional.

Councilwoman Littlefield: No additional.

Mayor Ortega: No additional.



Vice Mayor Whitehead: No additional.

Councilmember Graham: Congratulations.

Vice Mayor Whitehead: Oh, yeah, she's right here. We're looking at you. Tourism Development Commission, two Scottsdale hotelier openings. The Tourism Development Commission advises the City Council on matters concerning the expenditure of revenues from the transportation privilege tax or transient lodging bed tax designated for tourism development. Special qualifications as specified in the Scottsdale City Code, the Tourism Development Commission shall consist of representatives of the tourism industry in Scottsdale, including a minimum of four Scottsdale hoteliers, one member of the Scottsdale Convention and Visitors Bureau, and the balance from elements of the tourism industry. Sally Shaffer's term expires in December and is ineligible for reappointment. Richard Newman resigned from the Commission in October. There are two hotelier vacancies and one applicant. And that applicant is Lance Marrin. I will now entertain nominations and I will start with Councilman Graham.

Councilmember Graham: So, Lance Marrin. Can we like pluck some other applicants from other Commissions on to this one? Because there's a little bit of a deficit here. Thank you.

Vice Mayor Whitehead: So, I guess you chose Lance. Okay. We're done.

Councilmember Graham: Send someone a notice, "Hey, different Commission, you were nominated."

[Time: 03:21:02]

Vice Mayor Whitehead: Let's move on to the Transportation Commission, where there's one opening. The Transportation Commission advises the City Council on matters relating to the safe and efficient movement of vehicles, transit, pedestrians, and bicycles. The Commission provides a public forum to hear citizen complaints and requests regarding transportation matters. Don Anderson's term expires in December, and he is ineligible for reappointment. There is one vacancy and four applicants. The applicants are Kevin Konczal, Mailen Pankiewicz, Carl Stein, and Darren Wolf. And we're going to start with Councilwoman Caputi.

Councilwoman Caputi: Mailen Pankiewicz.

Vice Mayor Whitehead: Go ahead.

Councilwoman Janik: No additional.

Councilwoman Littlefield: Darren Wolf.

Mayor Ortega: No additional.

Vice Mayor Whitehead: No additional. Councilman Durham.

Councilmember Durham: Kevin Konczal.

Councilmember Graham: No additional.

Vice Mayor Whitehead: Okay.

Councilmember Graham: We're done.

Vice Mayor Whitehead: Okay. Well, that concludes our nomination process. Individuals nominated will be contacted by City staff with additional information. And I would like to take this opportunity to sincerely thank all who have applied to serve on a Citizen Advisory Board and Commission. Even if you were not nominated, your application will remain on file for one year for consideration if there are additional vacancies.

#### **WORK STUDY**

Mayor Ortega: Well, thank you very much, Vice Mayor. We will move on to the Work Study. There are two topics, one is water resources and Colorado River update and the second one is Scottsdale Community Sustainability Plan. We afford the public an opportunity to speak and comment on one or both of those items in our Work Study. I show that there's two speaker requests. You have three minutes coming forward. Michaela Cutlip Khan and Ute Brady. Thank you for your patience. Please state your name, state location of residence, and continue.

#### **PUBLIC COMMENT**

[Time: 03:22:51]

Michaela Cutlip Khan: Good evening, Mayor and Council. My name is Michaela Cutlip Khan. And I'm the healthy cities program manager at The Nature Conservancy in Arizona. I live at 854 West Baylor Lane and The Nature Conservancy does business across the state of Arizona. Later tonight, Director McNeilly will present a draft Sustainability Plan to you that cites TNC's economic assessment of two strategies to mitigate heat in Maricopa County. Implementing cool roofs and increasing tree canopy. The benefits of both solutions were found to outweigh the costs of implementation by approximately 5 -1 and 4 -1 respectively. The goal of the Healthy Cities Program at The Nature Conservancy is to increase and maintain healthy tree canopy in front line communities those impacted first and worst by climate change in the valley's metro area to mitigate heat.

Not only is there a strong economic case to invest in heat mitigation, but it also importantly improves the physical safety and quality of life for Scottsdale residents and visitors. The City of Scottsdale has a history of prioritizing sustainability and recognizes extreme heat as a key priority

in the Community Sustainability Plan. The 2022 report prepared by ASU called "identifying strategies for a cooler Scottsdale" listed an increase in tree canopy, particularly along frequently traveled pedestrian walkways as a broad goal to be considered for use in the City's first heat mitigation plan. We support your policy prioritization and continued investment in heat mitigation and underscore the value of planting native and desert adapted trees in priority areas to provide shade and additional ecosystem benefits for both people and nature. Thank you.

Mayor Ortega: Thank you. Our next speaker is Ute Brady.

Ute Brady: It's not always pronounced correctly. Honorable Mayor Ortega, City Councilmembers, my name is Ute Brady, I'm Chair of the Scottsdale Environmental Advisory Commission but I'm here tonight as a citizen, a long-time citizen of Scottsdale. And I wanted to begin by commending City Council for the vision and foresight you have shown in guiding the development of the Sustainability Plan to date. I also want to acknowledge the efforts of SEAC Commissioners who have worked very hard with City staff to improve the sections of Plan and Lisa McNeilly for her efforts in revising the Plan and for incorporating many of SEAC's recommendations. The draft sections of the Sustainability Plan are much improved from the prior iterations. And present a solid foundation from which the City can measure and improve air quality and continue to show leadership in its water conservation efforts. The plan now includes critical components like better indicators, and specific goals, and it outlines the environmental, social, and economic benefits of action taken. This is really wonderful.

[Time: 03:26:34]

I have a few minor suggestions that may make this plan better. First, consider incorporating more local data in the air quality section of the Plan. The current Plan relies on five air monitoring stations. That gives us a rough overview of the general air quality conditions of Scottsdale. But this could be enhanced by drawing on the City's existing commuter and traffic flows to better estimate ozone PM10 and PM2.5 pollutants in high volume intersections in the City. And that in turn, can inform mitigation strategies like planting trees to improve air quality in adjacent neighborhoods. Relatedly by engaging in partnerships with private health insurers, the City may be able to obtain data that provides a more accurate picture of the adverse health effects of air pollution on Scottsdale citizens than just hospitalization data.

After all, not everyone who suffers from bad air is going to end up being hospitalized. Second and lastly, you will note that some of the targets recommended by the SEAC differ from those suggested by staff. As you consider which ones to select, I encourage you to think big and choose the SEAC's more ambitious goals. Scottsdale is known for bold action. Think the green energy plans. Think the preserves. We can really do this! I know this Council and staff has a vision on persistent to make us the most sustainable city in Arizona. Let's see that reflected in the goals that we set for ourselves and the Sustainability Plan, and I think if we aim high, others will be inspired and help us reach those goals. Thank you for giving me time to speak.

Mayor Ortega: Thank you very much for your service and for resilience sticking with us. At this point, we will close Public Comment and we will proceed with the two presentations. First one being water resources and Colorado River update. Gretchen Baumgardner with the water policy management will be presenting.

#### **WORK STUDY ITEM 1 – WATER RESOURCES AND COLORADO RIVER UPDATE**

[Time: 03:28:40]

Gretchen Baumgardner: Thank you, Mayor and Council. I'm happy to be here tonight. As you know I have been here every couple of months giving you an update on what's happening with our water resource and especially the Colorado River. I know it has been a late night so I will try to be as brief as possible, but I think it's really important as we move forward and, as you understand the last couple of years, water is obviously an important aspect in our livelihood, and it comes up in all components of how we manage our community. I'm happy to bring the next stage of updates to you tonight.

So, I am going to be talking about the current system conditions on the Colorado, the 24-month study projections by the Bureau of Reclamation and then what the post-2026 process is by the Bureau of Reclamation. There is a little bit of a delay. The current conditions right now, the system is about 44% of capacity. So, it's 44% full of all the reservoir systems. There's a good news story here. So obviously last winter, it was a really great winter, which means the system contents this year are about 25 million-acre feet and last year at this time it was 19 million-acre feet. So, we have had a little bit of a reprieve here with the great winter and it's an El Nino winter this year so there is a potential for this winter also to be a great reprieve. As you can see from this, the bullet points on the lefthand side of the slide, water year 2023, the prescription was 161% of median. Now, the runoff is 141%, so it was a really great winter. The issue is that the aridification means there a differential between the precipitation and the runoff.

