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CALL TO ORDER

[Time: 00:00:09]

Mayor Lane: GOOD AFTERNOON, EVERYONE. THIS IS OUR REGULAR MEETING OF JUNE 4th, 2013. IT'S APPROXIMATELY, THAT CLOCK CAN'T BE RIGHT, CAN IT? FIVE AFTER FIVE. WE WILL CALL TO ORDER THIS MEETING AND WE WILL START WITH A ROLL CALL, PLEASE.

ROLL CALL

[Time: 00:00:28]

City Clerk Carolyn Jagger: MAYOR JIM LANE.

Mayor Lane: PRESENT.

Carolyn Jagger: VICE MAYOR SUZANNE KLAPP.

Vice Mayor Klapp: HERE.

Carolyn Jagger: COUNCILMEMBERS VIRGINIA KORTE.

Councilmember Korte: HERE.

Carolyn Jagger: BOB LITTLEFIELD.

Councilman Littlefield: HERE.

Carolyn Jagger: LINDA MILHAVEN.

Councilwoman Milhaven: HERE.

Carolyn Jagger: GUY PHILLIPS.

Councilmember Phillips: PRESENT.

Carolyn Jagger: DENNIS ROBBINS.

Councilman Robbins: HERE.

Carolyn Jagger: ACTING CITY MANAGER DAN WORTH.

Acting City Manager Dan Worth: HERE.

Carolyn Jagger: CITY ATTORNEY BRUCE WASHBURN.

City Attorney Bruce Washburn: HERE.

Carolyn Jagger: CITY TREASURER DAVID SMITH.

David Smith: PRESENT.

Carolyn Jagger: CITY AUDITOR SHARRON WALKER.

City Auditor Sharron Walker: HERE.

Carolyn Jagger: AND THE CLERK IS PRESENT.

[Time: 00:00:52]

Mayor Lane: THANK YOU. JUST A LITTLE BIT OF BUSINESS, WE HAVE CARDS IF YOU'D LIKE TO SPEAK ON ANY SUBJECT ON THE AGENDA, WE HAVE THE WHITE CARDS THE CITY CLERK IS HOLDING UP OVER HER HEAD TO MY RIGHT, AND IF YOU WOULD LIKE TO WRITE YOUR COMMENTS ON ANY COMMENT WE HAVE ON THE AGENDA, THAT YELLOW CARD IS THERE. WE WILL BE READING THOSE THROUGH THE COURSE OF THE EVENING. WE DO HAVE POLICE OFFICERS GREG CARLIN AND TOM CLEARLY OUT HERE FOR YOUR ASSISTANCE IF YOU HAVE NEED AND THE AREAS BEHIND THE COUNCIL DAIS ARE RESERVED FOR COUNCIL AND STAFF. AND WE HAVE FACILITIES UNDER THAT CLEARLY MARKED RESTROOM SIGN FOR YOUR CONVENIENCE.

PLEDGE OF ALLEGIANCE

[Time: 00:01:32]

TONIGHT, WE HAVE SPECIAL OLYMPIANS WHO ARE MEMBERS OF THE SCOTTSDALE BOBCATS TO LEAD US IN THE PLEDGE. ALL THREE OF THESE ATHLETES ARE ON TEAM ARIZONA HEADED TO NEW JERSEY NEXT YEAR TO COMPETE AT A NATIONAL LEVEL AND PARTICIPATE IN THE CITY'S RECREATION PROGRAM. SO IF YOU WOULD, PLEASE, AND COME TO THE MICROPHONE AND LEAD US IN THE PLEDGE. EVERYONE, IF YOU COULD PLEASE STAND. .

Scottsdale Bobcats: I PLEDGE ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA AND TO THE REPUBLIC FOR WHICH IT STANDS, ONE NATION UNDER GOD INDIVISIBLE WITH LIBERTY AND JUSTICE FOR ALL.

Mayor Lane: THANK YOU. IF YOU'D LIKE TO INTRODUCE YOURSELVES, I WOULD TURN THAT MICROPHONE AROUND. I'D LIKE TO FIRST CONGRATULATE YOU ON YOUR ACHIEVEMENTS. IT'S NOT REQUIRED BUT --BUT IF YOU'D LIKE.

Scottsdale Bobcats: Self-introductions

THANK YOU.

INVOCATION

[Time: 00:03:55]

Mayor Lane: THANK YOU. FOR THE INVOCATION WE HAVE PASTOR JOHN PAUL STEPANIAN, DO I HAVE THAT RIGHT? FROM SCOTTSDALE BIBLE CHURCH, HE'LL LEAD US IN TONIGHT'S INVOCATION.

Pastor Stepanian: LET'S PRAY. OUR FATHER WHO ART IN HEAVEN, YOU CREATED THE HEAVENS AND THE EARTH. THE SKIES PROCLAIM THE WORK OF YOUR HANDS. YOUR VOICE GOES THROUGHOUT THE EARTH AND TO THE ENDS OF THE WORLD. HALLOWED BE THY NAME. WE HUMBLE OURSELVES BEFORE YOU NOW. YOUR KINGDOM COME. WE KNOW YOUR KINGDOM IS NOT OF THIS WORLD AND WE ALSO KNOW YOU LOVE THE WORLD AND YOU'VE ESTABLISHED GOVERNMENTS FOR THE FLOURISHING AND THE PROTECTION OF THE PEOPLE. PLEASE GIVE INSIGHT TO THE MEN AND WOMEN HERE, THOSE IN THE DECISION-MAKING SEATS AS WELL AS THOSE WHO ARE NOT. ESPECIALLY GIVE THESE PUBLIC IS SERVANTS YOUR BLESSING. YOU ARE THE GOD OF ALL PEACE. PLEASE FILL THIS ROOM WITH YOUR PEACE THAT SURPASSES UNDERSTANDING AND GUARDS THE HEARTS AND MINDS OF THE MEN AND WOMEN FROM UNFORGIVENESS, FROM FEAR, FROM SUBTLE AND DIVISIVE PRIDE. GIVE US THIS DAY OUR DAILY BREAD. LORD, EVERY GIFT IS FROM YOU. I THANK THESE MEN AND WOMEN WHICH FAITHFULLY SERVE THE COMMUNITY I LIVE AND WORK IN. THANK YOU, GOD, FOR PROVIDING US WITH FOOD AND WATER AND INCREDIBLE ACCESS TO A THRIVING COMMUNITY AND A PLACE TO MEET WITHOUT FEAR. THANK YOU, GOD FOR THE FORGIVENESS YOU OFFER FOR FREE BECAUSE OF JESUS CHRIST. GIVE US GRACE TO FORGIVE OTHERS AS WE GROW IN OUR KNOWLEDGE OF YOU AND LEAD US NOT INTO TEMPTATION BUT DELIVER US FROM EVIL. FINALLY, I PLEAD OF YOU TO RESTRAIN THE PRIDE AND SELFISHNESS THAT LIVES IN THE HEART OF MINE AND THE OTHERS. PROTECT THESE MEN AND WOMEN FROM PHYSICAL HARM, FROM MANIPULATION AND FROM FOOLISHNESS, GRANT THEM YOUR WISDOM AND GRACE AS THEY WORK NOW TOWARD THE PEACE AND PROSPERITY OF THIS GREAT CITY. AMEN.

MAYOR'S REPORT

[Time: 00:06:15]

Mayor Lane: THANK YOU, PASTOR. GOT A LITTLE BIT OF A QUICK REPORT TO SAY CONGRATULATIONS TO OUR SCOTTSDALE'S OWN DESERT MOUNTAIN HIGH SCHOOL, DIVISION 1 STATE CHAMPIONS, WHO BEAT OUT ANOTHER SCOTTSDALE FAVORITE, CHAPPARAL. THE ONLY ARIZONA TEAM IN THE TOP 50. SO CONGRATULATIONS ARE ALSO IN ORDER FOR NOTRE DAME PREP, WHO ARE THE STATE'S CHAMPION, OR STATE'S DIVISION 2 CHAMPIONS. LET ME ALSO MENTION THAT SCOTTSDALE COMMUNITY COLLEGE IS RANKED NO. 4 IN THE NATIONAL JUNIOR COLLEGE RANKINGS. SCOTTSDALE CERTAINLY IS A BASEBALL TOWN AND I'M PROUD TO CONGRATULATE ALL THESE TEAMS, AND I THINK THEY DESERVE ALL A ROUND OF APPLAUSE.

CITY MANAGER'S REPORT

[Time: 00:07:11]

Mayor Lane: MR. WORTH, I UNDERSTAND YOU DO HAVE A CITY MANAGER'S REPORT.

Acting City Manager Dan Worth: MAYOR, YES, ONE ITEM I'D LIKE TO TURN TO OVER TO OUR COMMUNICATIONS DIRECTOR, KELLY CORSETTE TO TALK ABOUT A RECENT ENHANCEMENT IN OUR CITY WEBSITE.

Communications Director Kelly Corsette: THANK YOU, MR. WORTH, MR. MAYOR, MEMBERS OF THE CITY COUNCIL. IT'S MY PLEASURE ONCE AGAIN TO FEATURE SOME SCOTTSDALE WEB GEMS WHERE WE GIVE A LITTLE RECOGNITION TO EMPLOYEES WHO HAVE CREATED AN OUTSTANDING WEB PAGE OR WEB PAGES ON THE CITY'S WEBSITE. OUR LATEST WEB GEMS GO TO CITY CLERK CAROLYN JAGGER AND HER STAFF. AS YOU KNOW, THE CLERK'S WEBSITE IS A CLEARING HOUSE FOR IMPORTANT COMMUNITY INFORMATION LIKE ELECTION MATERIALS, CITY COUNCIL AGENDAS, MINUTES, ET CETERA. BUT THANKS TO CAROLYN, CHRIS AND JOHNNY, THE WEBSITE HAS EVOLVED INTO MORE THAN A SIMPLE CONDUIT INTO CITY GOVERNMENT. THROUGH LITERALLY YEARS OF RESEARCH, OUR WEBSITE NOW INCLUDES A COMPREHENSIVE LISTING OF ALL CITY COUNCIL, BOARD AND COMMISSION MEMBERS. AS PART OF THOSE PAGES, COMMUNITY MILESTONES ARE LISTED AS ARE DESCRIPTIONS AND BY-LAWS OF ALL PAST AND CURRENT CITY BOARDS. THESE PAGES ARE A PORTRAIT OF THE PEOPLE AND THE EVENTS THAT TRANSFORM SCOTTSDALE FROM A DUSTY CROSSROADS INTO A WORLD CLASS COMMUNITY. COLLECTIVELY, THESE WEB PAGES ARE A TREMENDOUS RESOURCE FOR THOSE WHO SEEK TO UNDERSTAND OUR COMMUNITY AND WHO WE ARE TODAY. A TREMENDOUS AMOUNT OF WORK WENT INTO THIS. TO SEE FOR YOURSELF, VISIT SCOTTSDALEAZ.GOV. LET'S CONGRATULATE CAROLYN, CHRIS AND JOHNNY, AND I HAVE CERTIFICATES FOR BOTH OF THEM. I'M SORRY, CHRIS IS ALSO HERE. YEA. THAT CONCLUDES THIS WEEK'S WEB GEMS. THANK YOU. .

Mayor Lane: CERTAINLY CONGRATULATIONS FROM THE COUNCIL, AS A WHOLE, FROM ALL OF US FOR THAT AWARD. NEXT ITEM ON OUR ORDER OF BUSINESS WOULD BE PUBLIC COMMENT. AND THIS IS COMMENTS THAT RESERVED FOR CITIZEN COMMENTS REGARDING NONAGENDIZED ITEMS WITH NO OFFICIAL ACTION TO BE TAKEN AND SPEAKERS ARE LIMITED TO THREE MINUTES EACH WITH A MAXIMUM OF FIVE SPEAKERS. THERE WILL BE ANOTHER OPPORTUNITY AT THE END OF THE MEETING

IF THERE ARE ADDITIONAL PUBLIC COMMENT CARDS OF AT THIS POINT IN TIME, WE HAVE TWO REQUESTS TO SPEAK IN THE PUBLIC COMMENT AREA, AND WE'LL START WITH BOBBY PATTERSON, FOLLOWED BY MIKE FERNANDEZ. PLEASE.

PUBLIC COMMENT

[Time: 00:10:43]

Bobbie Patterson: I'M A RESIDENT OF SCOTTSDALE, I'VE LIVED HERE FOR OVER 20 YEARS. SINCE THE MIDDLE OF MARCH OF THIS YEAR, THERE HAVE BEEN THREE WITNESSES TO THE ABUSE OF A SMALL BREED PUPPY IN OUR NEIGHBORHOOD. THE FIRST EVENT THAT I'M AWARE OF WAS ON MARCH 17th, THAT WAS A SUNDAY, SAINT PATRICK'S DAY. IT WAS ABOUT 6:30, 6:45 IN THE EVENING. THE SCOTTSDALE POLICE DEPARTMENT WAS CALLED AT THAT TIME. THEY DIDN'T RESPOND FOR AN HOUR. THEY WERE CALLED AGAIN. THEY DIDN'T RESPOND FOR TWO MORE HOURS AND AT 9:45, 9:50 THE LAST CALL IT WAS JUST CANCELED. THEY STILL WEREN'T SURE WHEN THEY WOULD SHOW UP AGAIN. HUMANE SOCIETY WAS CALLED, THE SHERIFF'S OFFICE WAS CALLED. MONDAY THE CALLS STARTED AGAIN. THE FIRST CALL TO THE SCOTTSDALE POLICE DEPARTMENT WAS AT ABOUT 7:08 IN THE MORNING. NOBODY SHOWED UP. 7:49, ANOTHER CALL WAS MADE. THAT'S NOT ACCEPTABLE. THE STORY WE WERE TOLD WAS THAT ALL THE OFFICERS WERE OUT ON SUNDAY CHASING DRUNKS BECAUSE IT WAS SAINT PATRICK'S DAY. US LAW-ABIDING FOLKS WHO SEE SOMETHING TERRIBLE HAPPEN IN OUR NEIGHBORHOOD HAVE A RIGHT TO RECEIVE SOME POLICE HELP, JUST LIKE THE DRUNKS ON THE STREET HAVE A RIGHT TO RECEIVE PROTECTION FROM THEMSELVES. CALLED THE MAYOR'S OFFICE, CALLED CITY COUNCIL, CALLED THE POLICE DEPARTMENT OVER AND OVER AGAIN, SPOKE WITH THREE OFFICERS. SPOKE WITH MARICOPA COUNTY, FOUND THERE'S \$135,000 CONTRACT BETWEEN SCOTTSDALE AND MARICOPA COUNTY ANIMAL CARE AND CONTROL BUT DOESN'T INCLUDE ANIMAL ABUSE. THE CITY OWES ITS CITIZENS AND THE POOR ANIMALS, DEFENSELESS ANIMALS BETTER THAN THAT. WE DON'T HAVE ENOUGH COPS, WE NEED TO HIRE SOME MORE. THAT'S MY CONCERN, IS WHY AREN'T ANIMALS BEING PROTECTED FROM ABUSE AND WHY DON'T WE HAVE ENOUGH POLICE OFFICERS SO EVERYBODY CAN RECEIVE SERVICE WITHOUT WAITING UNTIL THE NEXT SHIFT COMES ON THE NEXT MORNING. BECAUSE ALL THE POLICE OFFICERS ARE OUT CHASING DRUNKS. I DON'T DRINK AND DRIVE. I DON'T TALK ON THE CELL PHONE, DON'T TEXT, DON'T DO ANYTHING BUT DRIVE AND DRIVE. JUST BECAUSE A BUNCH OF DRUNKS ARE OUT ACTING STUPID DOESN'T MEAN THE REST OF US DON'T DESERVE TO RECEIVE A LITTLE SERVICE FROM OUR POLICE DEPARTMENT. THAT'S MY COMMENT. I HAVE A LIST OF PHONE CALLS, A LIST OF NAMES I CALLED WITH THE CITY. ANYBODY INTERESTED IN FOLLOWING UP ON THAT? SHAME ON YOU IF YOU DON'T PROVIDE US WITH BETTER POLICE PROTECTION. ALL OF YOU. THANK YOU FOR YOUR TIME.

Mayor Lane: THANK YOU, MS. PATTERSON. IF YOU WANT, YOU CAN LEAVE A COPY OF THAT.

Bobbie Patterson: THIS IS MY ORIGINAL SO I'LL HAVE TO COPY IT AND SEND IT TO YOUR OFFICE, HOW ABOUT THAT?

Mayor Lane: THAT'S FINE.

Bobbie Patterson: ONE OTHER THING, MAYOR LANE, THE HOUSE ACROSS THE STREET, STILL BAD SHAPE. THE HOUSE IS GONE, JUST A YARD FULL OF WEEDS RIGHT NOW. IF YOU DO SOMETHING ABOUT THAT, WE WOULD ALL APPRECIATE IT.

Mayor Lane: THANK YOU, MS. PATTERSON. NEXT WOULD BE MICHAEL FERNANDEZ.

