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CALL TO ORDER

[Time: 00:00:17]

Mayor Lane: GOOD AFTERNOON WE ARE HERE FOR OUR 4:00 REGULAR MEETING. IT IS APPROXIMATELY 4:00 AND WE CALLED THIS MEETING TO ORDER. WE WILL START WITH THE ROLL CALL.

ROLL CALL

[Time: 00:00:24]

City Clerk Carolyn Jagger: THANK YOU YOUR HONOR. 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.

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: I BELIEVE WE'VE GOT AN ACTING CITY TREASURER TODAY, LEE GUILLORY.

Acting City Treasurer Lee Guillory: HERE.

Carolyn Jagger: CITY AUDITOR SHARRON WALKER.

City Auditor Sharron Walker: HERE

Carolyn Jagger: AND THE CLERK IS PRESENT.

Mayor Lane: THANK YOU. WE DO HAVE CARDS IF YOU WOULD LIKE TO SPEAK ON ANY ITEM ON THE AGENDA. THEY ARE THE WHITE CARDS THAT THE CITY CLERK IS HOLDING UP OVER HER HEAD. THERE ARE YELLOW CARDS IF YOU WOULD LIKE TO SPEAK. I'M SORRY IF YOU WOULD LIKE TO GIVE US ANY WRITTEN COMMENTS. WE HAVE SCOTTSDALE POLICE OFFICERS GREG CARLIN AND TOM CLEARY HERE IF YOU HAVE ANY NEED FOR THEIR ASSISTANCE. THE AREAS BEHIND THE COUNCIL ARE RESERVED FOR THE COUNCIL AND STAFF.

PLEDGE OF ALLEGIANCE

[Time: 00:01:43]

Mayor Lane: THIS AFTERNOON WE HAVE THE PLEASURE OF HAVING BROWNIE TROOP 2738 WITH US TO LEAD US IN THE PLEDGE OF ALLEGIANCE. ARE YOU READY?

Pledge of Allegiance: I PLEDGE ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA AND TO THE PUBLIC FOR WHICH IT STANDS ONE NATION, UNDER GOD, INDIVISIBLE WITH LIBERTY AND JUSTICE FOR ALL.

Mayor Lane: THANK YOU VERY MUCH. IF YOU WANT TO GO AHEAD WE WILL TURN THE MICROPHONE AROUND. IT LOOKS LIKE YOU ARE ABLE TO DO THAT YOURSELF. TELL US YOUR SCHOOL AND YOUR FAVORITE SUBJECT.

Brownie Troop 2738: I AM MADISON, I GO TO CHRIST'S CHURCH SCHOOL AND MY FAVORITE SUBJECT IS SOCIAL STUDIES. MY NAME IS NORA, MY FAVORITE SUBJECT IS SCIENCE. MY NAME IS GRACE, I GO TO CHRIST'S CHURCH SCHOOL AND MY FAVORITE SUBJECT IS READING. MY NAME IS VIVIE, I GO TO CHRIST'S CHURCH SCHOOL AND MY FAVORITE SUBJECT IS WRITING. MY NAME IS LAUREN, I GO TO CHRIST'S CHURCH SCHOOL AND MY FAVORITE SUBJECT IS WRITING.

Mayor Lane: THANK YOU VERY MUCH LADIES.

INVOCATION

[Time: 00:03:57]

Mayor Lane: OUR INVOCATION THIS EVENING IS PROVIDED BY BARRY KENYON, HIGH PRIEST OF THE CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS.