The previous three years there was a wide differential. Even though this year it was a really great winter, there's still a little bit of aridification of the climate. We are not just seeing the runoff in the same amount, we are seeing prescription. There are concerns about what the winter looks like when it comes to runoff. There's a little bit of an animation here. Sorry, there's a delay.

[Time: 03:31:11]

So, this figure is of Lake Mead over the last 20, 22 years, and even though we have been in a drought, those vertical dashed lines are winters we had above 100% median snowpack. So, it's telling that even though one or two really great winters, it does not necessarily change the trajectory of the system. The story here is we have to stay the course with strong water resource management and conversations with our partners not only within Arizona but the seven basin states.

So, this is the obligatory 24-month study that I showcase every time I come up in every presentation I do. This is the Lake Mead projections over the next 24 months or two years and how it showcases when the system will be in the Tier 1 or Tier 3. Now shortage is triggered on Lake Mead's level within the system. We're currently, in this calendar year that we're sitting, we are in a tier two way. Next year we will be a tier one. There are two reasons for this. One is the obvious snowpack that we had last winter. The 160% precipitation elevated the lake. Also, the collaborative effort by the basin states to leave water inside the lake. System conservation, which Scottsdale was a part of.

When we walk through how the system is governed, it started in 2007 with the interim guidelines. The compact of the system was over 100 years old and that is what governs the allocation of the system, but there was no governance on who took shortage when the system needed to take a shortage cut. In 2007, the basin states got together and negotiated what those cuts looked like. When the system was at a certain elevation there was a certain cut to Arizona for example. And then we had the 2019 Drought Contingency Plan which overlaid the 2007 Plan and had additional cuts for Arizona. The 500 plus plan where we gave up water to keep Lake Mead elevation at a decent level. And then last summer, we came here and talked about what the Bureau of Reclamation was calling for. Extraordinary reduction of usage on the system to be able to keep it at a level that was manageable and not fall off a precipice or cliff.

The seven basin states got together and negotiated what that could look like so over the next several years starting this year and going to 2026, several of the partners, including Scottsdale, and other partners inside Arizona gave up water and left it in Lake Mead for federal compensation for that water. Leaving the system a little bit more stable currently, so it gives us some time and reprieve to understand how we're going to negotiate the next set of guidelines.

Those set of guidelines will be seven states, 30 tribes, and a whole other country. There is hydro power, there is vast majority of storage. And all of this is governed by operating plans and agreements that are set to expired in 2026. So, as we work forward from 2007 to now to 2026, the Department of Interior is talking with the seven basin states to understand what the next set of guidelines legally could look like but also continue to make sure that the west thrives economically.

This is a graphic that was inside the supplemental economic environmental impact study that is going on right now. Basically, it showcases what the conditions were like in 2007, when those negotiations for those guidelines happened and what is happening now. In 2007, the system on average gave 14.9 million-acre feet. Over the last 20, 22 plus years, the system on average is giving 12.5 million-acre feet. There is a differential of 16% of supply. That is the starting point for the negotiations of the guidelines. The Department of Interior intends for the guidelines to be more robust, more adaptive to be able to sustain the system as we ride through what is happening on the hydrology. What we can probably expect is the guidelines are going to be a little bit more aggressive than they were in 2007.

[Time: 03:35:40]

The NEPA process is happening right now, and the end of next calendar year, they will have the supplemental EIS out and we will have a bigger understanding of what those alternatives could look like for the State of Arizona and Scottsdale. So, what has Scottsdale been doing? We are operating under a drought management plan. We are vastly expanding our conservation programs and messaging. Many of my programs and conservation staff has increased their effort by anywhere from 200 to 400%. We're expanding data and data excess so customers can manage their own water usage and understand it. If you can't measure it, you can't efficiently figure out how to use it. We are talking with HOAs. We are talking with businesses. And we have the sustainable management principles, chapter 4.

So, let's talk about infrastructure. We are increasing our well capacity. We are Bartlett Dam modification stakeholder. We are looking to complete the Harquahala well fields. We did the Tucson Exchange, and we are moving forward with that this year and into next and beyond. We are preparing the campus for full-scale advanced water purification or what was formerly known as DPR for potential to alter that resource for more accessibility in our portfolio. And we are talking with our partners like the City of Phoenix and other valley cities for a regional AWP plan.

In conclusion, I wanted to highlight just three of those infrastructure projects. Now, us and other valley cities are doing similar things. We are all looking at our well field and investing in that infrastructure to be able to pull from the long savings account that we have put away to be able to call on in times of prolonged shortage. We are really examining the AWP up at the campus and finding ways to work with the State on how we message and really utilize that resource. And the Bartlett Dam modification. As we all sat last winter and looked at the water that ran down the Salt, we are working with SRP and other valley partners to figure out ways to invest that we can invest in that and capture that water to be able to put to use in the future.

And with that, I want to thank you for the opportunity not only today but every time I come and talk to you. I think it's not only important to educate our customers both on the residential and the commercial side, but all elected officials so we can all be partners as we move forward. Thank you.

Mayor Ortega: Good. Just a couple of comments. So, we are gaining momentum with the culture of conservation which is important, and that's among all the CAP basin cities or the AMWUA cities, so that's important. The other thing that we are doing is we are monitoring the federal decisions that would impact both conveyance of water through the CAP system that's not federal water, and some other things that are pending decisions that will definitely impact our portfolio. So, we are way ahead of curve in terms of having the proven, I guess we have been at pretty much DPR capable for almost five years now, so that's very important. Whereas, you know, Phoenix is striving to get a plant operable in about six years. We have that capacity, or we are getting ready for that. I see Councilwoman Janik, Councilmember Graham.

Councilwoman Janik: Thank you, Mayor. Gretchen, great presentation. Thank you. I just have one question and it's on Water Smart. Is it possible to have the commercial businesses as part of the Water Smart Program? Are they part of it?

Gretchen Baumgarder: It's possible to have the commercial customers and we have had conversations with them. There are some challenges when it comes to big commercial customers, and they have a big use on the other side of the meter. We've had these conversations with the Water Conservation Office. And my staff is all on board with submetering and getting that out. So, when it comes to monitoring water usage inside a big facility, we developed a rebate for that. So, we have a commercial rebate that helps talk through someone if they have the idea that they want to submeter something. Again, if you can measure it, you can understand it. So, you can use Water Smart, but we have other options as well.

Councilwoman Janik: Okay, good. Thank you.

Mayor Ortega: Okay, Councilmember Graham.

[Time: 03:40:02]

Councilmember Graham: Gretchen, good presentation. As far as the Bartlett Dam modification, is that something that we would vote on or send money or something, what are the next steps for that?

Gretchen Baumgarder: So, we are a voting Steering Committee member which means we have given funds to that, there is voting and non-voting. And the voting, everyone has given funds to be a part of that Steering Committee. There are 21 members on it that. Includes a lot of valley cities and a couple of folks in Pinal. Once we get to the point of, once we get to the point of the allocation. So, there's twice as much water that's been asked of that the water is available. So, we are going through the process and discussing how we divvy up that water. Once SRP and the Bureau finalize that, there will be some potential funds that will need to be able to be expended for that water.

Councilmember Graham: Do you have a timeline in mind? Like next year or something? I don't know.

Gretchen Baumgarder: The Steering Committee will meet for another year and a half or two, and then they have to go through another environmental impact statement. They are starting NEPA right now and then we'll have to go to Congressional authorization in 2026.

Mayor Ortega: Excuse me, I will ask Brian Biesemeyer to elaborate.

Brian Biesemeyer: Thank you, Mayor, and Councilman Graham. Yes, you will see some, as we go forward with our C.I.P. budget going forward, you will see those investments, should those

opportunities come forward in a budget, which will have the opportunity to discuss, approve, disapprove, so they won't come as a surprise to anybody on Council.