[Time: 00:14:36]

Michael Fernandez: FOR EVERYBODY'S INFORMATION, THAT'S THE INTERSECTION OF SCOTTSDALE ROAD AND MAIN. MY NAME IS MICHAEL FERNANDEZ. MY FAMILY AND I ARE BUSINESS AND PROPERTY OWNERS IN DOWNTOWN SCOTTSDALE. I AM HERE TONIGHT TO TALK ABOUT ARROGANCE AND ABUSE OF POWER. FOR THE PAST 10 PLUS YEARS, SCOTTSDALE HAS HAD AN ONGOING DIALOGUE REGARDING RAIL TRANSIT. IT CAME TO A HEAD WHEN HGR, WHO WAS A FIRM THAT WAS PAID MULTI MILLIONS OF DOLLARS TO DO A MASTER TRANSPORTATION UPDATE PLAN A FEW YEARS AGO, STATED THAT RAIL TRANSIT IS NOT NEEDED IN SCOTTSDALE. FOR THE OVERWHELMING MAJORITY OF INDIVIDUALS WHO LIVE IN SCOTTSDALE, THIS WAS A NO- BRAINER. FOR THE REST OF THE SELF-PROCLAIMED ESTABLISHMENT ELITIST TYPES, IT WAS SEEN AS A DEFEAT AND EGOS WERE BRUISED. IF YOU WERE WONDERING WHAT HAPPENED TO THOSE PEOPLE WHO FAILED IN THEIR QUEST TO SHOVE RAIL DOWN THE THROATS OF CITIZENS OF SCOTTSDALE, UNBELIEVABLE AS IT MAY SEEM, SEVERAL OF THEM SIT ON THE CITY COUNCIL OF THE CITY OF SCOTTSDALE. THE TWO MOST VOCAL THAT HAVE BEEN CHOSEN TO RESURRECT THIS ECONOMY-WRECKING SYSTEM, RAPE, MURDER, ASSAULT, THEFT, ARSON, TAGGING, AND DRUG PEDALLING, ARE COUNCILWOMEN KORTE AND MILHAVEN, BUT YOU ALREADY KNOW THAT, BUT THEY ARE NOT ALONE. THEIR SYNCHOPHANTS IN THE CHAMBER AND IDIOTS LIKE RODNEY PRITCHARD WHO HIDES BEHIND A BLOG CALLED "THE VOICE OF SCOTTSDALE" WILL CONTINUE TO HIDE BEHIND THE TRUTH. AS SICK AND SADISTIC THIS ALL MAY SEEM TO YOU, TO THESE MISGUIDED INDIVIDUALS WHO SUFFER FROM DELUSIONS OF GRANDEUR, THIS IS THE ULTIMATE APHRODISIAC. WITH MILHAVEN IT APPEARS TO BE SIMPLY NOTHING MORE THAN ARROGANCE, A POWER GRAB AND EGO BISCUIT KISSING FROM THE USUAL SUSPECTS. THE CURRENT COURSE OF ACTION IS LIKE THE IRS, OUT TO FLEECE AND PUNISH THOSE WHO DIDN'T GO ALONG WITH THEIR POLITICAL AGENDA THE FIRST TIME. NOW THEY WANT TO PILE ON YOUR PER CAPITA DEBT. THIS ISN'T JUST MY OBSERVATION, READ THE REPUBLIC'S EDITORIAL FROM JUNE 1, 2013, COUNCIL MUST DISTINGUISH BETWEEN WANTS AND NEEDS. THE ARROGANCE THAT WILL NOT ONLY DESTROY SCOTTSDALE'S CACHET BUT THE SMALL BUSINESSES THAT ARE THE BACKBONE OF THIS COMMUNITY WILL SUFFER, TOO. OUR DRAW FOR TOURISM AND OUR QUALITY OF LIFE WILL ALSO BE DESTROYED. THESE INCORDIAL CORDIAL TYPES OF POWER-HUNGRY INDIVIDUALS SHOW THEY ARE MORE DEVIOUS, YES THAT'S A VIRTUE AMONG THESE TYPES, CLEVER, SMARTER AND GET THE JOB DONE. THIS ARROGANT ATTITUDE IS A REAL SICKNESS PERVASIVE IN THE WORLD OF POLITICS. FORTUNATELY FOR US, THE OVERWHELMING MAJORITY OF SCOTTSDALE CITIZENS ARE VERY BRIGHT AND QUITE CAPABLE OF UNDERSTANDING WHAT A TOTAL DISASTER RAIL TRANSIT OR MODERN STREET CAR WOULD BE FOR SCOTTSDALE. WHOSE WATER ACCORDION MILHAVEN IS CARRYING AND WHAT COST TO YOU.

Mayor Lane: THANK YOU, MR. FERNANDEZ. THAT WRAPS UP THE PUBLIC COMMENT.

ADDED ITEMS

[Time: 00:18:33]

NEXT ITEM OF BUSINESS WOULD BE THAT WE HAVE CONSENT ITEM 24A WAS ADDED TO THE AGENDA. IS THERE A MOTION TO ACCEPT THE ITEM AS PRESENTED OR TO CONTINUE THE ADDED ITEM TO THE NEXT SCHEDULED COUNCIL MEETING ON JUNE 18th?

Councilman Robbins: MAYOR, I MOVE THAT WE ACCEPT THAT ITEM ON THIS AGENDA.

Councilwoman Milhaven: SECOND.

Mayor Lane: IT'S BEEN MOVED AND SECONDED TO KEEP THE ITEM AS PRESENTED ON THE AGENDA. NO FURTHER COMMENT ON THAT, I THINK WE'RE THEN READY TO VOTE. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE AND REGISTER YOUR VOTE. THOSE OPPOSED WITH A NAY. I'M SORRY? WE JUST VOTED TO ADD. ARE YOU WILLING TO ADD THE ITEM THAT'S ON THERE? OKAY. AND I JUST NEED TO HAVE YOU REGISTER YOUR VOTE. THAT ITEM HAS BEEN ADDED OR I SHOULD SAY WILL REMAIN ON THE AGENDA AS HAS BEEN PRESENTED.

APPROVAL OF MINUTES

[Time: 00:19:32]

Mayor Lane: NEXT ITEM ON THE AGENDA IS AN APPROVAL OF MINUTES AND IS THERE A MOTION TO APPROVE THE SPECIAL MEETING MINUTES OF APRIL 17th, 2013, THE 4 P.M. SPECIAL MEETING MINUTES OF APRIL 30th, 2013, THE 5 P.M. SPECIAL MEETING MINUTES OF APRIL 30th, 2013 AND THE WORK STUDY SESSION MINUTES OF APRIL 30th, 2013. DO I HAVE A MOTION?

Vice Mayor Klapp: SO MOVED.

Councilmember Korte: SECOND.

Mayor Lane: SO MOVED AND SECONDED TO APPROVE THE MINUTES AS STATED.

Councilman Robbins: MAYOR, LET ME.....

Mayor Lane: YES.

Councilman Robbins: I WAS JUST GOING TO ADD AND ALSO THE EXECUTIVE SESSION MINUTES OF APRIL 30th, 2013.

Mayor Lane: OKAY. VERY GOOD. DIDN'T SEE IT ON HERE. ALL RIGHT. SO THE MOTION MAKER APPROVES THAT AS WELL AND SECOND. I PRESUME, COUNCILWOMAN?

Councilmember Korte: YES.

Mayor Lane: THANK YOU. WE'RE READY TO VOTE FOR THE APPROVAL OF THE MINUTES AS HAS BEEN INDICATED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. REGISTER YOUR VOTE AND NAY IF YOU OPPOSE. UNANIMOUS APPROVAL OF THE MINUTES.

CONSENT AGENDA

[Time: 00:20:42]

Mayor Lane: CHANGES TO THE CONSENT ITEM, ITEM 11 IS REMOVED FROM CONSENT AT THE REQUEST OF COUNCILMAN PHILLIPS FOR SIMPLY A SEPARATE VOTE, SO WE WILL LEAVE IT ON CONSENT. THERE'S NO REQUEST FOR ANY EXPLANATION OF THAT OR PRESENTATION ON IT. AND THAT ITEM IS THE NORTHSIDE BOULEVARD EXTENSION PROJECT ACQUISITION OF EASEMENTS AND IT'S A RESOLUTION AUTHORIZING THE ACQUISITION OF PRIVATE ROADWAY EASEMENTS FOR THE NORTHSIDE BOULEVARD PROJECT AND USE OF EMINENT DOMAIN IF NECESSARY. ITEM 15 HAS BEEN REMOVED AT THE REQUEST OF STAFF. AND I'D LIKE TO ALSO NOTE THAT THE APPROVAL ON ITEMS 22, 23, AND 24, IS SIMPLY TO MOVE THEM TO THE JUNE 18th MEETING, ALSO AT THE REQUEST OF STAFF. THOSE ARE THE ONLY AMENDMENTS WE HAVE ON CONSENT ITEMS AS IT IS RIGHT NOW, SO IF, IN FACT, I COULD RECEIVE A MOTION FOR APPROVAL OF CONSENT ITEMS ABSENT ITEM 11 AND I'M SORRY, ABSENT ITEM 15.

Councilmember Korte: SO MOVED.

Councilmember Phillips: SECOND.

Mayor Lane: MOVED AND SECONDED. NO FURTHER COMMENTS. THEN ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. AND REGISTER YOUR VOTE. THOSE ITEMS ARE APPROVED UNANIMOUSLY. NOW, WE DO HAVE AS INDICATED THE REQUEST FOR ITEM 11 TO BE REMOVED FOR A SEPARATE VOTE AT THE REQUEST OF COUNCILMAN PHILLIPS AS I JUST DESCRIBED, THAT ITEM 11. UNLESS THERE'S ANY FURTHER COMMENT ON ANYONE'S PART, WE'LL GO AHEAD AND BE READY TO VOTE ON ITEM 11 SEPARATELY. YEAH, WE WOULD NEED THAT.

Councilwoman Milhaven: MAYOR, I MOVE THAT WE ADOPT RESOLUTION 9429 AUTHORIZING THE ACQUISITION OF PRIVATE ROADWAY EASEMENTS FOR THE NORTHSIDE BOULEVARD EXTENSION PROJECT AND USE OF EMINENT DOMAIN IF NECESSARY.

Mayor Lane: THANK YOU. AND DO I HAVE A SECOND ON THAT?

Councilmember Korte: SECOND

Mayor Lane: MOTION HAS BEEN MOVED AND SECONDED. THE APPROVAL OF ITEM 11, A SEPARATE CONSENT ITEM. WE ARE NOW READY TO VOTE. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. REGISTER YOUR VOTE. THOSE OPPOSED WITH A NAY. MOTION PASSES 4-3 WITH COUNCILMAN LITTLEFIELD, COUNCILMAN PHILLIPS AND COUNCILMAN ROBBINS OPPOSING. AND THAT COMPLETES OUR CONSENT ITEMS.

REGULAR AGENDA

[Time: 00:23:39]

WE'RE READY TO MOVE ON TO OUR REGULAR AGENDA ITEMS AND BE STARTING WITH ITEM 25, THAT'S THE VILLAS 136 NONMAJOR PLAN AMENDMENT AND REZONING. KEITH NIEDERER.

ITEM 25 – VILLAS 136 NON-MAJOR GENERAL PLAN AMENDMENT AND REZONING 2-GP-2013 AND 4-ZN-2013

Senior Planner Keith Niederer: THANK YOU, MAYOR LANE, MEMBERS OF THE CITY COUNCIL. THIS IS CASE 2-GP-2013 AND CASE 4-ZN-2013, THE VILLAS 136 PROJECT. THE REQUEST IS FOR A NON-MAJOR GENERAL PLAN AMENDMENT FOR URBAN LAND USE DESIGNATION AND A REZONING FROM PLANNED NEIGHBORHOOD CENTER IN ENVIRONMENTALLY SENSITIVE LANDS TO MEDIUM DENSITY RESIDENTIAL R3 ESL. THE SITE IS LOCATED IN THE AREA OUTLINED IN YELLOW ON THE SCREEN. THIS IS THE NORTHERN HALF OF THE SADDLE MOUNTAIN RETAIL SHOPPING CENTER AT THE SOUTHEAST CORNER OF COYOTE ROAD AND 136th STREET. HERE'S A CLOSE UP OF THE SHOPPING AREA THAT'S PROPOSED TO BE REZONED FROM R3 TO NEIGHBORHOOD CENTER. HERE'S THE EXISTING LAND USE MAP, THE STAR SHOWING THE LOCATION AND EXISTING LAND USE IS SHOWN AS COMMERCIAL AND THE PROPOSAL IS FOR A NONMAJOR GENERAL PLAN AMENDMENT TO URBAN NEIGHBORHOODS. HERE IS THE EXISTING ZONING MAP. THE AREA TO BE REZONED TO R3 IS INDICATED IN THE RED HATCH. TO THE NORTH IS SINGLE HOME HOMES ZONED R4 ESL, TO THE EAST IS A WASH CORRIDOR WITH SINGLE FAMILY HOMES BEYOND THAT WASH, TO THE SOUTH IS THE REMAINDER OF THE SADDLE MOUNTAIN RETAIL CENTER, WHICH IS ZONED PNC ESL AND TO THE WEST, ACROSS 136th STREET, IS A TOWNHOME DEVELOPMENT ZONED R-4 ESL. THE SUBJECT PROPERTY HAS BEEN ZONED PNC SINCE 1979. AND THE EXISTING SHOPPING CENTER WAS APPROVED BY THE DEVELOPMENT REVIEW BOARD BACK IN 1998. THE SECOND PART OF THE REQUEST THIS EVENING IS FOR A ZONING MAP AMENDMENT TO CHANGE THE ZONING FROM PNC ESL TO R-3 ESL. HERE'S THE PROPOSED SITE PLAN, NORTH IS TOWARDS THE TOP OF THE SCREEN. 136th STREET IS ON THE WEST. THE REQUEST IS FOR 90 CONDOMINIUM UNITS SPREAD OUT IN 10 MAIN BUILDINGS, ONE CARRIAGE BUILDING, ONE GARAGE BUILDING AND ONE AMENITY BUILDING. THE PROPOSED HEIGHT AS STIPULATED IN THE ZONING APPLICATION BE 25 FEET FROM FINISHED FLOOR ELEVATION OR 30 FEET ABOVE NATURAL GRADE. THERE'S ALSO A BUILDING HEIGHT EXHIBIT ATTACHED TO THE STIPULATIONS THAT'S ALSO PART OF THE APPROVAL THIS EVENING. JUST A COMPARISON OF THE ZONING THAT EXISTS ON THE SITE, FIRST WHAT'S PROPOSED THIS EVENING, THE PNC ZONING ALLOWS UP TO FOUR RESIDENTIAL UNITS PER GROSS ACRE. THE STANDARD R-3 WOULD YIELD UP TO 114 UNITS AND THE PROPOSED R-3 THIS EVENING IS 90 UNITS. FLOOR AREA RATIO WOULD TYPICALLY ALLOW SQUARE FEET TO EITHER 64,500 SQUARE FEET OF RETAIL SPACE. THE BUILDING HEIGHT IN THE PNC TODAY, IT'S BUILT AT 25 FEET WITH THE TOWER ELEMENTS ON THE CENTER UP TO 35 FEET ABOVE FINISHED FLOOR. THE STANDARD R-3 ZONING ALLOWS UP TO 30 FEET ABOVE NATURAL GRADE. AND AS I MENTIONED, THE APPLICANT HAS STIPULATED TO 25 FEET ABOVE FINISHED FLOOR ELEVATION AND 30 FEET ABOVE NATURAL GRADE. NATURAL AREA OPEN SPACE, BE PROVIDING 2.59 ACRES. OPEN SPACE, WHAT'S EXISTING OUT THERE TODAY IS 51,163 SQUARE FEET, AND THE PROPOSED DEVELOPMENT WILL INCREASE THAT UP TO 122,802 SQUARE FEET. PARKING, CURRENTLY THERE'S 264 PARKING SPACES IN THE PARKING LOT OF THE NORTHERN HALF OF THE SADDLE MOUNTAIN PLAZA. AND THE PROPOSAL IS FOR 91 GARAGE SPACES, 17 SURFACE SPACES AND 82 SPACES IN FRONT OF THE PROPOSED GARAGES. TRAFFIC CURRENTLY IS ESTIMATED IF THE CENTER WERE FULL, THERE WOULD BE 5,107 DAILY TRIPS ESTIMATED. THE STANDARD R-3 AT 114 UNITS WOULD YIELD 662 DAILY TRIPS AND THE PROPOSED DEVELOPMENT AT 90 UNITS WOULD YIELD 527 DAILY TRIPS. THAT CONCLUDES STAFF'S PRESENTATION. THE APPLICANT IS HERE TO GIVE THEIR PRESENTATION.

Mayor Lane: THANK YOU. IF YOU COULD, WE'VE JUST GOT ONE QUESTION FROM COUNCILMAN ROBBINS DIRECTED TOWARD YOU.

Councilman Robbins: THANK YOU, MAYOR. KEITH, YOU MENTIONED THE BUILDING HEIGHT EXHIBIT. DO YOU HAVE THAT? CAN YOU GO OVER THAT?

Keith Niederer: YES. IT'S IN THE COUNCIL REPORT. LET ME GO GRAB IT.

Councilman Robbins: THERE WAS A QUESTION ABOUT THAT FROM A RESIDENT. I JUST WANTED EITHER YOU OR THE APPLICANT CAN EXPLAIN THAT AND LET THEM KNOW WHAT'S PART OF THE PLAN HERE, AND WHAT'S IN THE STIPULATIONS.

Keith Niederer: THIS IS EXHIBIT B TO EXHIBIT 1, WHICH IS THE STIPULATIONS FOR THE PROJECT. AND BASICALLY WHAT IT DOES, IT GIVES THE PROPOSED HEIGHT, THE FINISHED FLOOR ELEVATION AND THE PROPOSED HEIGHT OF THE BUILDING FOR EACH OF THE BUILDINGS. SO YOU ACTUALLY GET TO SEE WHAT THE FINISHED FLOOR ELEVATION IS AND WHAT THE TOP OF THE BUILDING ELEVATION IS. AND THIS IS AN ACTUAL EXHIBIT TO THE STIPULATIONS THAT THE APPLICANT WILL HAVE TO FOLLOW AT THE TIME OF DEVELOPMENTAL REVIEW BOARD SUBMITTAL.