Barry Kenyon: OUR ETERNAL FATHER IN HEAVEN AS THIS MEETING CONVENED THIS AFTERNOON WE PAUSE TO GIVE THANKS FOR THE MANY BLESSINGS WHICH ARE OURS DAILY. TO ASK FOR YOUR SPIRIT TO BE HERE IN ABUNDANCE. WE ACKNOWLEDGE YOUR HAND IN THE CREATION OF THIS NATION OF AMERICA. FOR THE SPIRIT WHICH RESTED UPON OUR FOUNDING FATHERS. FOR THE WISDOM AND UNDERSTANDING AND THE CREATION OF OUR CONSTITUTION, WHICH FATHER GUIDES US, PROTECTS US, AND GIVES US OUR FREEDOMS AND LIBERTIES, PARTICULARLY THE FREEDOM TO ELECT MEN AND WOMEN OF COURAGE AND INTEGRITY TO REPRESENT THE VOICE OF THE PEOPLE AND TO SERVE THE CITIZENS OF THIS GREAT COUNTRY. FATHER WE ARE GRATEFUL FOR THOSE ON THIS COUNCIL, THE MAYOR AND HIS OFFICE FOR THE COUNCILMEN AND WOMEN WHO HAVE BEEN CALLED TO SERVE AND FOR THEIR DESIRE TO DO SO, TO DO THE BUSINESS OF THE PEOPLE. WE PRAY FATHER THAT THIS DAY THEY MAY BE BLESSED WITH YOUR SPIRIT TO HAVE AN INCREASED UNDERSTANDING AND ENLIGHTENMENT INTO THE ISSUES AT HAND. THAT THEY MAY JUDGE WISELY FOR THE PEOPLE. AS WE ARE UPON THIS EASTER SEASON AND IT IS NEAR ONTO US WE GIVE THANKS FOR THE GIFT OF THE THY BELOVED SON AND WE PRAY AS WE COMMEMORATE THE SEASON FATHER THAT WE MAY BE FILLED WITH YOUR SPIRIT AND WE MAY STRIVE FOR MORE EARNESTLY TO SERVE ONE ANOTHER TO DO AS OUR LORD WOULD DO. TO BE GOOD NEIGHBORS, TO HELP BUILD AND STRENGTHEN OUR COMMUNITIES, TO MAKE IT A PLACE WHERE INDIVIDUALS AND FAMILIES AND CHILDREN CAN GROW AND REACH FOR THE DESIRES OF THEIR DREAMS. WE PRAY ONCE MORE THAT THE SPIRIT MAY BE HERE, BUT THE BUSINESS OF THE PEOPLE MAY BE CONDUCTED IN PEACE AND HARMONY. WE PRAY IN THE NAME OF OUR SAVIOR. AMEN.

MAYOR'S REPORT

Mayor Lane: I HAVE NO IMMEDIATE REPORT BUT I UNDERSTAND THE CITY MANAGER HAS A REPORT.

CITY MANAGER'S REPORT

[Time: 00:06:50]

Acting City Manager Dan Worth: YES, I WOULD LIKE TO ANNOUNCE THAT TODAY WE ARE RELEASING THE PROPOSED FISCAL YEAR 2013-14 BUDGET. WE WILL BE PROVIDING COPIES TO YOU AND MAKING A BUDGET DOCUMENT AVAILABLE ONLINE ON THE FINANCE PAGE OF THE CITY'S WEBSITE. IT IS OUR INTENT THAT THIS PROPOSED BUDGET ADDRESSES YOUR PRIORITIES IN A RESPONSIBLE WAY. ONE OF OUR FOCUSES IS ON ADDRESSING ITEMS WE DEFERRED FOR THE PAST FEW YEARS DURING TIMES OF REDUCED REVENUE. PARTICULARLY INVESTMENT IN HUMAN AND CAPITAL RESOURCES THAT ARE ESSENTIAL TO DELIVERING SERVICES TO THE COMMUNITY. SOMETHING NEW, COMMENTS WE GOT FROM COUNCIL A YEAR AGO THIS YEAR WE ARE RELEASING THE BUDGET PROPOSAL IN ADVANCE OF THE FIRST PUBLIC BUDGET DISCUSSION WHICH WILL BE A PRESENTATION SCHEDULED FOR APRIL 9. WE HOPE THIS WILL PROVIDE ADEQUATE TIME FOR YOU TO LOOK AT THE DOCUMENTS AS WELL AS THE MEMBERS OF THE COMMUNITY. I AM LOOKING FORWARD TO RECEIVING YOUR DIRECTION INTO WHAT WILL BECOME THE FINAL BUDGET.