Councilmember Graham: Yeah, I support that movement, and I'm sure many of my colleagues would. I just didn't know about the timing of that. Thank you, Gretchen. Thank you, Mayor.

Mayor Ortega: Okay, with that I don't see any other hands raised. So, I thank you for the update. This is equally important as the financial reports that we get monthly, so thank you very much.

Gretchen Baumgardner: Thank you, Mayor, and Council.

Mayor Ortega: And moving on, we will get to the Scottsdale Community Sustainability Plan. As presented by Lisa McNeilly, our Sustainability Director.

## **WORK STUDY ITEM 2 – SCOTTSDALE COMMUNITY SUSTAINABILITY PLAN**

[Time: 03:42:07]

Lisa McNeilly: Good evening, Mayor Ortega, Vice Mayor Whitehead, members of Council, thank you for the opportunity to provide an update on the Community Sustainability Plan and to share some of the draft sections for your input. And thank you for your commitment to sustainability, I have been here this entire evening listening. I know that this has come up in Public Comments. It has come up in your comments on other sections. That's great to hear and I hope we can continue to have a good dialogue on this as we move forward. Your input in the past has really sharpened the focus of this plan. Made it a priority, while allowing sufficient time to develop the baseline metrics and set some of the targets that we will be discussing tonight, and really highlighted the need to discuss costs and benefits.

Since I presented in July, we have been working to develop an improved plan that reflects the concerns of residents and businesses. And we can go to the next slide. And the Environmental Advisory Commission, which I will refer to as the Commission moving forward, many whom are here tonight, or some of whom are here tonight, have been involved in the plan development, sharing their input, reviewing draft text. They have really shaped the plan aspirations and the message and based on ideas generated at their public meetings. I can tell you that recent Commission meetings have involved deep dives and robust conversations and we thank them for all that they have done. The Plan also reflects the work of staff and several departments, including Gretchen, who will be back up here later joining me later in the presentation, and the leadership team of staff that has provided guidance.

And as I think we have said, tonight we will be seeking guidance on three elements of Sustainability Plan, the introduction, air quality and water. So, let's start with the introduction. Sustainability. And tell the story we heard so much about the story of sustainability. We are going to try to start telling it here. Scottsdale's not a large city. But we really have our position here has



really shaped our outside commitment to being good stewards. I think everybody here knows what these pictures are. These milestones that we have achieved over the decades are familiar. I think to all residents of Scottsdale from the green belt, to the xeriscape garden, to the work on water, and even recently to the green construction codes that have been adopted.

But why a Community Sustainability Plan? Given all of these steps, why do we need a plan? I think the City knows that without thoughtful planning and stewardship, our environment and quality of life may be negatively impacted, by some long standing and systemic trends like the drought, extreme heat, air pollution. As Scottsdale nears buildout, expanding our efforts is going to be even more important. What we're going to be talking about improves the environment, but the solutions also bring other positive outcomes. Cost savings, health and safety improvements, equity, economic vitality, and we know that these benefits outweigh the upfront costs because people are already taking some of these steps. We have shopping centers with cover shade that have solar panels on them. We know that hundreds of residents are composting their food waste.

[Time: 03:45:52]

Next slide, sorry. I'm having to do the next slide thing. If I hesitate, it's because I'm not used to doing that and Will is being very responsive, but you will see me reach over and then look up and then say next slide and it will be a thing. So, the science behind the sustainability efforts is compelling. NASA's records and analysis confirm that the earth is warming faster than at any time in the past 10,000 years. Average temperatures are up 2 degrees Fahrenheit and mostly just in the last 40 years. Temperatures in the valley in July, were the hottest month ever recorded for a U.S. city. We know that's a result some of natural variability, urban heat island effect, but also climate change and we see it in the data. At the same time, we are also experiencing the droughts. Sorry, you did want to go on to the next slide. Thanks.

The scientific data also helps us understand that our air quality is changing and that there are health impacts from it. The two largest concerns are ozone and particulate matter. Those are those particulates that we get from smoke and dust. These are the ones that exceed the federal health standards most frequently. I will be talking more about this in the air quality section, but I just want to start by saying how complex these issues are, given how far these can be blown around by the wind, both within our region, within our City, and again even across different states. So, this graph shows the daily air quality index for ozone in 2022 and the frequency of those unhealthy days. Next slide.

[Time: 03:47:30]

But just as the science motivates us to take action, the economics of sustainability can help us understand how to get started and guide the efficient use of resources. You know, there are upfront costs to sustainability but there are also then savings on the other end, and we know those technology costs are coming down. This can mean steps like reducing energy and saving water can bring cumulative savings that quickly exceed the costs. Failing to act can also have costs.

And I want to share some local studies. You already heard from The Nature Conservancy about the work they have done right here about what is cost effective, and the benefits that we see in return from addressing extreme heat. We've had studies even in Gilbert where the water utility looked at and came to the fact that the utility rates would now be 6% higher if it weren't for the investments that had been made and new infrastructure and in conserving water. This graph is actually also from a study in the science journal that Maricopa County will see a loss by the end of the century in gross domestic product. Basically, our economy will have shrunk by 5 to 10% due to extreme heat. Next slide.

So, when we move to the now sort of what is the plan. What's the structure of the plan? And the starting point, of course, was the 2035 General Plan which set goals and builds on existing plans. It focuses on these five key areas to reflect Council input on the priorities for a sustainable, resilient, and thriving Scottsdale. We want to increase the use of renewable energy and energy efficiency. We want to conserve water. We want to create less waste and send less of it to the landfill. We want cleaner air. And we want to respond and prepare for extreme heat. Next slide.

[Time: 03:49:34]

For each priority, we will be setting targets. We will have baseline data. We will have information on what individuals and businesses can do and we will have strategies and actions that help achieve the target. Essentially that baseline data, those indicators, tell us where we are. The targets tell us where we want to be. And the strategies and actions tell us how to get there. There will be more details on this in the next section. Next page.

At the last Work Study Session, we talked a lot about implementation of the Plan and administration of it. So, I wanted to stop and talk a little bit about what happens next. It's designed to be a living, working document to focus our resources and collective action where it will be most impactful. For each priority, each of those five priorities, there will be an implementation table that shares four elements. It will talk about the time horizon. What's ongoing? What will be a quick win? What might take us a few more years?

It will list who the lead agency is and who are some of our partners. It will have an estimate of the upfront costs. This might be the upfront cost to the City. It might be the cost to a resident or a business. And we'll have sort of a sense of the scale and then the same will describe the expected benefits of taking action. For the administration, we are also going to do annual reports. We are going to talk and update the data where we can. We are going to talk about implementation, where things are going and then we'll update the Plan formally every three years. Next slide.

[Time: 03:51:12]

And then some of the fun part of it, again, we hope that residents, businesses, and nonprofits join us on this. That they will be motivated as well to improve the world around them. And so, we are going to be sharing ways the community can work with us. This is an excerpt from the

introductory section that talks high level about what you can do. There will be more details, again, in each of the priority sections. I am just going to stop for just a second. That's all I have on the introductory section. How am I doing? Any thoughts on how we are telling the sustainability story? Or do you want me to dive into water?

Mayor Ortega: Good, Councilwoman Janik, please.

Councilwoman Janik: Real quick, thank you, Mayor. Very, very nice. And I especially like page 10 where you have the time horizons, the cost, et cetera. I think this will be very beneficial for people being able to understand the Plan, and where we are going, and how much it costs, so thank you.

Lisa McNeilly: Thank you.

Mayor Ortega: Okay. Continue please.

Lisa McNeilly: Next slide. So, before I dive into the water and the air quality sections. I do want to spend a moment reviewing how some of the draft targets in the Plan were developed. So, this slide shows an example from the Plan, where the indicator and the base line date. In this case, the number of gallons of groundwater treated in 2022 is tied to a target for the future. In general, that's where we started. We gathered baseline data. Some years we had, I mean, in some cases we had enough data to have trends to be able to look and see how this has been playing out over time. We also talked about some of the external factors that might impact our ability to achieve any targets. One where, say, existing technology might be a factor. Is it already developed and scaled and completely commercialized? Do we know exactly what it is going to be? We have kind of reached the tipping point for electric vehicles. For heavy duty trucks, I think there's, you know, it's not as certain sort of where that's going.