Councilman Robbins: THANK YOU. I MUST HAVE BEEN LOOKING AT THE WRONG EXHIBIT BUT NOW I SEE WHAT YOU'RE REFERRING TO. THANK YOU, APPRECIATE IT.

[Time: 00:30:29]

Mayor Lane: THANK YOU, COUNCILMAN. THANK YOU, KEITH.

Applicant/Attorney John Berry: THIS IS AN INTERESTING CASE FOR A COUPLE OF REASONS. ONE, IT'S A DOWNZONING FROM COMMERCIAL TO RESIDENTIAL. AND SECONDLY THE REASON WE'RE HERE IS WE'RE DOWN-ZONING A FAILED SHOPPING CENTER TO A LUXURY, QUALITY HIGH END CONDOMINIUM COMMUNITY AND IT'S NOT APARTMENTS FOR THOSE ON THE COUNCIL THAT WERE CONCERNED ABOUT THAT. BUT THE UNIQUE THING ABOUT THIS IS THE REASON, ONE OF THE MAJOR REASONS THE SHOPPING CENTER FAILED WAS DUE TO THE ACTIONS OF A PRIOR CITY COUNCIL. AND THAT ACTION WAS TO REMOVE THE OBLINDA FROM THE GENERAL PLAN AND TO ABANDON THE RIGHT OF WAY AT VIA LINDA. ORIGINALLY VIA LINDA WAS TO GO THROUGH TO THE EAST AND CONNECT WITH FOUNTAIN HILLS AS A TRANSPORTATION RELIEVER TO SHEA BOULEVARD, RUNNING PARALLEL TO SHEA BOULEVARD. AT THE BEHEST OF THE NEIGHBORS IN THE AREA IN 2000, THE CITY COUNCIL REMOVED VIA LINDA FROM THE MAPS AND ABANDONED THE VIA LINDA RIGHT-OF-WAY. LET ME EXPAND ON THIS A LITTLE BIT. IN 1979, THIS SITE WAS ZONED FOR COMMERCIAL AND THE INTENTION WAS IT WOULD BE A GREAT COMMERCIAL SITE BECAUSE OF THE INTERSECTION OF 136th AND VIA LINDA AND VIA LINDA AGAIN WAS SUPPOSED TO CONNECT TO FOUNTAIN HILLS AND BE A MINI SHEA BOULEVARD. IT WASN'T UNTIL 1998 THAT THIS SHOPPING CENTER WAS CONSTRUCTED AND THEN TWO YEARS LATER A PRIOR CITY COUNCIL ABANDONED THE VIA LINDA RIGHT OF WAY. AND BASICALLY CREATED A CUL-DE-SAC ON VIA LINDA TO THE EAST AND AS YOU KNOW, 136th STREET TO THE NORTH IS A CUL-DE-SAC. AT THAT POINT, IT NO LONGER BECAME A VIABLE COMMERCIAL SITE AND THE CENTER LOST ITS ANCHOR, WALGREENS WENT AWAY AND MOST OF THE OTHER TENANTS

WENT AWAY AS WELL. AS A RESULT OF THAT, IT NO LONGER WAS A VIABLE COMMERCIAL SITE. OVER THE LAST TWO YEARS, WITH TWO DIFFERENT APPLICANTS AND TWO DIFFERENT APPLICATIONS, WE'VE BEEN WORKING WITH THE NEIGHBORHOOD AND IT'S A VERY WELL ORGANIZED NEIGHBORHOOD WITH SCOTTSDALE MOUNTAIN IN THE AREA. IN FACT, SCOTTSDALE MOUNTAIN CREATED A TASK FORCE TO NEGOTIATE WITH AND DEAL WITH THESE ISSUES IN THE AREA. SO WHAT HAS BEEN THE RESULT OF THOSE TWO YEARS OF NEGOTIATIONS WITH THE FOLKS IN THE AREA? WELL, THE ORIGINAL CASE WITH A DIFFERENT APPLICANT WAS FOR R-5. WE MADE IT A LOWER DENSITY ZONING CATEGORY BY GOING TO R-3. THE ORIGINAL APPLICATION, AGAIN WITH A DIFFERENT APPLICANT, WAS 150 CONDO UNITS, NOW DOWN TO 90. THE HEIGHTS WERE ORIGINALLY 36 FEET, NOW WE'RE DOWN TO 18 FEET TO 27 FEET. THE NUMBER OF STORIES, IT WAS ALL THREE STORIES, WE'RE NOW DOWN TO ALL TWO STORIES. BACK IN THE FIRST APPLICATION, DIFFERENT APPLICANT, THERE WERE OPEN CARPORTS, NOW THEY'RE ALL GARAGES. THE OPEN SPACE BACK THEN WAS 22%. WITH THIS PROPOSAL, WE'RE AT 36% OPEN SPACE. THE TRAFFIC COUNTS WENT DOWN BY 40%.

[Time: 00:34:03]

PART OF WHAT WE DID DURING THIS LAST TWO-YEAR PERIOD AND WHAT THE NEW APPLICANT DID IS THEY HIRED SWABACK PARTNERS. OBVIOUSLY SWABACK IS FAMILIAR WITH WHAT MAKES SCOTTSDALE UNIQUE. LET ME EXPAND A LITTLE BIT ON STAFF'S GRAPHICS THAT THEY PUT UP TO COMPARE THE EXISTING SHOPPING CENTER ZONING AND THE EXISTING SHOPPING CENTER HEIGHT, WITH WHAT WE'RE PROPOSING. THE CURRENT BASHAS' THAT'S OUT THERE HAS 30-FOOT HIGH TOWER ELEMENTS AND THE BUILDING IS 25 FEET HIGH. OUR BUILDINGS RANGE IN HEIGHT FROM 18 FEET TO 27 FEET. THE IN-LINE SHOP HAVE 28 FOOT TALL TOWER ELEMENTS FOR BUILDINGS AND AGAIN, WE'RE AT 18 TO 27 FEET. THERE WAS 29% OPEN SPACE WITH THE EXISTING SHOPPING CENTER THAT'S CONSTRUCTED OUT THERE. WE'RE AT 36% OPEN SPACE. AND THE TRAFFIC WAS AT 5,000 TRIPS A DAY DOWN TO 500 TRIPS A DAY. THAT ASSUMES THERE WOULD BE A FULLY GOING OCCUPIED RETAIL CENTER, THE LIKELIHOOD OF THIS THAT NOW HAVING VIA LINDA DEAD ENDED IS EXTREMELY REMOTE. IN ORDER TO ADDRESS ONE OF THE NEIGHBORS' CONCERNS WHICH WAS HEIGHT OVER THE LAST TWO YEARS, WE DID SOME PRETTY INCREDIBLE THINGS. THIS IS THE SITE PLAN, AND THE BUILDINGS ARE LETTERED A THROUGH K. AND WHAT THIS SHOWS WITH THE NEGATIVE NUMBERS, NEGATIVE 5, NEGATIVE 3, NEGATIVE 5, WHAT THAT SHOWS IS WE'VE ACTUALLY AGREED TO DEPRESS THE BUILDINGS BELOW GRADE IN ORDER TO ADDRESS THE NEIGHBORS' CONCERNS ABOUT VIEW CORRIDORS AND VIEWS FROM THEIR HOMES AND FROM THEIR COMMUNITY. SO, FOR EXAMPLE, BUILDING A, WE WILL BE REQUIRED, PURSUANT TO THAT EXHIBIT THAT COUNCILMAN ROBBINS POINTED OUT, WILL BE REQUIRED TO HAVE THIS BUILDING SEVEN FEET BELOW NATURAL GRADE IN ORDER TO COMPLY WITH THAT STIPULATION. BUILDING B IS FIVE FEET BELOW GRADE AND YOU CAN SEE THESE NUMBERS HERE. HERE'S THE INTERESTING THING TO KEEP IN MIND. THIS IS NOT A FLAT SITE. THE SITE ACTUALLY HAS A 30-FOOT FALL FROM THE TOP OF THE SITE TO THE BOTTOM OF THE SITE. SO EVEN THOUGH THIS BUILDING MAY BE 25 FEET TALL, WHEN VIEWED FROM UP HERE, IT DOESN'T EXIST BECAUSE IT'S A 30-FOOT FALL ACROSS THE SITE. SO WE'VE DONE A VERY GOOD JOB OF ADDRESSING VIEW CORRIDORS AND VIEWS FOR THE COMMUNITY. MAYOR, MEMBERS OF THE COUNCIL, IN CONCLUSION, THIS IS A DOWNZONING. WE'RE TAKING A VACANT, ABANDONED SHOPPING CENTER AND THE REASON IT WAS CREATED WAS AS A RESULT OF THE ACTIONS OF A PRIOR CITY COUNCIL DONE AT THE BEHEST OF THE NEIGHBORS IN THE AREA, BEING RESPONSIVE TO THE NEIGHBORS IN THE AREA THAT DID NOT WANT THAT TRAFFIC FROM VIA LINDA IN THEIR NEIGHBORHOOD. IT CREATED THE CONDITION WHERE THIS SITE IS NO LONGER VIABLE FOR RETAIL. IT

DOES MAKE AN EXCELLENT CONDOMINIUM COMMUNITY. IT'S ONE THAT'S CONTEXTUALLY APPROPRIATE AND WILL SERVE THE EXISTING RETAIL THAT'S LEFT IN THE AREA TO HOPEFULLY MAKE THEM MORE VIABLE. MAYOR, MEMBERS OF THE COUNCIL, I'M PLEASED TO SAY WE DO HAVE SUBSTANTIAL SUPPORT FOR THIS APPLICATION AFTER TWO YEARS OF WORKING WITH THE NEIGHBORS AND I'M HAPPY TO ANSWER ANY QUESTIONS THAT YOU HAVE. THANK YOU.

Mayor Lane: THANK YOU, MR. BERRY. WE DO HAVE SOME REQUESTS TO SPEAK ON THIS SUBJECT, AND WE WILL ASK MAYBE FOR YOU, TO ASK SOME QUESTIONS OF YOU AND ASK YOU TO RESPOND TO THE COMMENTS AS WELL. WE WILL GO TO THE PUBLIC TESTIMONY ON THIS. WE'LL START WITH JIM STEIMER.

[Time: 00:38:13]

Jim Steimer: GOOD EVENING, MAYOR, COUNCIL, MY NAME IS JIM STEIMER, I'M WITH REALTY EXECUTIVES, 6263 NORTH SCOTTSDALE ROAD, SUITE NUMBER 140. THE REASON I'M HERE FOR THIS EVENING, I'VE GOT A CLIENT THAT HAS THREE CUSTOM BUILDING LOTS DIRECTLY SOUTH OF THIS PROPERTY IN A SUBDIVISION CALLED SIERRA HILLS. OUR CONCERN ORIGINALLY WAS THE VIEW CORRIDOR TO THE NORTH, NOT TO THE SOUTH, BUT TO THE NORTH TO THE McDOWELL MOUNTAINS. I'VE BEEN IN THE REAL ESTATE BUSINESS FOR 25 YEARS. SO QUITE SOME TIME, BOTH MY FOLKS WERE IN THE REAL ESTATE BUSINESS, TOO, AND I HAVE BEEN A RESIDENT OF SCOTTSDALE SINCE 1974. AFTER VOICING OUR CONCERNS, MET WITH THE APPLICANT, HE SPENT ABOUT TWO HOURS WITH US ON A FRIDAY AFTERNOON. WE WALKED HIS PROJECT, EXACTLY WHAT HE WAS GOING TO BE DOING, ALL THE RENDERINGS HE WAS GOING TO BE DOING ON THE PROJECT. HE TOOK THE TIME TO COME DOWN AND ACTUALLY WALK THE LOTS THAT WE THOUGHT MIGHT BE AFFECTED BY VIEWS. AFTER GOING THROUGH EVERYTHING WITH THE 30-FOOT FALL ON HIS PROPERTY, AND THE LOCATION OF THE LOTS FACING NORTH IN THE SUBDIVISION, SIERRA HILLS, THERE WILL BE NO IMPACT AT ALL FROM THE HEIGHT OF HIS VILLAS AT ALL OR ANYTHING, SO WE'RE COMPLETELY GOOD THERE. THE VILLA CONCEPT THAT THE APPLICANTS COME UP WITH IS VERY, VERY UNIQUE CONCEPT, A VERY GOOD CONCEPT. I THINK IT WILL BE VERY, VERY WELL RECEIVED BY THE COMMUNITY. ONE OF THE THINGS OF THE SUBDIVISION OF SIERRA HILLS, WHEN I WAS MARKETING PROPERTY AND STILL AM MARKETING PROPERTY IN THAT PARTICULAR SUBDIVISION, IT'S 32 CUSTOM BUILDING LOTS AND YOU'LL HAVE HOUSES IN THERE ANYWHERE FROM ON AVERAGE TWO TO THREE MILLION DOLLARS. ALWAYS THE QUESTIONS HAVE COME UP OF WHAT EXACTLY IS GOING TO BE HAPPENING AND WHAT IS GOING ON WITH THE PROJECT TO THE NORTH, WHICH IS THE COMMERCIAL PIECE THAT WE'RE LOOKING AT THIS EVENING. FOR REDOING IT IN THE RESIDENTIAL. AND NOW FINALLY THERE'S A SOLUTION THERE ON A WHOLE NEW CONCEPT FOR THE COMMUNITY, THE VILLA CONCEPT. WHICH I THINK IS VERY, VERY GOOD. AND WILL SOLVE ALL THE QUESTIONS FROM NEW HOMEOWNERS IN THAT PARTICULAR SUBDIVISION ALSO. I FEEL THE PROJECT IS SOMETHING THAT THE CITY OF SCOTTSDALE WILL BE VERY PROUD OF AND I THINK IT'S SOMETHING THAT FITS RIGHT IN LINE WITH WHAT EXACTLY IS GOING ON WITH THE CITY OF SCOTTSDALE, AS FAR AS WHAT THEY'RE LOOKING FOR. IT'S A VERY UNIQUE PRODUCT THAT HAS VERY MUCH A BIG DEMAND IN THIS MARKET. THANK YOU.

Mayor Lane: THANK YOU, MR. STEIMER. NEXT IS HOWARD PYNNE.

Howard Pynn: MAYOR, COUNCIL, MY NAME IS HOWARD PYNN, 11685 NORTH 79th PLACE. SOUTH END OF McCORMICK RANCH AND I'VE BEEN A RESIDENT OF SCOTTSDALE SINCE 1975. I HAVE AN AGENDA HERE THIS EVENING. I HAVE A GRANDDAUGHTER AND WANT TO MOVE CLOSER TO HER, SO I WAS UP IN THIS PARTICULAR AREA LOOKING AT HOMES, SAW THE NOTICES WITH REGARD TO ZONING, AND GOT ONLINE AND THIS IS ALL HAPPENED IN A FAIRLY SHORT PERIOD OF TIME, BUT LOOKED AT THE PROJECT, WONDERED WHY THE RETAIL SPACE WAS IN THE CONDITION THAT IT WAS IN, AND MR. BERRY GAVE ME THE REST OF THAT INFORMATION THIS EVENING. TOUGH SITUATION, CERTAINLY, FROM A DEVELOPER, WHICH IS KIND OF THE POINT OF VIEW I COME TO MANY TIMES, BUT IN THIS PARTICULAR CASE, I'M LOOKING AT THAT AREA AND SAW SOME OF THE CONDOMINIUMS AND RESIDENTIAL SPACES. AS I DELVED INTO IT, I SAW JUST ABOUT EVERYTHING FOR A COMMUNITY THAT SOMEONE WOULD WANT, WHICH WAS LOWER DENSITY, CERTAINLY. THE HEIGHT, AND I COULD SEE WHERE PEOPLE WOULD HAVE SOME OPINIONS WITH REGARD TO THE VIEWS BUT IT LOOKS LIKE THE DEVELOPER HAS TAKEN CARE OF THAT AND IN A VERY GOOD WAY. THE WALL THAT IS ON THE NORTH END OF THE PROPERTY, I GUESS IT WAS A WALGREENS AT ONE POINT IN TIME, TO BE NICE, LOOKS LIKE A BIT OF A PRISON WALL. AND I'D CERTAINLY IF I WAS ONE OF THE PEOPLE IN ONE OF THOSE HOUSES WANT TO HAVE THAT REMOVED. SOMEBODY'S GOING TO A LOT OF COST AND PUTTING A LOT OF MONEY AT RISK IN A DEPRESSED MARKET, IN AN ECONOMY THAT'S NOT THE MOST POSITIVE THING TO INVEST IN THAT AREA AND I CAN'T SEE ANYTHING OTHER THAN CONTINUED IMPROVEMENTS FOR THAT AREA. THE TRAFFIC, CERTAINLY, IS NOT GOING TO BE INCREASED IN ANY NEGATIVE WAY. AND I THINK IT'S POSITIVE FOR THE COMMUNITY. I CERTAINLY IN A YEAR WOULD BE LOOKING AT THAT PROJECT, ALONG WITH A COUPLE OTHERS IN THERE, TO SEE WHETHER OR NOT THAT'S THE RIGHT PLACE FOR ME TO HANG MY HAT AND BE CLOSER TO MY GRANDDAUGHTER, WHO'S UP ON McDOWELL MOUNTAIN RANCH RIGHT NOW. THAT'S MY EXTRA SURPLUS IN THIS AND AGENDA IN THIS PARTICULAR THING IS BEING CLOSER TO HER. I HAD SOME POINTS HERE THIS EVENING BUT I THINK I TOUCHED MOST OF THEM. CERTAINLY WOULD BE A POSITIVE THING TO HELP REVITALIZE THAT PARTICULAR AREA AND I HOPE THAT COUNCIL MOVES IN A POSITIVE MANNER FOR THIS.

Mayor Lane: THANK YOU, HOWARD. NEXT IS CATHERINE GARDIOLA.