Mayor Lane: THANK YOU MR. WORTH.

PRESENTATION/INFORMATION UPDATE

[Time: 00:06:50]

Mayor Lane: WE DO HAVE AN ANNOUNCEMENT OR PRESENTATION, THE SCOTTSDALE CULTURAL COUNCIL. IT IS AN UPDATE. MR. WILLIAM BANCHS.

Scottsdale Cultural Council President and CEO William Banchs: MAYOR AND MEMBERS OF THE CITY COUNCIL, AS STATED IN OUR ANNUAL 2012 REPORT OUR ACCOMPLISHMENTS IN THESE RECENT CHALLENGING YEARS HAVE HAD MORE TO DO WITH LAYING THE FOUNDATION FOR THE PROSPEROUS FUTURE THAN ACHIEVING IMMEDIATE SUCCESS OUTCOMES, BEGINNING WITH A SNAPSHOT OF LAST YEAR. AS YOU CAN SEE 2012 EXPENSES CHARTS SHOW THE EFFECTIVENESS OF OUR FOUR YEAR OLD STRATEGY OF BECOMING MORE EFFICIENT BY INCREASING PROGRAM SPENDING AS A PERCENTAGE OF SPENDING WHILE DECREASING ADMINISTRATION EXPENSES. WE HAVE DEVOTED MORE RESOURCES TO MISSION-SUPPORTED ACTIVITIES WHILE DECREASING OVERHEAD. ON THE REVENUE SIDE TOTAL REVENUES LAST YEAR INCREASED BY EIGHT PERCENT. WE DID HAVE A ONE-YEAR, 16 PERCENT DIP IN REVENUES BUT WE ARE CURRENTLY ON TRACK TO RESUMING OUR UPWARD TREND IN RECENT YEARS.

YOU WILL HEAR MORE ABOUT THIS. EXCLUDING PUBLIC ART THE CITY'S ANNUAL APPROPRIATION TO THE CULTURAL COUNCIL AS A PERCENTAGE OF REVENUE IS UP TO 36%. EARNED REVENUES INCREASES ARE DRIVEN BY ATTENDANCE AND TRAFFIC TO OUR CAMPUS. IN THE CASE OF THE CENTER AND SMOCA THIS IS TRANSLATED INTO AN 11% AND 20% INCREASE IN ATTENDANCE. ANOTHER FACTOR DRIVING ATTENDANCE IS THE ADDITION OF MANY FREE AND LOW COST EVENTS AT THE CENTER. THESE ACCOUNTED FOR 65% OF ALL THE CENTER'S EVENTS. AS YOU KNOW ALL SMOCA EVENTS ARE

FREE OR UNDER \$30. FINALLY, CREDIT MUST BE GIVEN TO OUR VOLUNTEERS. THEIR EFFORTS CONTRIBUTED TO OUR EFFICIENCY. WE ARE FORTUNATE THAT WE HAD 1062 VOLUNTEERS LAST YEAR FOR SPENT A TOTAL OF 22,000 HOURS OF VOLUNTEER WORK, WHICH ARE VALUED AT \$430,000. IN TOTAL THE ECONOMIC IMPACT IN 2012 WAS \$18.3 MILLION. THIS CONTINUES TO INCREASE WITH OUR AUDIENCE AND VISITOR GROWTH. WE ARE CURRENTLY FORECASTING AN ANNUALIZED IMPACT OF \$21.2 MILLION. FOR EVERY DOLLAR THAT THE CITY INVESTED IN THE CULTURAL COUNCIL WE DELIVERED \$2.32 IN PROGRAMS TO THE COMMUNITY AND IN SUPPORT OF THE ECONOMY. AS WE LOOK AT WHERE WE ARE WE ARE CONFIDENT THAT WE HAVE RESTORED AND EVEN GROWN OUR AUDIENCE. AT PRESENT WITH THREE AND ONE HALF MONTHS BEFORE THE END OF THE YEAR WE HAVE ALREADY EXCEEDED TOTAL TICKET SALES FROM LAST YEAR AS WELL AS OF THIS YEAR'S TOTAL BUDGETED TICKET SALES.