We also wanted to look at the pace of action by other major players. What is the county doing on air quality? What is utilities doing around energy? So, what you are going to see in the targets in these two sections and the other three when I bring them back in March, are sort of an attempt to both balance accountability and control over outcome, knowing that there is always going to be some uncertainty and balancing achievability and ambition. And so, you know, and also just want to remind, to keep in mind that strategies and actions tell us how we will get there and that we do have the ability to update the Plan every three years. So, as I'm going through the rest of this, I am going to be highlighting some the suggested targets and kind of moving forward.

[Time: 03:54:12]

So, water section. After Gretchen's presentation, there's not a lot that I have to necessarily talk about, but I do want to share some of the data. So, this graph shows the delivery of safe drinkable water to the City of Scottsdale. As you can see total use has been decreasing, even as the number of connections has increased by 9%. In response to the drought, the City asked people to reduce by 5%. You know, even in July, that hot month that I was talking about, water use in the City dropped by 7% compared to the year before. We have a lot to be proud of on this area. Next slide.

But I think it's worth breaking down different customer types for water use to understand how that overall decrease happens. So, this graph shows the residential use per capita per day. Reducing by 13% since 2000. We also know that municipal water which is really only about 2% of total water use has dropped almost 10% since 2017. And Gretchen has talked a lot about all of the work that they have been doing with HOAs, with, you know, on turf conversions and other steps and also, we have looked at the commercial data and know that it's been relatively stable. Next slide.

But it's not just demand, its water supply too. You know, this is a picture that looks at both our return flow, so the total amount that's delivered to customers. Right now, 33% is returned through the sewer system. So, I am going to let Gretchen talk about this more when we get to it but keep that number in mind and also keep in mind that since the early 1990s, the Scottsdale water has banked almost 250,000-acre feet of water in the system. And that this is an important part of that overall story. So next slide.

[Time: 03:56:17]

At this point, what we are going to do is walk through the eight different targets in the Plan related to water use and supply, kind of one by one, and highlighting the progress and the consensus with the Committee. And so, for each, we will get your direction, but because Gretchen is here, I am going to ask her to do that part of this presentation, but I will be up here in case you have slings or arrows for me.

Gretchen Baumgardner: Thank you, Lisa. Let's talk through some of the water indicators. So gallons per capita per day in the residential sector, that's both single family residential and multifamily. We looked at where we are at right now, 199. We also examined what we did back in April with Council, and we signed the MOU with the Colorado River basin states and one of the items that we committed to is reducing nonfunctional grass. Not the grass that our kids play on, or our dogs play, or we find community and communal use, but the grass that's just purely aesthetics, that front yard grass. Just naming one of the examples. So, we did an analysis, and we came up with reducing the amount of some nonfunctional turf in both single-family resident and multifamily by 30%, would bring us down to 170-gallons per capita per day over a 10-year period. We thought that for Scottsdale residents that was aggressive and also very achievable. Next slide.

So, let's talk about the commercial sector. As Lisa had said, since 2017, we have saved 10%. That's basically a five-year period. Our municipal facilities and parks have done an amazing job. Now, parks started this venture a decade and a half ago and they have their stuff honed in. Our parks do an excellent job of efficiency. They are still looking at the potential and also taking out nonfunctional grass in their parks area, but it is a very important communal space for our community. Also, our facilities, our great partners in facilities.

Since the pandemic, water and facilities had worked in concert together to find ways to save water

and efficiencies in our facilities. And one of those reasons why we chose a 5% goal is we've done our job. We have been the forefront and said we are cleaning up our house. The 5% is just the cherry on top. It's finding the most optimal way that we can save water and we are there. We are at the finish line for the municipal facilities. Next slide.

[Time: 03:58:58]

So, our HOAs. We have a lot of HOAs in Scottsdale, not just HOAs but sub HOAs, so they are complicated conversations to have. They have their own Board. They have their own property management. They have their own irrigation company. So sometimes these conversations we have with them can take anywhere from a year to two years to have a conversation with one HOA. Although they have a good amount of turf that not only can they find efficiencies in but also examine are there ways that they can take out nonfunctional grass. So, we targeted HOA irrigation usage and are looking to reduce that by 10% over a 10-year period. Next slide.

And we would like to do similar things with our commercial sector. A 10% reduction over a ten-year period. These are finding efficiency in the business processes that all of our commercial entities need to use. Anywhere from the small guy to the big guy. There are efficiencies that they can do to be able to hone-in and find ways to reduce water. We would like to further build some messaging, as well as programs around our commercial sector, reducing their water footprint. Next slide.

And so, as Lisa had said in the couple of previous slides, return flow. Return flow is basically that water that goes down your drain, your faucets, your showers, anything that goes down your drain into the sewer that we can recapture. We made a target to increase that percentage by 10% over a ten-year period. We are at 33%. 30% is a pretty decent goal. So, adding 10% on top of that is very aggressive. That means not only our current but our future customers as we grow into a city is finding those efficiencies. Any outdoor use has to be functional. Finding ways to really capture that water and reuse it over and over again. And so, this is a great goal, this is kind of a secondary goal. It captures all of our customers, not just residential, but commercial, HOAs, inter HOAs, domestic use, all of our customers. Next slide.

So, these are goals that are indicating things that we do really well. We want to make sure that we highlight those, and we continue to do those. As Lisa said, recharge any available water that we have into the aquifer and bank it for future uses. Any time we have the ability to do so, we should maximize that, showcase it, and report it. That includes the groundwater usage that we use in our service area. We want to make sure that we maintain the long existing goal of the water utility to stay at safe yield, only draw out what we need to draw out of our aquifer. And next slide.

So, this was one of the targets where the SEAC and staff diverged a bit. Staff is asking for a little bit more time to examine this very complicated industry inside of our City. There's more data that we are currently collecting. This is a complicated customer. And although we want to come back to this conversation, there is some time that we are asking for. There are a number of components

that we are currently examining, and we are not ready to recommend a goal. Do you want to ask any questions before we move on to the next one?

[Time: 04:02:27]

Mayor Ortega: Thank you, Councilwoman Janik.

Councilwoman Janik: I do have a few questions, thank you, Mayor. Concerning page 20, if we were able to convert all the people who are on septic to standard sewer, how much would that return that is now 33% conceivably increase by? Do we have any idea?

Gretchen Baumgardner: I see my boss coming to the table over there.

Councilwoman Janik: Okay.

Brian Biesemeyer: Mayor and Councilwoman Janik, we have calculated in the past and that's around 800,000 gallons per day that we could get back into our system if we were to convert from the 5,000 septic. I don't know what, on the percentage-wise, what it would do. I just know the gross figure.

Councilwoman Janik: Okay, well, it sounds like a good percentage too.

Brian Biesemeyer: It is, it would be a great thing to have coming back to us.

Councilwoman Janik: Great. And we still have incentives on that?

Brian Biesemeyer: We are, and we have also put in and we don't have the results. If we get results, we will go to Council, but we did put in for an over \$40 million grant request to the Bureau of Reclamation to enhance that program. We don't have the results yet. Obviously if we get it granted, we will be back to Council for Council's acceptance of the grant. But we did submit for over \$40 million request to extend our sewer lines into septic areas.

[Time: 04:04:00]

Councilwoman Janik: That's great. And then, I have one more question, well, not a question, a comment on page 22. Just want to emphasize that the water use by the golf courses not exceed their current allotment. I think we are monitoring all that?

Gretchen Baumgardner: We do monitor it and that's one the items that we are currently examining and asking for, absolutely.

Councilwoman Janik: Okay. And the next one would be to continue your discussions with a sense of immediacy to develop guidelines for water use by golf courses. So, I guess what I'm saying is

pedal to the metal. Thank you.

[Time: 04:04:43]

Mayor Ortega: Thank you. And I would just add that there is momentum on the return flow on all the native partners, as well as the municipal cities. We had a very good meeting of the minds with the Governor two weeks ago and everyone is on board with that policy and trying to get their infrastructure up to speed. Well, we are there. So that's pretty good, but nonetheless, it will be greatly accepted as we move forward and that's a huge resource for the entire valley.  
Councilmember Graham.