[Time: 00:44:37]

Catherine Gardiola: I'LL BE READING TWO LETTERS INTO THE RECORD. THE FIRST ONE, WE HAVE MET WITH JEFFREY AND JOHN FROM VILLAS 136 AND AGREE WITH THE LATEST PROPOSAL THEY SHOWED TO US. THEY HAVE DONE EVERYTHING POSSIBLE TO COMPLY WITH OUR QUESTIONS AND CONCERNS OF THOSE OF THE SCOTTSDALE MOUNTAIN HOMEOWNERS ASSOCIATION. WE ARE THE CLOSEST PROPERTY TO THE PROJECT. WE WISH THEM LUCK, HARVEY AND LORRAINE SHERMAN. THE SECOND LETTER, MR. NIEDERER, I HAVE BEEN IN CLOSE CONTACT WITH THE DEVELOPER, JOHN AND JEFF. THEY SHOWED ME WHAT THEIR ARCHITECT HAD DONE AND I FEEL MUCH BETTER THAT THIS PROJECT WILL NOT HARM MY VIEW AND MAY EVEN BETTER THEM. IT WILL BE GOOD TO GET THE SPACE CHANGED AND GET RID OF THIS EYESORE OF THE VACANT SHOPPING CENTER. PLEASE FEEL TO CALL IF YOU HAVE ANY QUESTIONS AND I THANK YOU FOR LISTENING TO ME. THANK YOU, FRED ROMNEY.

Mayor Lane: THANK YOU, CATHERINE. NEXT IS JAY BURWELL.

[Time: 00:45:59]

Jay Burwell: MAYOR LANE AND HONORABLE COUNCIL, JAY BURWELL, 11808 NORTH 137th STREET, SCOTTSDALE, RESIDENT OF SCOTTSDALE MOUNTAIN. I'M HERE TO SPEAK IN OPPOSITION TO THE CURRENT PLAN AND THAT'S BASED UPON THE FACT THAT MY HOME IS LOCATED HERE AND THE REASON I SHOW THIS PICTURE IS I HOPE THAT EVERYONE IN THE ROOM WOULD RECOGNIZE THAT I'M A KEY PERSON IN THE PROJECT. MY VIEWS WILL BE AFFECTED BY THE CURRENT BUILDING HEIGHTS AS THEY'VE BEEN FILED. AND NOT TO A BETTER STANDPOINT. WITH REGARD TO SOME OF THE THINGS THAT JOHN BERRY HAS MENTIONED, THE ECONOMY AFFECTED BASHAS'. THERE WAS A DECISION MADE TO CLOSE THE STORE. IT'S DEBATABLE WHETHER IT HAD TO DO WITH THE DEAD-ENDING OF VIA LINDA AND I WANT TO LET YOU KNOW I'M NOT OPPOSED TO THE REDEVELOPMENT OF THIS BLIGHTED CENTER, IT NEEDS TO GO. IT NEEDS TO BE HANDLED, BUT IT NEEDS TO BE DONE IN A RESPONSIBLE FASHION. I'VE BEEN NEGOTIATING WITH THEM FOR SEVERAL MONTHS. I THINK WE'RE VERY CLOSE TO AN AGREEMENT RIGHT UP TO THE LAST MINUTE BEFORE THIS MEETING BEGAN, AND I WOULD ASK THE COUNCIL TO EITHER STIPULATE TO THE BUILDING HEIGHTS THAT WE'VE BEEN DISCUSSING AND/OR TABLE IT FOR NOW UNTIL WE CAN REACH THAT AGREEMENT. I THINK THE STUMBLING BLOCK IN THE AGREEMENT RIGHT NOW IS MY LAWYERS ARE ADVISING ME THAT THE OWNER OF THE PROPERTY NEEDS TO BE A PARTY TO THE AGREEMENT. HE'S NOT HERE THIS EVENING. THESE GENTLEMEN ARE THE BUYERS OF THE PROPERTY, AND IN MY OPINION ARE NOT AUTHORIZED TO MAKE THIS, AND UNDER MY LAWYER'S ADVICE, I CAN'T ENTER INTO AN AGREEMENT WITH THEM TONIGHT. THEREFORE, I WOULD ASK THAT YOU TABLE IT OR ASK THAT WE STIPULATE TO THE BUILDING HEIGHTS THAT WILL PRESERVE, MARGINALLY PRESERVE MY VIEW. AS A 10-YEAR RESIDENTS OF SCOTTSDALE AND SOMEBODY WHO WEATHERED THE STORM HERE AND PAYS HIGHER TAXES, BEING A SCOTTSDALE RESIDENT, SCOTTSDALE MOUNTAIN RESIDENT SPECIFICALLY, BECAUSE WE'VE TAKEN GREAT STEPS TO PRESERVE THE MOUNTAINS AROUND OUR DEVELOPMENT, WHICH YOU SEE IN THE PICTURE. MY TAXES ARE HIGHER BECAUSE OF THAT. AND I BELIEVE THAT YOU OWE ME SOME ALLEGIANCE FOR THAT MATTER. THE GRADE OF THE BASHAS' BUILDING WAS MANDATED BY THE SCOTTSDALE HOMEOWNERS ASSOCIATION. THEY ARE THE ONES IN WHO IN 1998 FORCED THAT BUILDING TO BE BUILT NINE FEET UNDER GRADE. THIS WAS NOT SOMETHING THAT HAS BEEN A RECENT CHANGE. THEY'RE TAKING ADVANTAGE OF A LONG EXISTING PROVISION THAT BUILT THAT BUILDING UNDER GRADE. AND THESE GUYS ARE NOT THE UNSUNG HEROES THEY APPEAR TO BE.

Mayor Lane: IF YOU COULD PLEASE WRAP IT UP. YOU'RE OUT OF TIME.

Jay Burwell: I'M AVAILABLE FOR QUESTIONS.

[Time: 00:49:47]

Mayor Lane: THANK YOU, SIR.

Jay Burwell: THANK YOU.

Mayor Lane: THAT COMPLETES THE TESTIMONY ON THIS ITEM. WE ASK MR. BERRY IF YOU WOULD LIKE TO COME BACK UP FOR OUR QUESTIONS OR HAVE FIVE MINUTES TO RESPOND TO SPECIFICS.

[Time: 00:50:08]

John Berry: CERTAINLY, MAYOR, MEMBERS OF THE COUNCIL. I WILL HAND OUT TO THE CLERK, WE HAVE FIVE LETTERS AND 35 SIGNATURES FROM PEOPLE IN THE IMMEDIATE AREA IN SUPPORT. I THINK IT'S IMPORTANT TO POINT OUT THAT YOU HEARD FROM A COUPLE OF PEOPLE HERE SUPPORTING THIS. WHEN THIS PROJECT FIRST STARTED, THIS COUNCIL WAS LITERALLY INUNDATED WITH E-MAILS AND PHONE CALLS FROM PEOPLE WHO OPPOSED THIS. WE WORKED FOR TWO YEARS WITH A COMMITTEE OF HOMEOWNERS IN SCOTTSDALE MOUNTAIN. ONE OF THE MEMBERS OF THAT COMMITTEE IS A FORMER CITY MANAGER OF THIS CITY WHO USED TO RUN THE TRANSPORTATION DEPARTMENT AND THE PLANNING DEPARTMENT BEFORE HE BECAME CITY MANAGER, AND THAT WAS JOHN LITTLE. JOHN HAS WRITTEN YOU A LETTER IN SUPPORT AND HE WAS INVOLVED IN THAT EFFORT AND IF THERE'S ANYBODY THAT KNOWS SCOTTSDALE AND DEVELOPMENT AND WHAT'S APPROPRIATE, CONTEXTUALLY, WHEN IT'S IN HIS BACKYARD, IT WOULD BE A FORMER CITY MANAGER AND AGAIN HE'S WRITTEN YOU A LETTER IN SUPPORT. MY CLIENT HAS WORKED LITERALLY FOR MONTHS WITH MR. BURWELL AND HIS PLANNER AND LAWYER TO COME TO AN AGREEMENT. UNFORTUNATELY, ON ALL OF THESE CASES, AS HARD AS WE TRY AND MY CLIENTS TRY, YOU CAN'T ALWAYS PLEASE EVERYBODY, BUT WE ARE THIS CLOSE, I THINK IT'S ACTUALLY A FOOT, THIS CLOSE TO TRYING TO MAKE MR. BURWELL HAPPY. WE ALREADY LOWERED THE BUILDINGS TWO FEET DIRECTLY IN RESPONSE TO HIS CONCERNS. I DO WANT TO POINT OUT THAT, AND THIS IS THE ABANDONED CENTER, THIS IS MR. BURWELL'S HOME AND YOU HEARD ONE OF THE SPEAKERS READ INTO THE RECORD LETTERS OF SUPPORT FROM THESE FOLKS WHO ARE CLEARLY THE MOST DIRECTLY IMPACTED BY THIS CASE, WHO ARE SUPPORTIVE OF IT. WE HAVE LETTERS OF SUPPORT FROM FOLKS ALL IN THIS AREA. IN FACT, MR. BURWELL'S NEIGHBOR IS IN SUPPORT OF THIS PROPOSAL.

[Time: 00:52:03]

ONE OF THE REASONS THAT FOLKS ARE SUPPORTIVE, AND THIS IS A PHOTO SIMULATION, WHICH DOESN'T SHOW UP VERY WELL. I'M GOING TO ZOOM IN. THIS IS ACTUALLY TAKEN FROM MR. BURWELL'S BACKYARD WITH HIS PERMISSION. WE HAVE LITERALLY SPENT TENS OF THOUSANDS OF DOLLARS ON PHOTO SIMULATIONS, ENGINEERS MESH MANY TIMES, FINISHED FLOOR ELEVATIONS TO TRY TO ASSUAGE MR. BURWELL'S CONCERNS. THESE ARE THE EXISTING SHOPS HERE. THIS RED LINE RIGHT HERE IS THE OUTLINE OF OUR PROPOSED DEVELOPMENT. AND YOU CAN SEE IT CREATES VIEW CORRIDORS AND VIEWS THAT DON'T EXIST TODAY. WE'VE NOT ASKED MR. BURWELL TO PAY US FOR THE ENHANCED VIEW PREMIUM WE'RE PROVIDING HIM. THAT WAS TONGUE IN CHEEK, JAY. ADDITIONALLY, WE HAVE AN E-MAIL AS OF SUNDAY; LET ME ZOOM OUT HERE. FROM THE PRESIDENT OF SCOTTSDALE MOUNTAIN COMMUNITY ASSOCIATION AND HE'S NOT WRITING IN HIS CAPACITY AS PRESIDENT OF THE HOMEOWNERS ASSOCIATION BUT HE WROTE TO MY CLIENT JEFFREY A SHORT NOTE SAYING GOOD LUCK AT THE UPCOMING CITY MEETING. I WANT YOU TO KNOW IT'S BEEN A PLEASURE WORKING WITH YOU AND JOHN RUSSO. I APPRECIATE ALL THE EFFORT YOU AND JOHN HAVE MADE IN WORKING WITH THE HOMEOWNERS OF SCOTTSDALE MOUNTAIN. IT REALLY IS A PLEASURE WORKING WITH A DEVELOPER THAT IS TRULY SENSITIVE TO THE HOMEOWNERS' CONCERNS. I AM REALLY LOOKING FORWARD TO SEEING THE FINISHED PROJECT. THAT DIDN'T HAPPEN BY ACCIDENT, MAYOR, MEMBERS OF THE COUNCIL. WE HAVE WORKED LONG AND HARD AND I TIP MY HAT TO MY CLIENTS FOR HAVING THE ABILITY TO DO THAT. JEFFREY AND JOHN ARE ACTUALLY 26 YEARS OLD, BUT THAT PROCESS HAS AGED THEM TREMENDOUSLY. MAYOR, MEMBERS OF THE COUNCIL, WE WOULD RESPECTFULLY REQUEST YOUR APPROVAL OF THE PROJECT. HAPPY TO ANSWER ANY QUESTIONS AND AS MY CLIENTS SAID TO MR. BURWELL EVEN AFTER THIS MEETING, THEY LITERALLY ARE VERY CLOSE TO A SIGNED AGREEMENT. IF YOU VOTE IN FAVOR OF THIS PROJECT

TONIGHT, WE'RE NOT TURNING OUR BACK ON YOU, JAY. THEY'VE COMMITTED TO CONTINUE TO WORK WITH YOU AND COME UP WITH A RESOLUTION OF THIS IN SPITE OF WHAT HAPPENED THIS EVENING SO YOU'RE PROTECTED IN THE FUTURE AS WELL. IT'S NOT AN ALL-OR-NOTHING PROPOSITION. HE SAID I TRUST YOU, I'M A LAWYER. I MAY BE HAPPY TO ANSWER ANY QUESTIONS YOU HAVE.

Mayor Lane: THANK YOU. I'VE GOT ONE INITIAL QUESTION AND IT GOES TO MR. BURWELL'S REQUEST. IS THAT SOMETHING THAT IF IT'S THAT CLOSE OR IF IT'S A FOOT OR WHATEVER IT IS, I UNDERSTAND THAT THERE WAS SOMETHING THAT WAS PRESENTED TO MR. BURWELL ACCORDING TO HIS TESTIMONY THAT THERE WAS A WILLINGNESS TO GO AHEAD AND MAKE THAT CHANGE. IS THAT SOMETHING WE CAN STIPULATE IN THIS?

[Time: 00:55:00]

John Berry: MAYOR, MEMBERS OF THE COUNCIL, IF IT'S THE PLEASURE OF THE COUNCIL, ABSOLUTELY. AS I SAID, WE ALREADY REDUCED THE HEIGHT OF THE BUILDINGS YOU SAW BY TWO FEET DIRECTLY IN RESPONSE TO MR. BURWELL. MY UNDERSTANDING IS HE HAD REQUESTED AN ADDITIONAL FOOT. MY CLIENTS' POSITION WAS THAT IF HE WERE GOING TO SUPPORT THE PROJECT, THEN IT MADE SENSE TO EXCEED TO ANOTHER FOOT OFF OF THE PROJECT IN RETURN FOR HIS SUPPORT. OBVIOUSLY WE WEREN'T SUCCESSFUL IN THAT. BUT WE ALSO WANT TO CONTINUE TO BE A GOOD NEIGHBOR. IF IT'S THE COUNCIL'S WISH THAT AN ADDITIONAL 12 INCHES SHOULD COME OFF BUILDINGS C AND J, THEN WE'RE HAPPY TO COMPLY WITH THAT.

Mayor Lane: DO WE HAVE AGREEMENT AS FAR AS WHAT THAT ELEVATION IS?

John Berry: WE DO. YOU TAKE THAT EXHIBIT B, BUILDING HEIGHT EXHIBIT, AND ON BUILDINGS C AS IN CHARLES, J AS IN JOHN, SIMPLY TAKE THE BUILDING ELEVATION AND REDUCE IT BY 12 INCHES. IF THAT'S THE PLEASURE OF THE COUNCIL, THAT'S THE MOTION, THEN WE ARE HAPPY WITH THAT. WE CAN LIVE WITH THAT. AGAIN, THAT DOESN'T STOP OUR EFFORTS WITH MR. BURWELL IN SPITE OF THAT.

Mayor Lane: FINE. THAT WOULD BE MY THOUGHT ON IT. BUT I WILL WAIT IF MAYBE SOME OTHER QUESTIONS. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: DOES THAT ADDRESS YOUR CONCERNS?

Jay Burwell: YES IT DOES, BUT I WOULD LIKE TO SEE SOMETHING IN WRITING.

Councilman Littlefield: IF WE MAKE THE STIPULATION, IT IS IN WRITING.

Mayor Lane: I TELL YOU WHAT, IF WE'RE GOING TO HAVE A DIALOGUE, THEY'LL HAVE TO MOVE TO THE.... YOU WANT A DIALOGUE ON THIS?

Councilman Littlefield: I WANTED A YES OR NO.

Mayor Lane: OKAY, THEN WE, AND I THINK THAT WAS PRETTY PLAINLY STATED BY MR. BURWELL THAT HE WAS WILLING TO DO AS LONG AS IT WAS INDICATED AS A STIPULATION. SO OKAY. I'M SORRY. WHAT ARE YOU TALKING ABOUT, BOB? YOU WANT TO SPEAK AGAIN?

Councilman Littlefield: NO. THERE'S NOBODY ELSE SPEAKING, I'LL MAKE A MOTION.

Mayor Lane: THAT'S FINE. OKAY.

Councilman Littlefield: SOMEBODY ELSE WANTS TO SPEAK.

Mayor Lane: OKAY. COUNCILWOMAN MILHAVEN.

Councilwoman Milhaven: I WAS GOING TO MAKE A MOTION. I MOVE WE ADOPT RESOLUTION 9418 APPROVING A NONMAJOR AMENDMENT TO THE SCOTTSDALE GENERAL PLAN AND APPROVE THE ZONING MAP AMENDMENT FROM PLANNED NEIGHBORHOOD TO ENVIRONMENTALLY SENSITIVE LAND HELD BY DISTRICT TO MEDIUM RESIDENTIAL AND ENVIRONMENTALLY SENSITIVE LAND AND FINDING THAT THE ZONING DISTRICT MAP AMENDMENT IS CONSISTENT AND CONFORMS WITH THE ADOPTED GENERAL PLAN FOR THE CASE 4-ZN-2013.

[Time: 00:57:47]

Mayor Lane: ALL RIGHT. A SECOND, WOULD YOU LIKE TO SPEAK TOWARD IT? YOU KNOW, JUST SO I'M CLEAR, DID THAT NOT OR DID THAT INCLUDE THE...

Councilwoman Milhaven: DID NOT INCLUDE.