NOW, FOCUSING ON THE CURRENT YEAR AND THE NEAR FUTURE, TWO MAJOR ACCOMPLISHMENTS DEFINE PUBLIC ART, THE COMPLETION OF A NEW MASTER PLAN AND THE CREATION OF HIGH PROFILE SIGNATURE EVENTS CENTERED ON THE DOWNTOWN WATERFRONT. THE FIRST CANAL CONVERGENCE TOOK PLACE LAST NOVEMBER AND ATTRACTED OVER 5000 PEOPLE. THE SECOND PART WILL TAKE PLACE THIS WEEKEND ON THE WATERFRONT ON THE OCCASION OF THE EQUINOX. IF YOU HAPPEN TO BE ON THE SOLERI BRIDGE ON SATURDAY AT 12:32 YOU WILL SEE A BEAM OF LIGHT PROJECTED BY THE TWO PYLONS ALIGNED WITH THE EQUINOX LINE ON THE BRIDGE. AND BY THE WAY CANAL CONVERGENCE WHICH IS A SERIES OF SIGNATURE EVENTS IS DEEMED AS CONSISTENT WITH THE CITY'S TOURISM STRATEGIC PLAN. AS WE LOOK TO NEXT YEAR IN ADDITION TO CONTINUING THE CONVERGENCE SERIES A NUMBER OF WORKS OF ART WILL BE INSTALLED AS LONG-STANDING CAPITAL PROJECTS. YOU CAN SEE SOME OF THOSE ON THIS SLIDE.

[Time: 00:14:05]

MOVING FORWARD TO SMOCA, IT CONTINUES TO THINK OUTSIDE OF THE BOX BOTH FIGURATIVELY AND LITERALLY. OUR PRACTICE OF BRINGING INTERNATIONAL ARTISTS TO THE VALLEY WAS DEMONSTRATED AT THE PRESENTATION OF TWO INSTALLATIONS BY MEXICAN ARTISTS. THIS ONE WAS PRESENTED AND STAGED AT THE AVIATION HANGAR AT SKY HARBOR AIRPORT. ALSO, THE PRESENTATION IN THE MUSEUM ENTITLED ARCHITECTURE PLUS ART, THE POSITIVE IMPACT AND CURRENT EXHIBITIONS WHICH DREW MORE THAN 1600 ON OPENING NIGHT. WE HAVE TO CONCLUDE SUCH OUT OF THE BOX THINKING IS REACHING NEW AND INCREASING AUDIENCES. WE CONTINUE TO THINK OUTSIDE THE BOX. SMOCA WILL PRODUCE ITS OWN FUNDRAISER THIS SPRING WHICH WILL DRAW AN EXTRAORDINARY PARTICIPATION AND HAS ALREADY SOLD 390 TICKETS. AT THE SCOTTSDALE CENTER THIS SEASON'S ARRAY OF DIVERSE AND INNOVATIVE PROGRAMS CONTINUES TO ATTRACT AN AUDIENCE. OF SPECIAL NOTE ARE THE CENTERS' OFFERINGS INCLUDING ITS DISCOVERY SERIES CONCEIVED LAST YEAR. BASED ON THE ARTS AND CULTURE OF AUSTRALIA THIS YEAR IT IS FOCUSED ON INDIA AND WE LOOK FORWARD TO NEXT YEAR'S OFFERINGS FROM BRAZIL. ANOTHER MILESTONE IS THAT THIS YEAR THE PEANUTS SERIES IS CELEBRATING ITS 25th YEAR. THE CLASSICAL MUSIC PERFORMANCES INCLUDE TWO ORCHESTRAS FROM OVERSEAS. FINALLY, THE CENTER VENTURED INTO COUNTRY AND WESTERN THIS YEAR BY PRESENTING CLINT BLACK TO A TOTALLY SOLD OUT HOUSE. OUR FESTIVAL OF HISPANIC AND LATIN CULTURE SPONSORED BY WELLS FARGO WAS HIGHLY SUCCESSFUL AND HAS CEMENTED ITSELF INTO THE CONSCIOUSNESS OF THE VALLEY. AS WE CONTINUE TO SEEK NEW PARTNERSHIPS WITH OTHER ORGANIZATIONS I AM PLEASED TO ANNOUNCE THAT THE PHOENIX SYMPHONY HAS FORMALIZED A PARTNERSHIP WHEREBY WE WILL