Councilmember Graham: Thank you, Mayor. Gretchen and Lisa, did you finish the presentation, just the Q & A or is that coming up?

Lisa McNeilly: I only have a couple more slides about the strategies and actions, but I did want to stop and make sure that we got Council input on all of the targets but especially this one that's up.

Councilmember Graham: Okay, I will probably just group my questions or feedback together and I will withhold for the time being, so thank you.

Mayor Ortega: Great, continue on. Thank you.

Lisa McNeilly: Okay, I just want to make sure that we have got a sense of direction on this particular target to proceed and wait to get more data and move forward. Okay.

[Time 04:06:06]

Mayor Ortega: Councilwoman Janik.

Councilwoman Janik: Are you looking for us to nod and say, yes, we like these? Okay. I will start by saying, I like these. I'm nodding yes. Thank you.

Mayor Ortega: Good and I would as well. So, we will continue on this path.

Lisa McNeilly: Great. Thanks.

Mayor Ortega: Thank you. That's important.

Lisa McNeilly: So, again, there's the last three to four slides for the water section. As I mentioned earlier, there is going to be an implementation table listing the proposed actions and details about timing, costs, and benefits. In this first slide, this is just a highlight of the first two on the list in water, just because it was the easiest to do a little screen shot of the top two. And what you can see here is that for both of these, these are going to be ongoing efforts. You will see that others in

this slide, you know, again some are quick wins, and some are a little bit later time frame. We give a list of, water is obviously the lead, but then we have different partners for different ones. Again, different costs. The first one, it would be a cost to the City to communicate the benefits of Water Smart. The second one, which we think might be a little bit higher, would be encouraging the removal of privately owned turf. This would be the upfront cost for the private, whether it's a resident or a business. And then in both cases here, the benefits are customer savings.

[Time: 04:07:30]

I am going to go through and ask to just flip through the next three slides. What I have is just I have listed up all of those actions. These are first five. If you keep going, you can see the rest of that strategy one with 1.6 and 1.10 and then the last slide are the actions around municipal water use. And so those are in your packets. I wanted to stop here. This is my last slide on water, just to see what do you think? Are there any other inputs on the strategies and actions or on any other aspects of the water chapter?

[Time: 04:08:10]

Mayor Ortega: Councilmember Graham?

Councilmember Graham: Lisa, is this the end or do you still have more slides? I'm sorry.

Lisa McNeilly: This is the end of water and then we will go into air quality. I just wanted to give a chance to just to stop and see if there were any?

Councilmember Graham: Okay, I will ask some questions if that's okay, Mayor.

Mayor Ortega: Sure, go ahead.

Councilmember Graham: So, I think some of the water. I kind of agree with Gretchen, some of the water benchmarks seem aggressive. I mean, we have reduced our water consumption 15% and despite 9% increase in connections. I think a lot of that was done, education and getting more efficient, but I like that it's been voluntary. I like that it's been a bottom up, sort of pull together approach. I'm just concerned about moving from bottom up to top down. What is the average water uses per resident? You wouldn't know, like off the top of your head? Like what is the average annual water usage per resident?

Lisa McNeilly: The number we had in the slide, and I see Gretchen getting up too, is we tend to talk about it in gallons per capita per day. That's what you hear other cities talking about it.

Councilmember Graham: Yeah, we talked about that.

Lisa McNeilly: And yeah, that was 199 last year, I believe.



Mayor Ortega: Page 16.

Councilmember Graham: What are some of the most common ways cities can encourage reduction of water usage, like, what is your go-to? Like, what are we going to expect from this?

Gretchen Baumgardner: So, if I may, Councilmember Graham.

Councilmember Graham: Please.

[Time: 04:09:56]

Gretchen Baumgardner: So, one of the ways that we have that target is to really how to hone in on our conservation program. I don't have the numbers yet for 2023, because we're still in it, but I'm really excited to understand where we're going to be when I start calculating those numbers in January and February. Like I mentioned in my previous presentation. We grew our programs by 400%. And so, it's really incentivizing folks and educating folks. So, as we try to move towards that goal it is not knocking on people's doors and saying, "Hey go have got to be 170." It's, "How can we hold your hand and educate you to understand a, where we are as a desert City and, b, how you can be a partner in that. Where is your irrigation? Are you irrigating too much? How can we help you kind of hone that in? Do you have grass that you don't really use? And how can we help you convert that in areas that could really fit into your lifestyle?" So really this is helping us hone our educational programs so we can up our game.

Councilmember Graham: Yeah, no, I support that drought measures, and conservation, education, I like that. I guess what, let me ask another question, what are the largest drivers of water conserve assumption in the City, currently.

Gretchen Baumgardner: So, it will depend on what sector it is. So, if we are talking single family resident. It is going to be the outdoor usage. It's going to be either your misunderstanding of how you need to irrigate, or grass is a very big outdoor water usage. So, your outdoor water usage is going to be the priority for you to focus on.

[Time: 04:11:44]

Councilmember Graham: What about nonresidential usage?

Gretchen Baumgardner: So, it is going to depend what business you are. We have some really good relationships with the businesses in Scottsdale but there's no one program that fits all. We build rebates around what we have a conversation with our customers and what we believe fits them. I did talk about on the last presentation, about how we're talking about submetering with our commercial customers. That grew out of a conversation with a very big customer of ours and how they wish to be able to be a better partner in water conservation. And so, we grew that program out of that conversation.

Councilmember Graham: And then I know we talked about this a little bit, but I wanted to put the question out in the open. It may not be feasible but charging water rates differently by day versus night. Kind of like we do with power. Is that even feasible? Is that even possible?

Gretchen Baumgardner: We currently don't have that kind of data available to us right now. Whether or not it's a concept as we can, when the A.M.I. technology is fully realized, and we can capture all of that. That's something that the utility could potentially explore should that be the direction that Council would like us to look at. We just don't have that available.

Councilmember Graham: That could be an opportunity if we charge people cheaper for lawn watering at night.

Gretchen Baumgardner: As we walk into the future we will examine as many possible as we have available to us. Absolutely.

Councilmember Graham: Okay, I guess, I think some of the water targets are aggressive and I think if we can't really get our arms around some of the complications with golf courses which is such a visible, some of those big consumers of water, I think it might diminish the credibility of the Plan a little bit. So that's all I have for the water section. Thank you, Mayor.

Mayor Ortega: Thank you. Vice Mayor Whitehead.

[Time: 04:13:30]

Vice Mayor Whitehead: I guess I agree and I'm glad that we are looking at golf courses and obviously there is a lot to do. So, I agree that the credibility of the Plan will depend on that as well. But I do want to stick with the targets. So, I just wanted to check if my colleagues agree. The River determines how much water we get, and not this Council. And the River is telling us that we need to substantially reduce and with what 76% of our water coming from that one river. But the good news is we can totally get there and there is still a lot of room to conserve. So I am not, I just wanted to say I'm not interested in reducing the targets that we have set. We need to be aggressive.

Mayor Ortega: Good. I would also weigh in that the matrix we are looking at makes sense to me. So, we would look at both dollar benefits and other measures. So, I would say it looks good because also your municipal sector is broken out. So, we can measure ourselves, right? And with that, I think there's a crossover in the marketing side. Because what we are doing is we are asking for tradeoffs. Yes, it's true that people are asked, well, we pay them to get rid of their turf in the front yards and maybe even the backyards, but we have large useful park ballfields and so there's a tradeoff there. That's a valuable exchange because of our open space and we have the maintenance crews and the science to back that up and make it very healthy. And I think that's the right message that you get more free time, if you don't have to mow lawn on the weekends, right? And you might as well enjoy it when they can have more companionship and learn sportsmanship

out on the fields. Councilwoman Janik.

Councilwoman Janik: I just wanted to agree with Councilwoman Whitehead. I think the targets as listed are very reasonable and I would prefer, I would vote that we stick with them.

Mayor Ortega: Yes. Thank you. Continue.