Mayor Lane: OKAY. ALL RIGHT, COUNCILMAN LITTLEFIELD.

Councilman Littlefield: I WOULD LIKE TO THEN OFFER AN AMENDED MOTION, WHICH WILL BE THE SAME AS COUNCILWOMAN MILHAVEN'S MOTION, INCLUDING THE STIPULATION WHICH COUNSELOR BERRY OFFERED TO PUT IN ABOUT DELETING THE EXTRA ONE FOOT FROM THOSE TWO BUILDINGS.

Councilmember Phillips: I'LL SECOND THAT.

Mayor Lane: WOULD THE SECOND LIKE TO SPEAK TOWARD THAT? OKAY. COUNCILMAN PHILLIPS?

Councilmember Phillips: OKAY, I GUESS I'M THE ODD MAN OUT HERE, SO I'LL MAKE MY COMMENTS. I RESPECTFULLY DISAGREE WITH MR. BERRY. BASHAS' IS BANKRUPT AND IT WAS NEVER A VIABLE SHEA ALTERNATIVE. YOU HAVE A HIGH SCHOOL DOWN THERE AND GOING 35 MILES AN HOUR DOWN TO 10 MILES AN HOUR, YOU CAN NEVER USE THAT AS A TRAFFIC CORRIDOR AND I BELIEVE THAT'S WHY THE COUNCIL DIDN'T ALLOW THAT TO GO THROUGH TO FOUNTAIN HILLS IN THE FIRST PLACE. I THINK THIS WOULD BE AN EXCELLENT CUSTOM HOME COMMUNITY. I DON'T THINK WE NEED 90 CONDOS THERE. I'M VERY CONCERNED ABOUT THE INCREASE IN POPULATION. THIS IS ONE AREA THAT'S BEEN KIND OF PRESERVED FOR CUSTOM HOMES AND I DON'T EVEN SAY I WOULD LIKE TO SEE NO HOMES UP THERE, BUT BE THAT AS IT MAY, THERE IS, AND TO ADD MORE HEIGHT AND DENSITY TO THE AREA

PERSONALLY FEEL IS THE WRONG THING TO DO SO I'LL BE VOTING NO BECAUSE I'M NOT FOR THE INCREASED DENSITY IN POPULATION OF THE AREA.

Mayor Lane: THANK YOU, COUNCILMAN. STAFF.

Current Planning Director Tim Curtis: MAYOR, MEMBERS OF THE COUNCIL, IF COUNCILMAN LITTLEFIELD'S AMENDMENT WAS SECONDED, WE DO HAVE A MECHANICAL MODIFICATION TO THE STIPULATION WE'D WANT TO READ INTO THE RECORD SO THE INTENT OF THE AMENDED STIPULATION IS CLEAR.

Mayor Lane: FINE. DO YOU WANT TO GIVE US THAT LANGUAGE RIGHT NOW?

Tim Curtis: YEAH, MAYOR, WE WOULD BE AMENDING STIPULATION NO. 3 DEALING WITH THE BUILDING HEIGHT LIMITATIONS, THAT REFERENCED THE EXHIBIT B, AND SO WE WANT TO MAKE SURE THAT IT'S CLEAR THAT IN THAT STIPULATION, THERE WOULD BE AN ADDITIONAL SENTENCE THAT AN ADDITIONAL 12 INCHES WOULD BE REMOVED FROM THE BUILDING HEIGHT EXHIBIT FOR BUILDINGS C AND J. THAT WAS THE INTENT OF THE AMENDED MOTION.

[Time: 1:00:39]

Mayor Lane: OKAY, IF THAT'S CORRECT AND IS THAT CONSISTENT TO WHAT WE'RE TALKING ABOUT?

John Berry: MEMBERS OF THE COUNCIL, IT IS, AND AGAIN, WE HAVE GONE OUT OF OUR WAY TO WORK WITH MR. BURWELL, WE WOULD LIKE TO CONTINUE THAT EFFORT AND A GOOD FAITH WAY FOR US TO DO THAT IS TO HEARTILY AGREE WITH THE ADDITIONAL ONE FOOT AND WITH THE AMENDED MOTION. WE'RE PLEASED TO BE ABLE TO DO THAT AND THAT WAS OUR INTENT TO DO THAT. THANK YOU.

Mayor Lane: THANK YOU.

Councilman Littlefield: THAT'S EXACTLY WHAT I INTENDED TO MOVE.

Mayor Lane: THANK YOU. AND SECOND. WELL, THOSE ARE THE MECHANICAL CHANGES TO DESCRIBE SPECIFICALLY WHAT IT WAS WHAT HE WAS LOOKING TO HAVE IN THAT MOTION. I WANT TO SAY THAT I SUPPORT THE MOTION. WHETHER THE ALTERNATIVE MOTION AS WELL. I THINK IT WAS JUST AS MR. BERRY SAID AND AS THE APPLICANTS INDICATED, IT'S WITHIN THEIR, EVEN THOUGH I THINK THEY'VE DONE A FANTASTIC JOB OF WORKING WITH THE COMMUNITY AND WE APPRECIATE ALL THAT'S BEEN DONE, THIS SMALL LITTLE ADDITIONAL ISSUE. I REALIZE IT ALL AMOUNTS TO SOMETHING, SO IT'S NOT TAKEN WITHOUT SOME CONSIDERATION THAT YOU'RE ACCOMMODATING THIS AS WELL, BUT I THINK IT REALLY DOES BRING IT INTO THE REALM OF TOTAL ACCEPTANCE AND, FRANKLY, REAL ACCOMMODATION, SO YOU'RE TO BE COMMENDED ON ALL OF THAT AND THE ACCEPTANCE OF THAT. I THINK THAT REALLY MAKES IT ALL AS GOOD A PROJECT AS IT POSSIBLY CAN BE AND I KNOW IT HAS GREAT FEATURES AND QUALITIES. WITH THAT, OH, I'M SORRY, OKAY. CERTAINLY. BEFORE I CLOSE IT OUT ON THE ALTERNATIVE. VICE MAYOR KLAPP.

Vice Mayor Klapp: I WANTED TO SPEAK BEFORE THE VOTE, I DO LIVE IN SCOTTSDALE MOUNTAIN AND I WANT TO THANK THE NEIGHBORS THAT HAVE WORKED ON THIS FOR TWO YEARS BECAUSE I HEARD ABOUT IT FOR TWO YEARS. THE FINISHED PROJECT HERE THAT'S BEING PROPOSED IS GOING TO BE A GREAT ENHANCEMENT TO THE NEIGHBORHOOD. THE SHOPPING CENTER HAVING LIVED UP THERE AND INTIMATELY FAMILIAR WITH THE SHOPPING CENTER IS CERTAINLY NOT ENHANCING THE PROPERTY VALUES FOR SCOTTSDALE MOUNTAIN AT THE PRESENT TIME, SO MY FEELING IS THAT NOT ONLY ARE WE GETTING SOMETHING TO REPLACE IT, BUT WE'RE ALSO GETTING A PROJECT THAT'S GOING TO BE VERY AESTHETICALLY PLEASING. SO IT'S A WIN-WIN FOR SCOTTSDALE MOUNTAIN AND THE SURROUNDING NEIGHBORS. I WANT TO THANK PARTICULARLY THE BOARD OF THE HOA AND TASK FORCE THEY PUT TOGETHER, BECAUSE THEY REALLY WORKED ON THIS VERY DILIGENTLY AND TOOK IT VERY SERIOUSLY. WE'RE VERY WILLING TO LISTEN AND WORK WITH THE APPLICANT AND I JUST SAY THAT I'M PROUD TO BE NEIGHBORS WITH THE PEOPLE IN SCOTTSDALE MOUNTAIN.

Mayor Lane: THANK YOU, VICE MAYOR. WITH THAT, WE SEE NO FURTHER COMMENT OR QUESTIONS. I THINK WE'RE NOW READY TO VOTE ON THE ALTERNATIVE MOTION. ALL THOSE IN FAVOR, PLEASE INDICATE BY AYE AND REGISTER YOUR VOTE. THOSE OPPOSED WITH A NAY. 6-1 WITH COUNCILMAN PHILLIPS OPPOSING. THAT TAKES THE DAY AND THANK YOU VERY MUCH FOR THE WORK YOU'VE DONE IN THIS AREA AND WELCOME THIS PROJECT.

John Berry: THANK YOU MAYOR AND COUNCIL.

ITEM 26 – TRUTH IN TAXATION HEARING AND PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2013/14 PROPERTY TAX LEVY REQUESTS

[Time: 01:04:02]

Mayor Lane: MOVE ON TO ITEM 26 WHICH IS THE TRUTH IN TAXATION AND PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2013-14 PROPERTY TAX LEVY. LEE GUILLORY.

Finance Director Lee Guillory: MAYOR, MEMBERS OF COUNCIL, THE AGENDA ITEM IS THE HEARING ON THE CITY'S PRIMARY AND PROPERTY TAXES AND SECONDARY TAXES. I'M ACTUALLY GOING TO SKIP THROUGH TO THE SECONDARY PROPERTY TAX FIRST, WHICH HAVE TO APOLOGIZE, DOESN'T SEEM TO BE IN THE PRESENTATION, SO I'LL PUT IT UP ON THE ELMO. I AM GOING TO START WITH THIS BECAUSE IT'S A LITTLE LESS COMPLICATED AND I'LL GO BACK TO THE PRIMARY TAX LEVY. THE SECONDARY LEVY IS BASED ON THE CITY'S DEBT SERVICE PAYMENTS FOR VOTER APPROVED GENERAL OBLIGATION BONDS, SO IN BOTH FISCAL YEAR '12-'13 AND '13-'14, WE'RE AT \$36 MILLION OF DEBT SERVICE. AND THE LEVY THAT'S, THE ASSESSED VALUATION SHOWN IN '13-'14, \$14.8 MILLION FOR THE CITY IS DECREASING FROM THE FISCAL YEAR '12-'13 ASSESSED VALUATION. THE COUNTY ASSESSOR VALUED THE PROPERTIES WITHIN THE CITY DURING THE FALL 2010-FALL 2011 PERIOD. IT TAKES ABOUT A YEAR TO DO THE ASSESSED VALUATION. AT THAT TIME, PROPERTY VALUES WERE STILL DECREASING, SO YOU SEE A DECREASE IN THE ASSESSED VALUATION. THIS A-B IS WHAT WE CALL THE UNLIMITED ASSESSED VALUATION. IT'S TIED TO THE MARKET VALUE AND THERE'S NO LIMITS TO IT, WHICH IS DIFFERENT THAN THE PRIMARY ASSESSED VALUATION, WHICH WE WILL DISCUSS IN A MINUTE. SO BASED ON THOSE, THE AMOUNT OF THE DEBT SERVICE PAYMENTS DIVIDED BY THE SECONDARY ASSESSED VALUATION FOR THE CITY, YOU COME UP WITH THE SECONDARY PROPERTY TAX RATE PER \$100 OF ASSESSED VALUATION. SO FOR FISCAL YEAR 13-14, THE RATE WOULD BE 76

CENTS PER \$100 OF ASSESSED VALUATION. WHILE THE RATE HAS GONE UP FROM '12-'13, THE ACTUAL LEVY DOLLAR AMOUNT IS PRETTY FLAT. THE REASON THE RATE WENT UP IS BECAUSE THE ASSESSED VALUATIONS WENT DOWN. NOW I'M GOING TO SWITCH TO THE PRIMARY PROPERTY TAX LEVY, WHICH I MENTIONED IS A LITTLE BIT MORE COMPLICATED THAN THE SECONDARY LEVY. THE BASIS FOR THE STARTING POINT FOR THE FISCAL YEAR '13-'14 LEVY IS REALLY THE ENDING POINT OF THE PRIOR YEAR'S LEVY, SO FOR '13-'14, WE START THE CALCULATION WITH \$25.27 MILLION, WHICH IS THE LEVY BEFORE ANY TORT CLAIMS FROM '12-'13. IN ADDITION THE CITY HAS THE OPTION TO TAKE THE 2% ANNUAL ALLOWANCE, WHICH THIS WILL BE THE THIRD YEAR THE COUNCIL HAS ELECTED NOT TO INCREASE THE LEVY BY THAT ALLOWED 2% LEVEL. IN ADDITION, WE ARE ALLOWED TO INCREASE THE LEVY BASED ON THE NEW CONSTRUCTION ADDED TO THE TAX ROLLS. BASED ON THAT, YOU COME UP WITH A LEVY OF \$25.5 MILLION FOR THE PRIMARY PROPERTY TAXES. THIS IS THE MONEY THAT WOULD BE USED TO SERVICE GENERAL FUND EXPENDITURES LIKE POLICE, FIRE, SAFETY, PARKS, ET CETERA. IN ADDITION, WE ARE ALLOWED TO RECOVER TORT CLAIMS FROM THE PRIOR YEAR, SO THAT'S THE \$145 MILLION, EXCUSE ME, \$145,000 LISTED. THAT MONEY WHEN COLLECTED GOES TO THE RISK FUND TO REIMBURSE FOR THE TORT CLAIMS PAID DURING CALENDAR YEAR 2012. SO WHEN YOU ADD ALL THAT UP, YOU COME UP WITH A TOTAL PRIMARY LEVY OF THE \$25.655 MILLION. AGAIN, TO DETERMINE THE TAX RATE, YOU HAVE TO DIVIDE BY THE ASSESSED VALUATION. THIS IS A SLIGHTLY DIFFERENT CALCULATION OF A-B VERSUS THE SECONDARY, BECAUSE THIS ASSESSED VALUATION IS LIMITED. THE COUNTY ASSESSOR IS RESTRICTED ON HOW MUCH THIS AMOUNT CAN GO UP EVERY YEAR, SO IN THE PAST, THERE'S ACTUALLY BEEN A FAIRLY LARGE DIFFERENCE BETWEEN THE PRIMARY ASSESSED VALUATION AND THE SECONDARY ASSESSED VALUATION BUT BECAUSE OF MARKET'S CONDITIONS, THESE NUMBERS HAVE ACTUALLY COME MUCH CLOSER TOGETHER. THERE'S ACTUALLY BEEN SOME LEGISLATIVE CHANGES, PROP 117 THIS YEAR, THAT WILL CHANGE THIS PROCESS ENTIRELY STARTING WITH OUR FISCAL YEAR '16-'17 WHERE THERE WILL BE ONE ASSESSED VALUATION NUMBER AND IT WILL BE CAPPED AT A MAXIMUM 5% INCREASE EVERY YEAR. THERE WILL BE NO CAP ON HOW MUCH IT COULD DECREASE. SO BUT UNDER THE CURRENT SYSTEM YOU TAKE THE PRIMARY LEVY DIVIDED BY THE PRIMARY ASSESSED VALUATION, YOU COME UP WITH A PRIMARY TAX RATE, SHOWN HERE ON THE SCREEN OF 0.5342 FOR THE FISCAL YEAR '13-'14. AND THEN ON THE SCREEN IS JUST THE CONSOLIDATION OF BOTH OF THESE TAX LEVIES, THE PRIMARY LEVY AND SECONDARY LEVY. YOU CAN SEE WHAT IT WAS COMPARED TO LAST YEAR. A TOTAL LEVY OF \$62,367,000 AND THE PRIMARY AND SECONDARY TAX RATES LISTED BELOW TOTALS \$1.29.46 PER \$100 OF ASSESSED VALUATION. THESE ARE THE NUMBERS INCLUDED IN THE BUDGET NUMBERS YOU'LL HEAR ABOUT LATER TONIGHT AS WELL. SO THE ACTUAL ACTIONS AT THE END OF THIS HEARING TONIGHT WOULD BE TO ADOPT AN ORDINANCE, I'M SORRY, THE PRESENTATION, AGAIN, THE ACTION TONIGHT IS TO APPROVE A MOTION BY A ROLL CALL VOTE TO ADOPT THE ORDINANCE ON JUNE 18th. AGAIN, THIS IS STATE STATUTE THAT REQUIRES US TO WAIT TWO WEEKS FROM TONIGHT TO ACTUALLY ADOPT THE ORDINANCE.

[Time: 01:10:58]

Mayor Lane: ALL RIGHT, THANK YOU, LEE. I HAVE ONE QUESTION AND I'M NOT SURE IF IT COMES UP IN THE NEXT MEETING OR NOT BUT I WILL ASK. THE TRUTH IN TAXATION REQUIREMENTS FOR US TO POST AND TO DISCLOSE OUR, THE VERY SAME KIND OF INFORMATION WE JUST DID HERE NOW HAD NEWSPAPERS OR OTHERWISE, WHAT REQUIREMENTS DO WE HAVE AND WHAT FORM WILL THAT TAKE OR DO WE HAVE THAT ALREADY ESTABLISHED OR NOT?

Lee Guillory: ALL RIGHT, ACTUALLY, THE HEARING NOTICE FOR THE TRUTH IN TAXATION HEARING WAS REQUIRED TO BE IN THE "ARIZONA REPUBLIC" ON MAY 10th, WHICH WAS PRIOR TO THE COUNCIL MEETING WITH A FINAL DECISION ON WHETHER OR NOT THEY WERE GOING TO INCLUDE THE 2% ALLOWANCE OR NOT. AND BASED ON THAT DECISION, DRIVES WHETHER OR NOT IT'S A TRUTH IN TAXATION HEARING TONIGHT OR JUST A PROPERTY TAX HEARING. EITHER WAY THERE HAS TO BE A HEARING ON PROPERTY TAXES. SO THE CALCULATION TO DETERMINE WHETHER OR NOT IT'S A TRUTH IN TAXATION HEARING IS SHOWN ON THE OVERHEAD RIGHT NOW, AND IT'S THE TOTAL PRIMARY LEVY LESS THE GROWTH IN '13-'14. SO YOU TAKE THE \$25.655 MILLION, YOU REMOVE THE GROWTH OF \$237,000 AND YOU END UP WITH AROUND \$25.4 MILLION. HAD THAT NUMBER EXCEEDED LAST YEAR'S TOTAL LEVY OF \$25.485 MILLION, YOU WOULD HAVE ACTUALLY HAD TO HAVE A T AND T HEARING TONIGHT. THE ONLY DIFFERENCE IN THE T AND T HEARING VERSUS THE REGULAR PUBLIC HEARING IS THE NOTICE THAT'S PUBLISHED IN THE PAPER READS DIFFERENTLY. THERE'S A REQUIREMENT FOR THE T AND T HEARING TO USE PRECISE LANGUAGE, AND THE OTHER DIFFERENCE IS THAT TONIGHT, A MOTION WITH A T AND T HEARING MUST BE A ROLL CALL VOTE, A REGULAR HEARING I WOULD NOT NEED THAT.