[Time: 04:15:57]

Lisa McNeilly: Great. Next slide. So, the last section of the draft tonight is air quality. I have already discussed this some. Like many metropolitan areas, Scottsdale and other cities in the valley have been working for years to improve air quality, especially the ozone and the particulate. Again, what causes it? Particulate matter, that can be small or large, it's caused by things like the blowing dust, smoke from fires and fireworks. Ozone that is created when a bunch of things get together in the sun. I am not a chemist. I think maybe we have somebody on the Council who could probably do a master class on this. What this graph shows us is how regional air quality has fluctuated over the years.

In 2022, 1 in 3 days exceeded federal air quality standards. That was 106 days. You see that a couple of other years were worse. 2020 was mostly due to wildfires. So, this is an aggregated sort of data source because it is so complex. It's not just that, you know, in the case of the next slide where you see the monitors in Scottsdale, where we get hourly readings, but that the federal health standards are not based on hourly readings. They are based on either a 24 hour or an eight-hour standard, and what we do is we try to pull those together.

You know, looking at these in Scottsdale, you see that we have monitors for ozone in both north Scottsdale and south Scottsdale. The south Scottsdale site only also monitors PM10. We don't have any of those smaller particulate matter. The PM10 is the large particulate matter. The PM2.5, that's the small ones which they used to not think was a problem, but now they know they get really deep in our lungs and actually can cause worse health problems.

There are no monitors for that in Scottsdale but there are several around the City. Those are also in the Plan. I just pulled these out to give an indication of where and how often, even in Scottsdale, we're exceeding those health quality standards. So, those orange dotted lines on each graph show where that standard is. You can see on the PM10, that bottom one, there are days when we exceed that standard by a lot, at least for hours, periods of time where we exceed that standard significantly. Next slide.

[Time: 04:18:23]

And why do we care about this? We care about this for the health and the hospitalization. So, the data we have is what was provided by Maricopa County Department of Health. Health data is hard to get ahold of. There are privacy requirements, absolutely, and so this is, this data that Maricopa County was able to share with us. The table shows sort of incidents of illnesses and death for some

of the kinds of diseases that can be related to health. The map on the right shows just for asthma. Which asthma in Scottsdale, those rates are less than they are in the rest of Maricopa County, but you can see they are not evenly distributed around the city either. Next slide.

So, jumping straight into the first of four targets in this section. So, this is addressing again those unhealthy air days, the very first bar graph that you saw. Again, that top section, you see the baseline data in this case that the number of good to moderate air days in 2022 was 259, and then at the bottom, we have two different possible targets for Council consideration. The one from staff on the left and the one that was voted on by the Commission on the right. I think the Commission really strongly felt that targets need to be time bound and that they need to be aspirational.

They want to make a strong statement on air quality. So, but really the difference in these two is just having that date by 2030. This is an example of what I was talking about earlier, about looking for Council direction on balancing accountability and then control over the outcome. So, I am going to stop after each one of these to make sure we have a conversation. I have heard some feedback that maybe reducing the unhealthy air days might make more sense. And that having that target date is a very ambitious part of this, but I wanted to stop and get a little bit of feedback on this.

Mayor Ortega: Councilwoman Janik, Councilman Graham. Go ahead.

[Time: 04:20:38]

Councilwoman Janik: Thank you, Mayor. I don't believe that we have enough information to begin to target a date I think what we should target is gathering of information by a certain date and then coming back and saying based on this information, what can our target date be. And I think we're probably looking for consensus. So, I would say maybe have everybody ask their questions and see what your thoughts are.

Mayor Ortega: Well, that is an interesting point that you are making because what you're saying is if we have a three-year measurement and reevaluation that we would expect the trend to improve if we make a concerted effort of some sort. But I don't know how we can necessarily say 5% less days or 10%. Sometimes if it's a statistical plus or minus, how do we really know we are making progress? So, you know, perhaps in tenths might be the only rational way, make a 10% improvement in the next X years. It's hard to say.

But if we could even get a 2%, a trend change, because that's, I think that's what Councilwoman is saying. Not necessarily saying an end date. And then that would involve trying to track the data so that we have a reference, and we'll say, is it, are we moving the needle? And if it's not moving, then even if you set an impossible goal, you are not making incremental progress. Going to zero ain't going to happen.

To say we are just going to, that's aspirational or whatever, but certainly, you know, achieving that

in the next six years would be impossible. Is there a way to rephrase that? Because part of our situation is that we are, we abut Tempe, Phoenix, and so we'll get, there's a lot of, you know, westerly flow from the west towards us and we can't really control that. Is there a way to try to bridge communication with our neighboring cities to see if we could all measure together maybe?

Lisa McNeilly: If we can go back to the slide. Yes, to the bar graph. One more, thanks. So, I talked about how complex this data is. And one of the things we tried to do in the Sustainability Plan because we wanted it to not be, you know this chapter was not meant to be, give somebody a degree on kind of atmospheric emissions and everything. So, one of the things we do know that Maricopa County has actually been working. We have been getting emissions of these underlying pollutants down, up to 70%.

And in that, we have still been seeing our number of air quality days increasing and it's something that is still being, they're still working to figure out. Scottsdale is at the table, both at the staff level and I know at leadership level with the Maricopa Association of Governments, as those conversations that are being had. And so, you can see that even right here there's not much of a trend in that. I talked about that doing a trend analysis is something that we wanted to try to do as we tried to set targets. We didn't see that in this data. That's why if we, in this go-around maybe kept it at reduce unhealthy air days, and maybe spent next three years, see where those conversations are happening between the state and E.P.A., we might be able to come back then and add, see a trend, see something a little bit better.

[Time: 04:25:09]

Mayor Ortega: Okay, I am going to go with Councilmember Durham and the Councilwoman Caputi, Vice Mayor Whitehead. And then I will return for seconds. Councilmember Durham.

Councilmember Durham: Thank you, Mayor. We talked about this last week and considering how our air quality is affected by our neighbors, I think the concept of eliminating unhealthy air days is just not possible as the Mayor said. Maybe we ought to have some goals of working with our neighbors, but I really think that this ought to be changed to reducing unhealthy air days by 10%, 15%, 20%, whatever, by 30%. Because this, we're not going to meet these targets as the Mayor says.

Mayor Ortega: Anything else? Okay, Councilwoman Caputi and Vice Mayor Whitehead.

Councilwoman Caputi: I had a very similar comment. We talked about this in our little subgroup. We really can't eliminate the bad air days. We have got other cities to contend with and we also, I think you pointed out, the worst of those years are due to wildfires. We would never be able to control that. So, saying eliminate the bad air days is not, I mean, that's just setting us up for failure. I mean I think we could have a more aspirational goal for this.

And I understand the need to measure. If you can't measure it, I think Gretchen said it twice, it doesn't happen. And I couldn't agree more. We have got to make these goals very specific and

very aggressive in order to actually accomplish what we want. But in places like this where there is no measurement, and we certainly can't control it must. That just seems again like we're setting ourselves up for failure. So, in this case, I think you've got to stay vague. Thank you.

Mayor Ortega: Vice Mayor Whitehead then Councilmember

Vice Mayor Whitehead: I think there's some consensus here. I think what we should do is, we acknowledge, I don't think we need to write it. We acknowledge what Councilwoman Janik said about we are going to be measuring and have some goals but just perhaps we can just change the word from eliminate to reduce and keep the Scottsdale Environmental Advisory Commission recommendation to 2030, we would like to reduce by 2030. Is there consensus for that? Yes?

Vice Mayor Whitehead: Yes.

[Time: 04:27:34]

Councilmember Graham: No. Because I didn't catch everything that you said. That's all.

Vice Mayor Whitehead: Go back to the slide with the SEAC recommendation.

Lisa McNeilly: Slide 30.

Vice Mayor Whitehead: So instead of eliminating unhealthy air days in Scottsdale by 2030, we are going to reduce unhealthy air days in Scottsdale by 2030.

Councilmember Graham: I mean, I have the request to speak because I kind of want to make a comment on this so.

Mayor Ortega: We are getting kind of consensus to be able to move on.

Councilmember Graham: Yeah, there is a majority for that.

Mayor Ortega: So, we have consensus on that one. Next, we have Councilmember Graham, Councilwoman Littlefield and then myself.