Mayor Lane: AND IF I UNDERSTOOD YOU CORRECTLY, THIS WAS PUBLISHED PRIOR TO THIS MEETING, OF COURSE, SOMETIME EARLIER IN MAY?

Lee Guillory: THAT IS CORRECT. WE'RE REQUIRED TO POST IT TWICE, SO IT WAS POSTED IN THE PAPER ON MAY 17 AND MAY 25.

[Time: 01:13:05]

Mayor Lane: DID IT INDICATE A DECLINE ON THE 2% ALLOWANCE OR DID IT INCLUDE IT?

Lee Guillory: THE NOTICE INDICATED THAT THE COUNCIL MAY INCREASE THE PROPERTY TAX RATE AND THE NUMBERS QUOTED INCLUDED THE 2% ALLOWANCE OF APPROXIMATELY \$500,000. THE PURPOSE BEHIND THAT WAS TO GIVE THE COUNCIL THAT ABILITY TO DO SO IF THEY DECIDED TO DO THAT.

Mayor Lane: I SEE. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: SO, OKAY, IN TERMS OF BOTH THE PRIMARY AND SECONDARY PROPERTY TAX, OUR VALUATIONS WENT DOWN SO WE INCREASED THE RATE SO WE SLIGHTLY INCREASED THE AMOUNT OF PRIMARY AND SECONDARY PROPERTY TAX THAT WILL BE COLLECTED. IS THAT A CORRECT SUMMARY?

Lee Guillory: THAT IS CORRECT. THE AMOUNT OF PRIMARY LEVY INCREASED DUE TO THE NEW CONSTRUCTION THAT WAS ADDED TO THE TAX ROLL OF \$237,000. IT DECREASED IN THE FACT THAT THE TORT RECOVERY IS SLIGHTLY LESS OVERALL. IT IS AN INCREASE OF MAYBE \$100,000.

Councilman Littlefield: WELL, BUT THAT'S NOT A STATUTORY REQUIREMENT, THAT'S THE WAY WE INTERPRET IT?

Lee Guillory: THAT'S CORRECT.

Councilman Littlefield: WE COULD HAVE INCREASED THE RATE JUST ENOUGH SO THE AMOUNT COLLECTED THIS YEAR WOULD BE THE SAME AS COLLECTED LAST YEAR?

Lee Guillory: YES, THAT IS COUNCIL'S.....

Councilman Littlefield: IN BOTH CASES.

Lee Guillory: YES.

Councilman Littlefield: THE FACT THAT WE'RE COLLECTING MORE, NOT MUCH MORE, BUT MORE IN EACH CASE IS A DECISION WE'RE MAKING?

Lee Guillory: MAYOR, MEMBERS OF COUNCIL, THAT IS CORRECT.

Councilman Littlefield: AND NOW REPEAT AGAIN AS TO WHY WE DON'T HAVE TO HAVE A TRUTH IN TAXATION?

Lee Guillory: THE TRUTH IN TAXATION HEARING IS RELATED ONLY TO THE PRIMARY LEVY AND IT'S ONLY REQUIRED IF THE NEW LEVY EXCEEDS THE PRIOR YEAR'S LEVY AFTER TAKING OUT THE GROWTH THAT'S JUST ADDED INTO THE '13-'14 YEAR.

[Time: 01:15:10]

Councilman Littlefield: OKAY. SO YOU'RE SAYING THAT BECAUSE THIS YEAR'S PRIMARY LEVY ONLY REFLECTS THE \$237,000, A TRUTH IN TAXATION HEARING IS NOT REQUIRED?

Lee Guillory: PARTIALLY CORRECT. HAD THE TORT RECOVERY INCREASED MORE THAN THE \$213,000 FROM THE PRIOR HEARING, THAT COULD HAVE TRIGGERED A TRUTH IN TAXATION HEARING. FOR THAT REASON AS WELL, THERE WAS NO T AND T HEARING REQUIRED.

Councilman Littlefield: WE COULD ALSO IF WE WANTED TO SAY MAKE THE RATE LOWER?

Lee Guillory: MAKING THE RATE LOWER WOULD REDUCE THE LEVY.

Councilman Littlefield: YES.

Lee Guillory: AND YOUR BUDGET WOULD NOT BE IN BALANCE AT THAT POINT AS WELL.

Councilman Littlefield: OKAY. THANK YOU.

Mayor Lane: THANK YOU, COUNCILMAN. IF I MIGHT JUST FOR CLARIFICATION FOR THE AUDIENCE AS WELL AS MEMBERS OF COUNCIL, THE GROWTH DUE TO NEW CONSTRUCTION IS NOT EFFECTIVELY A TAX INCREASE, IT'S AN INCREASE IN THE TAX LEVY DUE TO NEW IMPROVEMENTS ON REAL ESTATE?

Lee Guillory: MAYOR LANE, THAT IS CORRECT. IT IS DUE TO SOMEBODY MAKING ADDITIONS TO EXISTING PROPERTY OR NEW CONSTRUCTION ENTIRELY AND IT'S JUST ASSESSED A RATE FROM LAST, THE PRIOR YEAR.

Mayor Lane: AND IF THAT'S AT \$237,000, THAT CAN'T BE, 237 YEAH, YEAH, \$237,000, AND THE TORT RECOVERY WAS REDUCED, THERE'S A SLIGHT REDUCTION OF ABOUT \$100,000. DO I HAVE THAT RIGHT? NO, ACTUALLY THE TOTAL PRIMARY LEVY IS UP BY 100 SOME ODD THOUSAND.

Lee Guillory: YOU ARE CORRECT. THE AMOUNT IS UP DUE TO THE NEW CONSTRUCTION ENTIRELY, \$237,000, AND THEN THERE IS A SLIGHT REDUCTION DUE TO THE TORT RECOVERY.

Mayor Lane: BUT THE TRUTH IN TAXATION REQUIREMENTS AND DISCLOSURE IS WITHOUT GROWTH DUE TO NEW CONSTRUCTION? TYPICALLY?

Lee Guillory: THAT'S CORRECT. THE CALCULATION WOULD BE TO TAKE THE '13-'14 PRIMARY LEVY AT \$26.55 MILLION, REDUCE IT BY THE \$237,000 OF GROWTH, COMPARE THAT TO THE \$25.48 MILLION '12-'13 TOTAL LEVY. AND IF THE '13-'14 LEVY IS HIGHER AFTER REMOVING THAT GROWTH, THAT TRIGGERS THE TRUTH IN TAXATION HEARING.

Mayor Lane: AND THE REASON THAT GROWTH DUE TO NEW CONSTRUCTION IS NOT INCLUDED IS SIMPLY BECAUSE IT'S NOT A TAX INCREASE ON EXISTING TAX HOLDERS?

Lee Guillory: THAT'S CORRECT.

Mayor Lane: OR TAXPAYERS. THANK YOU. COUNCILMAN ROBBINS.

[Time: 01:18:03]

Councilman Robbins: THANK YOU, MAYOR. LET ME ASK YOU A SIMPLE QUESTION. EXISTING TAXPAYERS, WILL THEY SEE AN INCREASE IN THE AMOUNT OF PROPERTY TAXES PAID FROM LAST YEAR?

Lee Guillory: MAYOR AND COUNCILMAN ROBBINS, THAT DEPENDS ON HOW THEIR ASSESSED VALUATION CHANGED.

Councilman Robbins: TAKEN AS A WHOLE, THOUGH.

Lee Guillory: TAKEN AS A WHOLE, THERE WOULD BE A SLIGHT INCREASE EVEN IF THE ASSESSED VALUATION REMAINED COMPLETELY FLAT BECAUSE WE'RE GOING FROM A TOTAL LEVY OF \$62.187 MILLION TO \$62.367 BUT THE MAJORITY OF THAT WOULD BE ABSORBED BY THE NEW GROWTH, THE NEW CONSTRUCTION ADDED TO THE TAX ROLL.

Councilman Robbins: SO THE 187 TO THE 367.

Lee Guillory: THAT'S ABOUT \$180,000, SO THAT'S ACTUALLY LESS THAN THE NEW GROWTH.

Councilman Robbins: CORRECT.

Lee Guillory: THERE ACTUALLY IS A DECREASE.

Councilman Robbins: SO THE EXISTING TAX BASE IS ACTUALLY SEEING LESS TAXES BEING TAKEN THAN LAST YEAR?

Lee Guillory: THAT IS CORRECT.

Councilman Robbins: THANK YOU.

Mayor Lane: THANK YOU, COUNCILMAN. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: NO, THAT'S ACTUALLY NOT TRUE. THE BOTTOM LINE IS WE'RE GOING TO COLLECT MORE PROPERTY TAX, YES OR NO?

Lee Guillory: MORE PROPERTY TAXES FROM MORE CONSTRUCTION, NEW VALUATIONS ON THE TAX ROLL.

Councilman Littlefield: WELL, BUT THE ONLY NEW CONSTRUCTION YOU'VE GOT IS \$237,000, IS THAT RIGHT.

Lee Guillory: THAT'S CORRECT AND THE LEVY IS GOING UP \$180,000.

Councilman Littlefield: AND YOU GOT \$237,000 IN NEW CONSTRUCTION ON A BASE OF WHAT VALUATION?

[Time: 01:19:55]

Lee Guillory: ABOUT \$5 BILLION.

Councilman Littlefield: YEAH. ALL RIGHT. SO ALL OTHER THINGS BEING EQUAL, THE AVERAGE HOMEOWNER DEPENDING ON HOW THEIR VALUE STAYS THE SAME, AND SINCE NOT EVERYBODY GETS ASSESSED EVERY YEAR, REASSESSED, MY VALUE, IF MY HOME VALUE THIS YEAR IS THE SAME AS LAST YEAR AND WE UP THE TAX RATE, I'M GOING TO PAY MORE.

Lee Guillory: THAT IS CORRECT, IF YOUR ASSESSED VALUATION IS VALUED EXACTLY THE SAME AS IT WAS IN THE PRIOR YEAR THAT, HOME OR PROPERTY OWNER COULD SEE AN INCREASE BECAUSE THE OVERALL CITY'S VALUATIONS DROPPED.

Councilman Littlefield: OKAY. THANK YOU.

Mayor Lane: WELL, I GOT TO SAY, WE'VE THROWN A NUMBER OF THINGS AROUND HERE BUT THE BOTTOM LINE IS THAT IF, IN FACT, YOU HAVE AN INCREASE IN THE TAX LEVY DUE TO IMPROVEMENTS ON REAL ESTATE, IT DOESN'T MATTER WHETHER IT'S NEW CONSTRUCTION OR INCREASES TO THE VALUATION AS TIED TO IMPROVEMENTS ON THAT PROPERTY, THE EXISTING TAXPAYERS AS A WHOLE,

REALIZING THERE'S VARYING CONDITIONS IN EVERY INSTANCE, AS TO WHETHER YOUR VALUATION INDIVIDUALLY STAYS THE SAME OR WENT UP OR OTHERWISE BUT ON THE WHOLE, THAT'S ABOUT THE ONLY WAY WE CAN LOOK AT IT WITH ANY ACCURACY IS TO SAY THAT THERE IS NO, THERE'S A VERY SMALL REDUCTION ALL THINGS CONSIDERED ULTIMATELY, SO I THINK THAT REALLY, THAT'S THE SITUATION AND IF WE HAVE TO SAY IT AGAIN, I SUPPOSE WE'LL GO ANOTHER ROUND BUT NEVERTHELESS, I THINK THAT'S WHERE IT'S AT. COUNCILWOMAN KORTE.

Councilmember Korte: THANK YOU, MAYOR, I'D LIKE TO MAKE A MOTION. BY ROLL CALL VOTE APPROVE A MOTION TO LEVY THE PROPOSED PROPERTY TAXES AND TAXES TO BE ASSESSED BY ORDINANCE ON JUNE 18th, 2013.

[Time: 01:21:54]

Councilwoman Milhaven: SECOND.

Mayor Lane: MOTION HAS BEEN MADE AND SECONDED. WOULD SECOND LIKE TO SPEAK TO IT AT ALL? VERY GOOD. OKAY. WE'RE GOING TO DO IT WITH A ROLL CALL VOTE AND OF COURSE YOU KNOW THE MOTION ON IS TO ACCEPT IT AS IT'S BEEN PRESENTED. LET'S START WITH THE COUNCILMAN ROBBINS.

Councilman Robbins: AYE.

Councilwoman Milhaven: AYE.

Vice Mayor Klapp: YES.

Mayor Lane: AYE.

Councilman Littlefield: NO.

Councilmember Korte: AYE.

Councilmember Phillips: NAY.

Mayor Lane: ALL RIGHT. SO THERE IS THE ROLL CALL VOTE ON THAT WITH A 5-2 WITH COUNCILMAN LITTLEFIELD AND COUNCILMAN PHILLIPS OPPOSING. SO THANK YOU VERY MUCH. WE APPRECIATE THAT.

ITEM 27 – PUBLIC HEARING ON PROPOSED FISCAL YEAR 2013/14 MUNICIPAL STREETLIGHT IMPROVEMENT DISTRICT EXPENSES AND PROPERTY TAX LEVY (BY DISTRICT)

[Time: 01:22:48]

Mayor Lane: ALL RIGHT, ITEM 27, PUBLIC HEARING ON PROPOSED FISCAL YEAR 2013 MUNICIPAL STREET LIGHT IMPROVEMENT DISTRICT EXPENSES AND PROPERTY TAX LEVIES BY DISTRICT, LEE, I DIDN'T REALLY MEAN TO DISMISS YOU. YOU'RE HERE WITH US.

Lee Guillory: MAYOR AND COUNCIL, YES, THIS IS THE STREET LIGHT DISTRICT PROPERTY TAX HEARING AND ON YOUR SCREEN BEFORE YOU IS THE HISTORY OF THE FISCAL YEAR '12-'13 LEVY AND FISCAL YEAR '13-'14 LEVY. WAIT WE CALCULATED THE LEVY FOR FISCAL YEAR '13-'14 IS BEING DONE DIFFERENTLY THAN IT HAS IN THE PAST. WHILE THE ENERGY COSTS ARE SIMILAR FOR ONE YEAR TO THE NEXT, WE'RE ACTUALLY OFFSETTING THE '13-'14 LEVY BY ACCUMULATED RESERVES WITHIN THE DISTRICTS. THERE ARE 355 STREET LIGHT DISTRICTS. THEY ALL HAVE THEIR OWN INDIVIDUAL RESERVES, SO THE GOAL THIS YEAR WAS TO REFUND A LOT OF THESE RESERVES AND ALSO SOME MAINTENANCE COSTS THAT WERE LEVIED IN THE PRIOR YEAR BECAUSE THE LEVY SHOULD BE JUST FOR THE ENERGY COSTS AND NOT MAINTENANCE OF MAINTAINING THESE STREET LIGHT DISTRICTS. BASED ON THE NEW CALCULATION, YOU'LL SEE THAT THE LEVY IN FISCAL YEAR '13-'14 WOULD ACTUALLY BE CONSIDERABLY LESS THAN THE PRIOR YEAR AND WOULD BE AT A \$396,000, RESULTING IN ACTUAL SEVERAL OF THE DISTRICTS HAVING A ZERO LEVY THIS YEAR. WE WOULD ALSO STILL HAVE APPROXIMATELY \$50,000 IN RESERVES FROM VARIOUS LEVIES, VARIOUS DISTRICTS THAT HAVEN'T BEEN REFUNDED THAT WILL BE USED TO HELP OFFSET THE '14-'15 LEVY FOR THE STREET LIGHTS. FOR THE FOLLOWING YEAR AFTER THAT, WE WOULD BE BACK UP TO THE TRUE ENERGY COSTS OF ABOUT \$570,000, DEPENDING ON WHAT APS AND SRP CHARGES FOR THE ENERGY COSTS.

Mayor Lane: THIS REQUIRES A ROLL CALL VOTE ON THIS BUT I DO HAVE JUST A SIMPLE OBSERVATION, I THINK YOU MADE IT SLIGHT BUT NEVERTHELESS, IN USING THESE RESERVES WHICH WE FIND NO LONGER FOR NECESSARY BECAUSE IT'S NOT FOR MAINTENANCE, ONLY FOR ENERGY COSTS, WE'RE APPLYING \$159,000 OF THAT IN THE CURRENT YEAR AND ACTUALLY ACCUMULATED RESERVES AND THE MAINTENANCE REFUND, SO A TOTAL OF ABOUT \$168,000 OR \$169,000, THAT WILL NOT BE REPEATED EXCEPT TO THE EXTENT RESERVES CONTINUE TO EXIST, SOMEWHERE IN THE AREA OF AROUND \$50,000 IF I HEARD YOU RIGHT.

[Time: 01:25:33]

Lee Guillory: THAT'S COMPLETELY RIGHT, MR. MAYOR.

Mayor Lane: THIS YEAR IT WILL UNDOUBTEDLY GO UP BUT NOT TO THE FULL COST OF THE ENERGY COSTS AND THE FOLLOWING YEAR IT WILL BE ENERGY COSTS ALONE.

Lee Guillory: THAT'S CORRECT.

Mayor Lane: THANK YOU VERY MUCH. AND I'D CALL FOR A MOTION TO CONSIDER THE ADOPTION OF PROPOSED 2013-14 STREET LIGHT PROPERTY TAX LEVIES.

Councilman Robbins: CAN I ASK A QUESTION FIRST?

Mayor Lane: I'M SORRY, YES.

Councilman Robbins: YOU TALK ABOUT ENERGY COSTS, WHO PAYS THE LABOR TO REPLACE AND TO MAINTAIN EACH OF THESE DISTRICTS?

Lee Guillory: MAYOR AND COUNCIL MEMBERS, THERE'S ACTUALLY APS DISTRICTS AND SRP DISTRICTS. UP UNTIL ABOUT TWO YEARS AGO, BOTH OF THE UTILITIES DID THEIR OWN MAINTENANCE AND BUILT IT INTO THE ENERGY COSTS THEY INVOICED TO THE CITY. IT WAS A COUPLE YEARS AGO THAT SRP SAID THEY WERE NO LONGER GOING TO MAINTAIN THEIR STREET LIGHT DISTRICTS, THEN THE CITY STARTED DOING THEIR OWN MAINTENANCE AND SO ON. THE APS DISTRICTS, IT'S STILL BUILT INTO THE ENERGY CHARGE COMING FROM APS AND BEING BILLED DOWN TO THE INDIVIDUAL DISTRICTS BECAUSE THE STATE STATUTE SPECIFICALLY SAYS IT CAN BE ENERGY COSTS ONLY, WE ARE NOT ALLOWED TO THEN LEVY WITHIN THE SRP DISTRICTS TO COVER THOSE MAINTENANCE COSTS, SO CERTAINLY THE CITY IS ABSORBING THE MAINTENANCE COSTS.

Councilman Robbins: DO WE HAPPEN TO KNOW HOW MUCH THAT COSTS EVERY YEAR?

Lee Guillory: WELL, IT VARIES FROM YEAR TO YEAR SO, IN '11-'12 THE MAINTENANCE COSTS WERE A LITTLE OVER \$9,000 AND THE PRIOR YEAR TO THAT, THEY WERE \$18,000. SO THEY'VE BEEN RATHER MINOR BUT IT'S ALSO BECAUSE NONE OF THE STREET LIGHT POLES HAVE BEEN REPLACED. IT'S BEEN BASICALLY MAINTENANCE AND NOT REPLACEMENT.

[Time: 01:27:27]

Councilman Robbins: SO IF IT COMES TO REPLACEMENT, THEN THAT WOULD FALL ON THE CITY AS WELL?

Lee Guillory: YES. THERE WAS AN ATTEMPT THIS YEAR TO GET THE LEGISLATIVE LANGUAGE CHANGED TO ALSO INCLUDE THE MAINTENANCE COSTS, BUT THAT LEGISLATIVE ACTION DID NOT PROCEED.

Councilman Robbins: OKAY. THANK YOU. THEN MAYOR, I'LL MAKE A MOTION BY ROLL CALL VOTE TO APPROVE THE ADOPTION OF THE PROPOSED FISCAL YEAR 2013-14 STREET LIGHT LEVIES DURING COUNCIL'S JUNE 18th, 2013, MEETING.

Councilmember Korte: SECOND.

Mayor Lane: MADE AND SECONDED. ANY FURTHER COMMENT FROM EITHER THE SECONDER OR ANYONE ELSE? SEEING NONE, WE WILL START WITH A ROLL CALL VOTE. I'LL START WITH COUNCILMAN PHILLIPS.

Councilmember Phillips: AYE.

Councilmember Korte: AYE.

Councilman Littlefield: AYE.

Mayor Lane: AYE.

Vice Mayor Klapp: AYE.

Councilwoman Milhaven: AYE.

Councilman Robbins: AYE.

Mayor Lane: UNANIMOUS ACCEPTANCE THEN. THANK YOU, AGAIN, LEE. MOVE ON TO ITEM 28, WHICH IS THE FINAL BUDGET HEARING ON THE FISCAL YEAR '13-'14 BUDGET. MR. WORTH OR MR. SMITH.

ITEM 28 – FINAL PUBLIC HEARING ON THE FISCAL YEAR 2013/14 BUDGET

[Time: 01:28:57]

Acting City Manager Dan Worth: MAYOR, MEMBERS OF COUNCIL, THIS WILL BE A SHORT PRESENTATION. THE ACTION IS THE FINAL PUBLIC HEARING WHICH IS REQUIRED BEFORE YOU TO CONSIDER THE BUDGET FOR ADOPTION. THE ACTUAL CONSIDERATION OF THE BUDGET FOR ADOPTION IS GOING TO BE IN A SPECIAL MEETING, WE'RE GOING TO ADJOURN. AFTER ADJOURNMENT OF THIS MEETING, WE'LL RECONVENE FOR THE SPECIAL SESSION TO CONSIDER BUDGET ADOPTION. THIS IS WHAT THE BUDGET LOOKS LIKE INCORPORATING THE CHANGES THAT YOU'VE DIRECTED OVER THE SERIES OF BUDGET HEARINGS AND BUDGET MEETINGS THAT WE'VE CONDUCTED OVER THE LAST SEVERAL MONTHS. THIS IS THE TOTAL BUDGET, THE TOTAL OF ALL THE CITY'S OBLIGATIONS, REGARDLESS OF FUND SOURCE, INCLUDING THE CAPITAL BUDGET, THE OPERATING BUDGETS. THIS IS A QUICK SUMMARY FOCUSING ON THE GENERAL FUND OPERATING BUDGET. IT SHOWS SOURCES AND USES, BALANCE. WE WOULD POINT OUT THAT THAT IS A RESULT AT LEAST IN PART OF THE USE OF UNRESERVED FUNDS. WE'RE PROJECTING AN UNRESERVED FUND BALANCE AT THE END THIS YEAR THAT WILL ALLOW YOU SEE UNDER THE LEFT HAND COLUMN SOURCES OF \$9.4 MILLION TO KEEP OUR BUDGET BALANCED AND THE OPERATING BUDGET FOR NEXT YEAR, AND THEN YOU CAN SEE THE SUMMARY AT THE BOTTOM. WE PROJECT WITH THAT USE OF UNRESERVED FUNDS AND WITH THE EXPECTED SOURCES AND USES THROUGH THE COURSE OF THE YEAR WEEK GOING TO END UP WITH A FUND BALANCE OF \$2 MILLION AT THE END OF FISCAL YEAR '13-'14 AND WITH THAT, I WILL ASK IF THERE ARE ANY QUESTIONS.

[Time: 01:30:40]

Mayor Lane: I THINK WE HAVE NO QUESTIONS.

Dan Worth: THAT CONCLUDES THE PRESENTATION.

Mayor Lane: AND THE ACTION THEN TONIGHT, THEN, IS TO.....

Councilman Littlefield: AFTER WE DO EVERYTHING ELSE.

Mayor Lane: WE HAVE NO PUBLIC TESTIMONY?

Dan Worth: MAYOR, IF I MAY, THERE'S NO ACTION REQUIRED. THIS IS THE FINAL PUBLIC HEARING. THE ACTUAL WILL BE THE CONSIDERATION FOR ADOPTION WHEN WE RECONVENE IN THE SPECIAL MEETING.

Mayor Lane: VERY GOOD. THANK YOU, MR. WORTH.

MAYOR AND COUNCIL ITEMS

ITEM 29 – REQUEST TO AGENDIZE A HEARING TO DETERMINE CONDITIONAL ZONING STIPULATION COMPLIANCE (BLUE SKY ZONING CASE)

[Time: 01:31:30]

Mayor Lane: OKAY, WE HAVE NEXT ITEMS ARE MAYOR AND COUNCIL ITEMS, ITEM 29 WHICH IS A REQUEST TO AGENDIZE HEARING TO DETERMINE ADDITIONAL ZONING STIPULATION COMPLIANCE. THIS IS AT THE REQUEST OF COUNCILMAN PHILLIPS. COUNCILMAN PHILLIPS?

Councilmember Phillips: WELL, YES, THAT'S WHAT I'D LIKE TO DO IS REQUEST TO AGENDIZE THE HEARING. I THINK IN THE FINAL ANALYSIS, THAT COUNCIL SHOULD BE THE ONE TO MAKE THE DECISION, WHETHER YOU AGREE TO GO AHEAD OR NOT, I DON'T THINK WE SHOULD JUST ALLOW IT TO DEFAULT, SO I'D LIKE TO HAVE THE FINAL THING AND THE FINAL VOTE AND HAVE IT TAKEN CARE OF HERE.

Mayor Lane: ALL RIGHT. SO THIS IS A REQUEST TO AGENDIZE A HEARING TO DETERMINE THE CONDITIONAL ZONING STIPULATION COMPLIANCE. AND SO THAT REQUEST IS ON THE TABLE. DO WE HAVE A MOTION IN.

Councilman Littlefield: SO MOVED.

Mayor Lane: MOTION HAS BEEN MADE.

Councilmember Phillips: I'LL SECOND IT.

Mayor Lane: AND SECONDED. ALL RIGHT. THEN UNLESS THERE'S ANY FURTHER COMMENT, OF COURSE THIS IS JUST A MOTION TO AGENDIZE THAT HEARING. WE ARE READY THEN TO VOTE ON THE MOTION. ALL THOSE IN FAVOR PLEASE INDICATE WITH AN AYE. ALL THOSE OPPOSED WITH A NAY. MOTION HAS FAILED 5-2 WITH COUNCILMAN LITTLEFIELD AND COUNCILMAN PHILLIPS FOR IT. THAT COMPLETES ITEM 29.

ITEM 30 – BOARDS, COMMISSIONS AND TASK FORCE NOMINATIONS

[Time: 01:32:56]

Mayor Lane: WE NOW WILL MOVE TO OURS AND COMMISSION TASK FORCE NOMINATIONS AND FOR THAT SPECIAL PRIVILEGE, I'LL TURN THIS OVER TO THE VICE MAYOR.

Vice Mayor Klapp: THANK YOU, MAYOR AND IT IS, INDEED A PRIVILEGE. THIS EVENING THE COUNCIL WILL BE NOMINATING SCOTTSDALE RESIDENTS INTERESTED ON SERVING ON FIVE CITIZEN ADVISORY BOARDS AND CONDITIONS. THE FIVE WITH VACANCIES ARE THE AIRPORT ADVISORY COMMISSION, THE BUILDING ADVISORY BOARD OF APPEALS, HUMAN SERVICES COMMISSION, NEIGHBORHOOD

ADVISORY COMMISSION, AND THE TRANSPORTATION COMMISSION. THOSE NOMINATED WILL BE INTERVIEWED AT THE CITY COUNCIL MEETING ON TUESDAY, JUNE 18th AND APPOINTMENTS WILL BE FOLLOWING EIGHT SEPARATE INTERVIEWS. TO BEGIN WE'LL START WITH THE AIRPORT ADVISORY COMMISSION, THIS COMMISSION ADVISES THE COUNCIL ON AVIATION-RELATED ISSUES INCLUDING MAINTENANCE AND OPERATIONS, RULES AND REGULATIONS, PROPOSED DEVELOPMENT, LEASES, FUTURE ROLE OF THE AIRPORT AND SAFETY MATTERS. BOTH MICHAEL GOODE ARE ELIGIBLE FOR A SECOND TERM AND HAVE SUBMITTED APPLICATIONS. THERE ARE TWO VACANCIES AND THREE APPLICANTS. THE APPLICANTS ARE MICHAEL GOODE, BRUCE PERRYMAN AND WILLIAM SHUCKERT. EACH COUNCIL MEMBER WILL NOMINATE TWO APPLICANTS. I'LL NOW ENTERTAIN NOMINATIONS AND I'LL START TO MY RIGHT FOR A CHANGE. WE'LL START WITH COUNCILMAN ROBBINS.

Councilman Robbins: THANK YOU, VICE MAYOR. I WILL NOMINATE MICHAEL GOODE AND WILLIAM SHUCKERT.

Vice Mayor Klapp: COUNCILWOMAN MILHAVEN.

Councilwoman Milhaven: NO ADDITIONAL.

Vice Mayor Klapp: I HAVE NO ADDITIONAL.

Mayor Lane: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMAN LITTLEFIELD.

Councilman Littlefield: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMEMBER KORTE.

Councilmember Korte: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMAN PHILLIPS.

Councilmember Phillips: NO ADDITIONAL.

[Time: 01:34:43]

Vice Mayor Klapp: THANK YOU. WE HAVE TWO PEOPLE, MICHAEL GOODE AND WILLIAM SHUCKERT WHO ARE NOMINATED AND WILL BE INTERVIEWED AT THE NEXT MEETING. NEXT IS THE BUILDING ADVISORY BOARD OF APPEALS. THIS BOARD HAS THE AUTHORITY TO RECOMMEND MINOR VARIANCES OF THE BUILDING CODE BE GRANTED AND ALTERNATIVE CONSTRUCTION BE ALLOWED. BOTH MIKE BERGFELDT AND BILL SCHWEIKERT ARE ELIGIBLE FOR THE SECOND TERM. I'LL ENTERTAIN NOMINATIONS FOR THE VACANCIES ON THIS BOARD AND EACH COUNCIL MEMBER MAY NOMINATE TWO APPLICANTS. COUNCILWOMAN MILHAVEN.

Councilwoman Milhaven: MR. BERGFELDT AND MR. SCHWEIKERT.

Vice Mayor Klapp: WE HAVE NO ADDITIONAL. I DON'T KNOW THAT WE NEED TO GO THROUGH THE REST OF IT. WE HAVE TWO. WE HAVE TWO NOMINATIONS AND THEY ARE MIKE BERGFELDT AND BILL SCHWEIKERT AND THEY WILL BE INTERVIEWED. NEXT WE MOVE ON TO THE HUMAN SERVICES COMMISSION. THIS COMMISSION PROVIDES ADVISORY RECOMMENDATIONS ON HUMAN SERVICES PRIORITIES AND PROGRAMS AND FUNDING ALLOCATIONS FOR SCOTTSDALE CARES, CDBG BLOCK GRANTS, HOME AND GENERAL FUNDS. ENID SEIDEN IS ELIGIBLE FOR A SECOND TERM. THERE'S ONE VACANCY AND SIX APPLICANTS. JANICE JOHNSON, RONALD KING, HAROLD ROTH, DANIEL RUSSELL III, ENID SEIDEN AND JO ANN WOODWARD. I'LL ENTERTAIN THE NOMINATIONS AND EACH COUNCILPERSON CAN NOMINATE ONE PERSON. I'LL START WITH ENID SEIDEN. MAYOR?

[Time: 01:36:23]

Mayor Lane: I'LL STICK WITH ENID SEIDEN AND RON KING.

Vice Mayor Klapp: COUNCILMAN LITTLEFIELD?

Management Assistant to the Mayor Rachel Smetana: I'M SORRY, VICE MAYOR, JUST ONE NOMINATION.

Vice Mayor Klapp: THAT'S RIGHT, WE CAN ONLY DO ONE.

Mayor Lane: JUST RON KING.

Vice Mayor Klapp: RON KING, OKAY. COUNCILMAN LITTLEFIELD?

Councilman Littlefield: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMEMBER KORTE.

Councilmember Korte: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMAN PHILLIPS?

Councilmember Phillips: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMAN ROBBINS.

Councilman Robbins: NO ADDITIONAL.

[Time: 01:36:49]

Vice Mayor Klapp: WE HAVE TWO PEOPLE NOMINATED, RONALD KING AND ENID SEIDEN. NEXT IS THE NEIGHBORHOOD ADVISORY COMMISSION. THIS 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. THERE'S ONE VACANCY AND FOUR APPLICANTS FOR THE NEIGHBORHOOD

ADVISORY COMMISSION. THEY ARE JORDAN LEDBETTER, TODD MAZON, JOE MELI AND DANIEL RUSSELL III. I'LL ENTERTAIN NOMINATIONS. WE'LL BEGIN WITH MAYOR LANE.

Mayor Lane: DANIEL RUSSELL.

Vice Mayor Klapp: COUNCILMAN LITTLEFIELD.

Councilman Littlefield: NONE.

Vice Mayor Klapp: COUNCILMEMBER KORTE.

Councilmember Korte: JOE MELI.

Vice Mayor Klapp: COUNCILMAN PHILLIPS?

Councilmember Phillips: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMAN ROBBINS?

Councilman Robbins: TODD MAZONE.

Vice Mayor Klapp: COUNCILWOMAN MILHAVEN.

Councilwoman Milhaven: NO ADDITIONAL.

Vice Mayor Klapp: AND I HAVE NO ADDITIONAL. WE HAVE THREE PEOPLE NOMINATED.

[Time: 01:38:03]

Vice Mayor Klapp: AND FINALLY, WE HAVE THE TRANSPORTATION COMMISSION, WHICH ADVISES THE CITY COUNCIL ON MATTERS RELATING TO THE SAFE AND EFFICIENT MOVEMENT OF VEHICLES, TRANSIT, PEDESTRIANS AND BICYCLES. THERE IS ONE VACANCY AND TWO APPLICANTS. THE APPLICANTS ARE MICHAEL LIBURDI AND MATTHEW WRIGHT. I'LL NOW ENTERTAIN NOMINATIONS. EACH COUNCILPERSON CAN NOMINATE ONE PERSON. SO WE'LL BEGIN WITH COUNCILMAN LITTLEFIELD.

Councilman Littlefield: NONE.

Vice Mayor Klapp: COUNCILMAN KORTE.