Councilmember Graham: Thank you, Mayor. I am going to kind of repeat my colleagues a little bit. I mean, is it possible, don't we observe that some of our air quality comes from like activity on other continents?

Lisa McNeilly: Activity in? I'm sorry.

Councilmember Graham: Activity from other continents.

Lisa McNeilly: I don't know if it's that far away, but I do know it blows in from, yes, it blows in from a lot of different places. Yes.

Councilmember Graham: We can't control that. So, it should be about what we can control. I mean, we don't, we're not even on an island. Even if we were on an island, even then you would still be breathing in. I think here's the issue though. I think that something like this, we should be focusing on what we can control, our emissions or whatever, but when we kind of hyper focus on something that we cannot control, it kind of it just diminishes the credibility. So, thank you, Mayor.

[Time: 04:29:23]

Mayor Ortega: Okay, Councilwoman Littlefield and then myself, and then we will move onto the next subject.

Councilwoman Littlefield: That was kind of what I was going to say too. There are some things we can control. There are some things that we can't. I remember as a kid I would look out towards Tucson, and it there were walls of dust and dirt. It was just massive, and it is still happening. You can't stop it. You know, you can't get out this with blowers and try to stop the thing. But there are some things that we can control and those are the things that we need to concentrate on and fix. And what we can't control, we should just find the best way that we can find to minimize the effect of what's coming. Thank you.

Mayor Ortega: Okay. Just moving on, I would just add a little tidbit here. I feel like Scottsdale is sort of besieged by fires at recycling locations. There was a manure fire to our west. There were two fires the other way at a cardboard recycling place, and they just catch fire. And I almost predict that and it, maybe there's a better safety, batching way. We don't have recycling on site here in Scottsdale, but I can sure tell when it's burning somewhere. Maybe that's part of encouraging the regional partners to have a safety plan, not just a dump until it ignites. That would be probably pretty substantial. The big fires that are occurring because of drought are still going to happen regionally. Moving on to the next point, we hope we are being useful, constructive with our directions.

Lisa McNeilly: Yes, definitely. So, the next target, the next page it is very similar to the last one we discussed only this one is the health impacts of air pollution. Same layout. We have the indicator at the top with the number of hospitalizations and then at the bottom we have the staff recommendation on the left, the Commission on the right. You know, this is another one where the Commission felt very strongly that it should be time bound and aspirational. The main difference here is still the date. The wording is slightly different, but it is very similar. And so, you know this could be one we treat. In this case we talk about cutting those pollution-related health events in Scottsdale in half rather than eliminate. This could be something you could choose to treat very similarly to the last one.

Mayor Ortega: Okay, Vice Mayor and then Councilwoman Janik.

[Time: 04:32:02]

Vice Mayor Whitehead: Yeah, I think a lot of us discussed this with you and I think that we should just go with the staff recommendation. And again, collect more information. Everybody should be motivated to get hospitalizations cut and it's bad for our constituents and it costs money.

Mayor Ortega: Councilwoman Janik.

Councilwoman Janik: I do have a problem with this. We do have a lot of really good medicines to treat asthma and a lot of these diseases. I think in general it should not be cut hospitalizations. I think it should be cut all of the asthma based on treatment. Treatment includes hospitalization, as well as prescription drugs. So, a lot of this improvement is really not because we helped pollution. It's because we have better drugs, so I think it needs to be a broader categorization there.

Councilmember Graham: That's a good point.

Councilwoman Janik: I don't know if you...

Vice Mayor Whitehead: I like that. I agree with that.

Lisa McNeilly: If I could just share, I think, so again, Maricopa County had hospitalizations. I think, you know, there are potentially sources of data that we might have to buy, or we might not even get. We would have to be reaching out to private entities to get and potentially not have complete data on urgent care visits, doctor's visits, but getting down to understanding prescriptions, I completely agree with you. But I'm really worried that I would not be able to bring back to the Council a good enough data set that would include all of that.

Councilwoman Janik: I guess I should backtrack. I think it's fine if you track doctor's visits rather than prescription drugs. Or maybe it should say investigate ways to track treatment. Or?

Vice Mayor Whitehead: So, this sounds like it's a data issue. This is a data issue. We want data that's accessible and free and already being tracked. And so, while hospitalizations is not ideal. We want to reduce asthma or other ailments like that. Certainly, the hospitalizations give us a sense if we are on track.

Councilwoman Janik: I am disagreeing with that based on personal experiences with my family. Because there are way better treatments now. Yes, you go to the doctors. And so maybe if there's any way, we can track hospitalizations as well as E.R. visits, physician visits, et cetera. I think, yeah, it is going to be tough but that doesn't mean that we shouldn't do it.

Mayor Ortega: Just to be clear. Perhaps, again, reading the staff recommendation it says cut hospitalizations for pollution-related health events. I don't know whether that means a two-day



stay in the hospital, a visit to the emergency room. So, it's somewhat generic when says pollution-related health events. I think it can cover a lighter incident versus a heavier incident. We have a lot of quick care, critical care walk-ins and they will give you a cortisone shot or something like that. But if we just say, I would say even if we were to look for, not having an end date, but even 25% would be more rational to me than half in the staff recommendation. The reason I say that is because we are going to reexamine it in three years.

If we have an increase, whether you called it at 25% or 50%. But if we have perhaps an improvement, I think that 25% is plenty enough to measure against so we will see where we stand. So, I would go with just the consensus of saying that we want to cut hospitalizations by a quarter for anything related and we are going to revisit this in three years. And we will see if the trend is working or not. And the other thing that's added to this is sort of like if you don't want to die on a hot day in The Preserve, don't go on a hike with 118 degrees. And the weather station will tell you it's a high alert day for pollution. If you are health vulnerable or whatever, don't do it. So, you are hearing more of those warnings and of course those that don't hear it. Maybe there's other avenues on Instagram or something to get the message out so that people learn quicker.

Sometimes the pollution, actually, is dangling in the morning. You see it a lot of it there in the morning. You think, "Hey, it should be clear in the morning." But it's got the inversion and it's pushing it down on you when you go out on a cool day. So, there's information and I think we would just generally shoot for the tracking under a quarter and that's what I would like to see. Maybe we can go with that and see where we are at. So that's what I would ask for, if there is. Okay. Let's see would hasn't spoke so far. You have spoken. So, let's go back to, oh, sorry, Councilwoman Caputi.

[Time: 04:37:47]

Councilwoman Caputi: Just real quick. I don't mean to belabor this point. I brought it up before, and I'm going to feel dumb bringing it up again, and I'm bringing it up again. But I just don't understand how you can measure a pollution-related health event. I mean, maybe asthma, I know we talked about this. But when you go into the E.R. and again I'm sure I'm wrong and please correct me. But does the doctor say you are here because of pollution? How would you even segregate out if you are there for a heart attack, how would you know that it's pollution-related? If you are there for an asthma event, how do we know that its pollution related and not that you were smoking or just born with asthma? How do you measure a pollution-related health event? I don't even know what that is.

Lisa McNeilly: And this is why this is such a thorny issue that we wanted to bring to Council. We, the conversations with the Commission, we started with hospitalizations during high pollution advisory days, which was one way to do it. That data was, you really start getting into the HIPAA privacy and if there's not enough, you know, that we couldn't find a source for. What we defined as a pollution-related health event was asthma, COPD, or the heart attacks knowing that they are not all caused by air pollution and looking at this.

Councilwoman Caputi: I just feel like it's more of a blue zone goal, like let's reduce hospitalizations in general and make sure we are all healthier. Again, I just don't know how you would segregate that, but I'm all for it, I don't know how we would measure it. Thanks.

[Time: 04:39:36]

Mayor Ortega: And I will go to Councilwoman Littlefield and then come to.

Councilwoman Littlefield: Thank you, Mayor. I just wanted to say, I like the Scottsdale Environmental Advisory Commission recommendation as per 100,000 because that gives you a ratio or a relationship that you can measure against. If you just go by population and you don't have any connection to how many people you are looking at in your basket there, there's no continuity. I also like what Councilwoman Caputi said. I think this is adding an awful lot of stuff and mixing it up and then expecting to get something pure out of it. I don't think that is going to quite work real well. I think this needs a little more massaging somehow. So, thank you.