Councilmember Korte: MATTHEW WRIGHT.

Vice Mayor Klapp: COUNCILMAN PHILLIPS?

Councilmember Phillips: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILMAN ROBBINS?

Councilman Robbins: NO ADDITIONAL.

Vice Mayor Klapp: COUNCILWOMAN MILHAVEN.

Councilwoman Milhaven: NO ADDITIONAL.

Vice Mayor Klapp: I HAVE NO ADDITIONAL. MAYOR.

Mayor Lane: MICHAEL LIBURDI.

Vice Mayor Klapp: WE HAVE TWO PEOPLE NOMINATED FOR INTERVIEWS, MICHAEL LIBURDI AND MATTHEW WRIGHT. CITY STAFF WILL CONTACT THOSE NOMINATED AND PROVIDE THEM ADDITIONAL INFORMATION ABOUT THE INTERVIEW PROCESS. I'D LIKE TO TAKE THIS OPPORTUNITY TO SINCERELY THANK ALL WHO APPLIED TO SERVE ON A CITIZEN ADVISORY BOARD OR COMMISSION. EVEN IF YOU WERE NOT NOMINATED YOUR APPLICATION WILL REMAIN ON FILE FOR ONE YEAR FOR CONSIDERATION AT A FUTURE DATE IF THERE ARE ADDITIONAL VACANCIES. SO I'LL TURN IT BACK TO YOU, MAYOR.

Mayor Lane: THANK YOU, VICE MAYOR. COMPLETES OUR ITEMS OF THE REGULAR AGENDA AND MAYOR AND COUNCIL ITEMS. WE HAVE NO ADDITIONAL PUBLIC COMMENT AND WE HAVE NOT RECEIVED ANY PETITIONS.

ADJOURNMENT

[01:39:33]

Mayor Lane: SO WE ARE IN A POSITION, I WOULD ACCEPT A MOTION TO ADJOURN THE COUNCIL'S REGULAR MEETING AT THIS TIME.

Councilman Littlefield: MOTION TO ADJOURN.

Mayor Lane: SECOND?

Councilmember Korte: SECOND.

Mayor Lane: ALL IN FAVOR OF ADJOURNMENT INDICATE BY AYE. WE ARE ADJOURNED.

SPECIAL MEETING

[Time: 01:39:50]

Mayor Lane: IMMEDIATELY, UNLESS THERE'S A NEED OF A BREAK, WE WILL GO AHEAD AND CALL TO ORDER THE COUNCIL SPECIAL MEETING. SAME DATE, APPROXIMATELY 6:45. WE HAVE ONE ITEM ON

THIS SPECIAL MEETING AND THAT IS THE ADOPTION OF THE FINAL BUDGET FISCAL YEAR 2013/14 AND WE HAVE JUDY MCILROY.

Judy McIlroy: MAYOR AND MEMBERS OF THE COUNCIL, WE DO NOT HAVE A PRESENTATION.

Mayor Lane: BEYOND WHAT WE ALREADY HAD. THEN I'LL ACCEPT A MOTION ON THE ADOPTION OF THE FINAL BUDGET ESTIMATES, FISCAL YEAR 2013-14.

Councilman Robbins: MAYOR, I MOVE WE APPROVE AND ADOPT ORDINANCE 4095 SETTING THE FINAL BUDGET ESTIMATES FOR THE 2013-14 OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN AS TENTATIVELY APPROVED ON MAY14, 2013, WITH ADJUSTMENTS FOR CONTINGENCIES AND RESERVES PER APPROVED FINANCIAL POLICIES.

Councilwoman Milhaven: SECOND.

Mayor Lane: MOTION MADE AND SECONDED. NO FURTHER COMMENT BEING HEARD, I THINK WE'RE READY TO VOTE. ALL THOSE IN FAVOR RESPOND WITH AN AYE. THOSE OPPOSED WITH A NAY. THE AYES HAVE IT. ALL RIGHT.

ADJOURNMENT

[Time: 01:41:17]

Mayor Lane: I'LL ACCEPT A MOTION TO ADJOURN THE SPECIAL CITY COUNCIL MEETING AND.....

Councilmember Phillips: SO MOVED.

Mayor Lane: MOVED. SECONDED. ALL THOSE IN FAVOR OF ADJOURNMENT OF THE SPECIAL CITY COUNCIL MEETING PLEASE INDICATE BY AYE OR NAY THOSE OPPOSED. WE ARE ADJOURNED TO THE SPECIAL MEETING. WE'LL MOVE TO OUR CFDS.

COMMUNITY FACILITIES DISTRICTS MEETINGS

DC RANCH COMMUNITY FACILITIES DISTRICT

[Time: 01:42:05]

Mayor Lane: OKAY, WE HAVE, I'D LIKE TO CALL TO ORDER THE DC RANCH COMMUNITY DISTRICT. LET'S START WITH ROLL CALL.

ROLL CALL

[Time: 01:42:11]

City Clerk Carolyn Jagger: MAYOR JIM LANE.

Mayor Lane: PRESENT.

Carolyn Jagger: VICE MAYOR SUZANNE KLAPP.

Vice Mayor Klapp: HERE.

Carolyn Jagger: COUNCILMEMBERS VIRGINIA KORTE.

Councilmember Korte: HERE.

Carolyn Jagger: BOB LITTLEFIELD.

Councilman Littlefield: HERE.

Carolyn Jagger: LINDA MILHAVEN.

Councilwoman Milhaven: HERE.

Carolyn Jagger: GUY PHILLIPS.

Councilmember Phillips: HERE.

Carolyn Jagger: DENNIS ROBBINS.

Councilman Robbins: HERE.

[Time: 01:42:27]

Carolyn Jagger: YOUR HONOR IF YOU'D LIKE TO FACILITATE THE PROCEEDINGS, WE CAN STIPULATE FOR THE REMAINDER OF THE BOARDS THAT EVERYBODY IS PRESENT.

Mayor Lane: THAT'S FINE. THAT'S JUST WHAT WE'LL DO.

Carolyn Jagger: THANK YOU, YOUR HONOR.

Mayor Lane: NOT TAKING ANY MORE ADDITIONAL TIME THAN NECESSARY. THE FIRST ITEM OF BUSINESS ON THIS CFD, IS DID I HAVE A MOTION TO APPROVE THE REGULAR MEETING MINUTES OF JUNE 5th, 2012?

Councilman Robbins: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. READY FOR A VOTE IN ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. REGISTER YOUR VOTE. AYE. UNANIMOUS APPROVAL OF THOSE MINUTES. FIRST ITEM ON IT IS

THE ADOPT A RESOLUTION NO. 38 THAT SETS OUT THE PRELIMINARY BUDGET AND CALLS FOR PUBLIC HEARING. DO I HAVE A MOTION TO ADOPT THAT RESOLUTION?

Councilman Robbins: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. WE'RE READY THEN TO VOTE. ALL THOSE IN FAVOR INDICATE BY AYE. ALREADY BEEN DONE FOR US. I BELIEVE DENNIS YOU, OKAY. WE HAVE VOTED TO APPROVE. WE HAVE NO PUBLIC COMMENT ON THIS. WE DO HAVE ITEM 3 WHICH IS ADOPTION OF RESOLUTION 39 THAT APPROVES THE BUDGET AND SETS TAX LEVY, DO I HAVE A MOTION?

[Time: 01:43:47]

Councilman Robbins: SO MOVED.

Vice Mayor Klapp: SECONDED.

Mayor Lane: MOVED AND SECONDED. NO COMMENT. READY TO VOTE, ALL THOSE THIS FAVOR PLEASE INDICATE BY AYE. AYE. NAY IF YOU OPPOSE. UNANIMOUS ACCEPTANCE OF THAT ADOPTION. ITEM 4 IS ADOPTION OF RESOLUTION NO. 40 ADOPTING ISSUANCE AND POST ISSUANCE COMPLIANCE PROCEDURES WITH TAX EXEMPT BONDS. DO I HAVE A MOTION?

Councilman Robbins: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. NO COMMENT. ALL READY THEN TO VOTE. ALL THOSE IN FAVOR INDICATE BY AYE AND REGISTER YOUR VOTE. UNANIMOUS APPROVAL. I DO HAVE A MOTION TO ADJOURN.

Councilmember Korte: SO MOVED.

Mayor Lane: MOVED AND SECONDED. ALL RIGHT.

MCDOWELL MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT

[Time: 01:44:45]

THE NEXT ITEM IS TO CONVENE THE MCDOWELL MOUNTAIN RANCH FACILITIES DISTRICT. AND THE FIRST ORDER OF BUSINESS IS FOR THE APPROVAL OF MINUTES. DO I HAVE A MOTION TO APPROVE THE REGULAR MEETING MINUTES OF JUNE 5th, 2012.

Vice Mayor Klapp: SO MOVED.

Mayor Lane: MOVED.

Councilman Robbins: SECOND.

Mayor Lane: ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. AYE. REGISTER YOUR VOTE. UNANIMOUS. THE NEXT ORDER OF BUSINESS WOULD BE ADOPT RESOLUTION NO. 50, THAT SETS OUT THE PRELIMINARY BUDGET AND CALLS FOR PUBLIC HEARING, DO I HAVE A MOTION?

Councilman Littlefield: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN, WE ARE READY THEN TO VOTE. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. AND REGISTER YOUR VOTE AYE. MOTION IS ACCEPTED. ITEM 4 IS ADOPT RESOLUTION NO. 52, ADOPTING ISSUANCE AND POST ISSUANCE COMPLIANCE PROCEDURES RELATED TO TAX EXEMPT BONDS. DO I HAVE A MOTION?

Councilmember Korte: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED.

[Time: 01:45:39]

Lee Guillory: EXCUSE ME, I'M SORRY.

Mayor Lane: YES. THAT'S QUITE ALL RIGHT.

Lee Guillory: CAN WE GO BACK AND CALL FOR PUBLIC COMMENT AND ADOPT RESOLUTION 51 ADOPTING THE BUDGET, PLEASE.

Mayor Lane: OH, OKAY, ALL RIGHT. WE HAVE NO PUBLIC COMMENT. THERE IS A CALL FOR IT AND NO PUBLIC COMMENT. WE'LL GO BACK TO ITEM 3, ADOPT RESOLUTION 51 THAT APPROVES THE BUDGET AND SETS THE TAX LEVY. DO I HAVE A MOTION?

Councilman Littlefield: SO MOVED.

Councilmember Korte: SECOND.

Mayor Lane: MOVED AND SECONDED. PLEASE ALL INDICATE APPROVAL BY SAYING AYE. MOTION PASSED UNANIMOUSLY. WE'LL GO BACK TO 4 THEN, ADOPT RESOLUTION 52, DO I HAVE A MOTION?

Councilmember Korte: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. AYE. AND REGISTER YOUR VOTE. NAY IF YOU DISAPPROVE.

Carolyn Jagger: YOUR HONOR.

Mayor Lane: YES.

Carolyn Jagger: I APOLOGIZE, WE DID NOT CAPTURE THE FIRST AND SECOND ON THE....

Mayor Lane: THANK YOU FOR THAT. I KNOW. THAT'S HOW THAT WENT.

Councilman Robbins: MOVE TO ADJOURN.

Mayor Lane: THANK YOU. ALL THOSE IN FAVORITE OF ADJOURNMENT, AYE. WE'RE ADJOURNED.

SCOTTSDALE MOUNTAIN COMMUNITY FACILITIES DISTRICT

[Time: 01:47:04]

Mayor Lane: CONVENE THE SCOTTSDALE MOUNTAIN COMMUNITY FACILITIES DISTRICT. APPROVE THE MINUTES.

Councilmember Korte: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. AYE. ACCEPTED UNANIMOUSLY. NEXT ORDER OF BUSINESS, BE TO ADOPT RESOLUTION NO. 53 THAT SETS OUT PRELIMINARY BUDGET AND CALLS FOR PUBLIC HEARING. DO I HAVE A MOTION?

Councilman Robbins: SO MOVED.

Councilmember Korte: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. PASSES UNANIMOUSLY. CALL FOR PUBLIC COMMENT ON THE BUDGET. THERE IS NO PUBLIC COMMENT ON THIS ITEM. SO MOVED ON TO ITEM 3, ADOPT RESOLUTION 54 WHICH APPROVES THE BUDGET AND SETS THE TAX LEVY. DO I HAVE A MOTION?

Vice Mayor Klapp: SO MOVED.

Councilman Robbins: SECOND.

Mayor Lane: SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. MOTION PASSES UNANIMOUSLY. 4 IS ADOPT RESOLUTION NO. 55, ADOPTS ISSUANCE AND POST ISSUANCE COMPLIANCE PROCEDURES RELATED TO TAX-EXEMPT BONDS. I HAVE A MOTION?

Councilman Robbins: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. COMMENTS? ARE THERE ANY FURTHER COMMENTS OR WE ALL READY TO VOTE, IN FAVOR WITH AYE, NAY IF YOU OPPOSE. PASSES UNANIMOUSLY. MOTION TO ADJOURN THE SCOTTSDALE MOUNTAIN CFD BOARD. MOVED AND SECONDED.

VIA LINDA ROAD COMMUNITY FACILITIES DISTRICT

[Time: 01:48:46]

CONVENE THE VIA LINDA ROAD COMMUNITY FACILITIES DISTRICT. DO I HAVE A MOTION TO APPROVE THE REGULAR MEETING MINUTES OF JUNE 5th, 2012.

Councilman Littlefield: MOVED.

Councilman Robbins: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE AND NAY IF YOU OPPOSE. AND PASSES UNANIMOUSLY. SYSTEM IS HAVING TROUBLE KEEPING UP WITH US. FIRST ITEM IS ADOPT RESOLUTION 34 THAT SETS OUT PRELIMINARY BUDGET AND CALLS FOR PUBLIC HEARING. DO I HAVE A MOTION?

Vice Mayor Klapp: SO MOVED.

Councilman Robbins: SECOND.

Mayor Lane: MOVED AND SECONDED. NO FURTHER COMMENT. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE AND REGISTER YOUR VOTE. AYE. RESOLUTION PASSES UNANIMOUSLY. THERE IS NO PUBLIC COMMENT INDICATED. ITEM 3 IS TO ADOPT RESOLUTION 35 THAT APPROVES THE BUDGET AND SETS TAX LEVY.

Councilmember Korte: MOVED.

Vice Mayor Klapp: SECONDED.

Mayor Lane: MOVED AND SECONDED, ALL THOSE IN FAVOR PLEASE INDICATE BY AYE AND REGISTER YOUR VOTE. RESOLUTION PASSES UNANIMOUSLY. ITEM 6, ADOPTING ISSUANCE AND POST ISSUANCE COMPLIANCE PROCEDURES RELATED TO TAX EXEMPT BONDS, DO I HAVE A MOTION.

[Time: 01:49:59]

Vice Mayor Klapp: SO MOVED.

Councilmember Korte: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE AND NAY IF OPPOSED. UNANIMOUSLY ADOPTED. DO I HAVE A MOTION TO ADJOURN THE VIA LINDA BOARD.

Councilmember Korte: MOVED.

Councilwoman Milhaven: SECOND.

Mayor Lane: THOSE IN FAVOR OF ADJOURNMENT PLEASE INDICATE BY AYE. WE ARE ADJOURNED.

SCOTTSDALE WATERFRONT COMMERCIAL FACILITY DISTRICT

[Time: 01:50:18]

WE WILL CONVENE THE SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT. I HAVE A MOTION TO APPROVE THE REGULAR MEETING MINUTES OF JUNE 5, 2012?

Councilman Littlefield: MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: PLEASE INDICATE BY AYE. AYE. AND OPPOSED WITH A NAY. PASSES UNANIMOUSLY. FIRST ORDER OF BUSINESS IS ADOPT RESOLUTION NO. 20 THAT SETS OUT PRELIMINARY BUDGET AND CALLS FOR PUBLIC HEARING. DO I HAVE A MOTION?

Vice Mayor Klapp: SO MOVED.

Councilman Robbins: SECOND.

Mayor Lane: MOVED AND SECONDED. NO COMMENT, SO ALL THOSE IN FAVOR REGISTER YOUR VOTE BY AYE. MOTION PASSES UNANIMOUSLY. THERE IS NO PUBLIC COMMENT ON THE BUDGET REGISTERED. ITEM 3, WHICH IS ADOPT RESOLUTION NO. 21 THAT APPROVES THE BUDGET AND SETS TAX LEVY ADOPTING.

[Time: 01:51:18]

Councilman Littlefield: SO MOVED.

Councilmember Korte: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. AYE. AND REGISTER YOUR VOTE IF YOU CAN. MOTION PASSES UNANIMOUSLY. ITEM 4 IS TO ADOPT RESOLUTION 22, ADOPTING ISSUANCE AND POST ISSUANCE COMPLIANCE PROCEDURES RELATED TO TAX EXEMPT BONDS. DO I HAVE A MOTION?

Councilmember Korte: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE AND REGISTER YOUR VOTE. MOTION PASSES UNANIMOUSLY. MOTION TO ADJOURN THE WATERFRONT COMMERCIAL FACILITIES DISTRICT?

Mayor Lane: MOVED AND SECONDED. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE. AYE. WE ARE ADJOURNED. I THINK WE GOT THIS RIGHT. KEEP TRACK ON THE OFFICIAL..... OKAY. SO THAT'S IT. SO I DON'T SEE THAT WE HAVE ANYTHING FURTHER. ONE FINAL LOOK.

ADJOURNMENT

[Time: 01:52:42]

I'LL ACCEPT THE, WE HAVE A MOTION TO ADJOURN, DO I HAVE A SECOND? ALL RIGHT. I DON'T HAVE ANYTHING TO SAY ABOUT IT? OKAY. WE ARE ADJOURNED.