Mayor Ortega: Okay, Councilmember Graham and then Councilmember Durham.

Councilmember Graham: We have belabored this topic. What I think is this is kind of an aspiration and its nice flowery goal. I think it maybe belongs more of an introduction section incorporated somehow and a bullet about why we are doing this. And part of the reason why we are doing this is to cut hospitalizations for pollution-related health events. Maybe this could maybe be incorporated as a premise for what motivates us in the introduction. Thank you, Mayor.

Mayor Ortega: Sure. Finally, Councilmember Durham and then we will move to the next topic.

Councilmember Graham: Sorry.

Councilmember Durham: Thank you, Mayor. If you look at this little chart about table one incidents among Scottsdale residents, the number for heart disease illnesses overwhelms the others. And, you know, asthma makes sense, C.O.P.D., but the tail that wags the dog here, is the heart disease illnesses and I don't know that that has any connection to air quality. It's just marginal at best. I think we need a better indicator number here.

Mayor Ortega: Thank you. Let's move on.

[Time: 04:42:03]

Lisa McNeilly: Okay, next slide. So I apologize, I have saved the most confusing for last. Just to make sure we get all our, deserve our pay today. This is another target looking at cleaner air for residents and visitors, kind of related to vehicles. This is getting at some of the conversations we had, about what is behind some of this air quality. Just for background, Scottsdale has reduced the impact of its municipal vehicles. So, this is just looking at the municipal fleet. By switching to

compressed natural gas and by just using fewer trips and using less fuel, use is down 3% since 2016. Again, you have that indicator on the top of the gallons of gasoline, diesel and CNG. That's compressed natural gas. And then a staff recommendation on the left and the SEAC one on the right. Again, the Commission was really interested in seeing reductions as quickly as possible.

You can see that the target on the right is calling for 100% reduction in the fleet fuel use by 2040. The staff recommendation on the left, really, we were thinking about the uncertainty about the rate of innovation, and the technology innovation. Again, of the 1,000 some odd City fleet vehicles, a good half of them are large, heavy-duty trucks where it's not clear that we have that technology available, and so we have a 40% reduction by 2050. And so, again just want to stop and see if there's some thoughts. Both of them have both kind of a short-term target, sort of what we would do by 2030, and then a target about what we might do later either 2040 or 2050. And I promise this is the last pop quiz.

Mayor Ortega: Okay, Vice Mayor Whitehead.

Vice Mayor Whitehead: Yes, I would like to call Dan Worth. I think he left and went home, so I am kind of kidding about calling Dan Worth. So, this Council had access to data and information behind this staff recommendation versus the Scottsdale Environmental Advisory Commission recommendation that the Scottsdale Environmental Advisory Commission Commissioners did not have. So, there is a lot that goes into this.

Number one the City is growing. Number two, we have a fleet schedule where we change out fleet vehicles, and so as Lisa McNeilly elegantly pointed out, the most environment vehicles, the one you use until it falls apart. So, we do not unload trash trucks before they were scheduled to be swapped out. So, there are limitations and then of course there's the technology. I think this is one that actually Dan Worth, who is not present, is very motivated and looking into a lot of different ways to achieve lower emissions, lower costs for the City. But we don't have a way, if we work backwards from the Scottsdale Environmental Advisory Commission recommendation, we end up getting rid of perfectly good trash trucks. We can't get there right now but that doesn't mean, there's a reason we don't etch these documents in stone anymore. It's because we like to change them. And so with that, I would ask my colleagues to possibly weigh in in support of staff recommendations to reduce municipal fleet use by 10%.

[Time: 04:45:49]

Mayor Ortega: Agree.

Councilwoman Littlefield: Yes.

Lisa McNeilly: The next slide is the final target.

Mayor Ortega: I see Councilmember Graham. Did you have something else?

Lisa McNeilly: My apologies.

Councilmember Graham: Lisa you promised that was the last slide. The promise was made.

Mayor Ortega: Too late, sorry. Just kidding.

Councilmember Graham: How many more slides before I make a comment?

Lisa McNeilly: I just have one more target to go over where there was consensus with the Commission and then again, I just have the list of strategies and actions.

Councilmember Graham: I wanted to talk about municipal fleet. Are you going to continue to talk about municipal fleet?

Lisa McNeilly: No, please.

Councilmember Graham: Okay. I saw on AQ 2.2. Develop a plan for purchasing additional alternative fuel vehicles and it says that is going to lead to municipal savings. That's not going to happen. It is going to cost money. Is that right?

[Time: 04:46:53]

Lisa McNeilly: Well, I think there would, what we would expect to have happen is that we would have a plan that looks at a cost-effective way to make that transition that we would be, yes, there would be up front costs as we buy new vehicles, but that we would try to merge that plan around electric vehicles with the fleet replacement schedule. The savings would be expected to the extent that you have electric vehicles, the cost of ownership for those is less than gasoline vehicles.

Councilmember Graham: I don't think that is going to lead to savings. I'm guessing won't. If it would lead to savings, I don't think we would have to put it in this. But I think the staff recommendation here, between the two, is more reasonable. But I do think it's probably, I mean we can't stop using CNG, that's so much cleaner than fuels. Anyway, that's my feedback. Thank you. Thank you, Mayor.

Mayor Ortega: Okay. Let's continue.

Lisa McNeilly: So, this next slide is the last slide. This is looking at publicly available charging ports. Right now, there are over 300 in the City, it's been going up at a rate of 18%. This was one where we thought that this trend in private investment would really reflect the economics of electric vehicles and therefore have set a target to try to see their increase between now and 2030. Again, this is one where we are seeing this happen already and there are a few easy ways that the City could just help make that happen more quickly.

Mayor Ortega: Okay, and sitting on the Maricopa Association of Governments (MAG) Board, we

saw numbers that said the county needs 70,000 new EV stations countywide and the greater Maricopa area. We would be accounting for maybe 3,000 of that 70 in this area. If that is built out to completion. It's probably a blend of both private sector charging stations, as well as others that are required now in apartments and other multi-housing solutions. Councilwoman Janik.

Councilwoman Janik: I need clarification on the terminology. Publicly available charging points, does this mean the City's doing it or does it mean it is private or does it mean everybody?

Lisa McNeilly: So, by publicly available, so this data is from the Department of Energy. And so, this means that anybody could drive up and do it. I believe that all of the ones in that their database are privately owned. This would include the ones at the hotel but not the one in someone's garage.

Councilwoman Janik: Okay, and if there were a gas station that was an E.V. port, that would count. I think this is fine.

Lisa McNeilly: Okay.

Mayor Ortega: I agree. Let's continue on that suggestion.

[Time: 04:50:12]

Lisa McNeilly: So, the next slide is just, again, starting to look at the list of the strategies and actions. These are just a couple of examples. The first three entries, again, to see some of the differences in the time horizons, the partners, and the benefits. And then, if you keep going through the next couple of slides, that's just the rest of them, those are all in your packet. Next slide and next slide. So, I have just three slides, I am not going to go through them all. Actually, well, if you can just go through to the end.

We have been working on this Plan. We hope that you all, the feedback from the Work Study Sessions on this issue was very helpful. I really hope you have seen in the presentation how we have integrated your feedback to improve the Plan. Just want to close with a reminder that the next three sections energy, waste and water are going to be discussed at future Commission meetings, brought back to a Council Work Study in March, and we are still on track to bring you the Plan for adoption in June of 2024. It was almost the last slide, Councilmember Graham. It was the last difficult slide. I appreciate all your time.

Mayor Ortega: I see no hands up. There's a lot of smiles up here. Thank you for the work and especially from our Scottsdale environmental quality people as well. Thank you very much. And with that, I move that we adjourn.

Councilmember Graham: Second.

Mayor Ortega: I have a motion and a second. Please record your vote.

Councilmember Graham: Oh, I have to record. Thank you, Lisa.

Mayor Ortega: Unanimous, Mr. Durham. Mr. Durham? Okay. Thank you. Unanimous.