PRESENT 14 CONCERTS NEXT YEAR. PRIVATE SECTOR INVESTMENT IN THE CULTURAL COUNCIL IS AN EXAMPLE OF CONTRIBUTIONS AND FOR THE FIRST TIME THE CULTURAL COUNCIL HAS A DIRECTOR OF DEVELOPMENT. ROBYN JULIEN JOINED US IN OCTOBER 2011 AND LEADS OUR TEAM IN ITS FUNDRAISING PROGRAMS. I WOULD LIKE TO INTRODUCE HER AND HAVE HER UPDATE YOU ON OUR PRIVATE SECTOR INVESTMENT.

[Time: 00:17:16]

Robyn Julien: I WORK HAND IN HAND WITH THE BOARD DEVELOPMENT COMMITTEE. LAST SUMMER WE CREATED A STRATEGIC DEVELOPMENT PLAN. A KEY ELEMENT OF THE PLAN IS TO STRENGTHEN OUR BOARDS. WE ADDED 14 BOARD MEMBERS THIS YEAR. THE BOARDS ARE STRONG AND FORM THE FOUNDATION OF OUR FUNDRAISING. THE PLAN HAS HAD A LOT OF SUCCESS AND WE HAVE BRIGHT AND \$610,000 MORE IN CONTRIBUTING REVENUE THIS YEAR THAN AT THE SAME TIME LAST YEAR. \$590,000 OF THAT MONEY REPRESENTS NEW MONEY. \$400,000 OF THAT IS FROM SMOCA. AS YOU CAN SEE FROM THE SLIDE WE HAVE WIDESPREAD CORPORATE SUPPORT. ONE YEAR AGO WE HAD 26 CORPORATE PARTNERS NOW, WE HAVE 63. THE SUCCESS OF THE PROGRAM SPEAKS TO THE TRUST, CREDIBILITY AND STABILITY OF OUR ORGANIZATION. TWELVE OF OUR DONORS HAVE INCREASED THEIR DONATIONS DUE TO THE EXTENSIVE BENEFITS THAT THE PROGRAM OFFERS INCLUDING WIDESPREAD MARKETING EXPOSURE AND DISCOUNTS TO ALL OF THE EMPLOYEES. PARTICIPATION IN THE SCC BY SO MANY CORPORATE ENTITIES IS A STRONG ENDORSEMENT OF A VOTE OF CONFIDENCE IN OUR ORGANIZATION. GREAT THINGS ARE HAPPENING.

William Banchs: THANK YOU ROBYN. PLEASE REMEMBER THAT WHEN YOU ARE CONSIDERING THE BOND PACKAGE, OR THE THREE PERCENT INCREASE IN OUR CULTURAL COUNCIL APPROPRIATION, THE PRODUCT OF THE PARTNERSHIP WE HAVE WITH THE CITY IS AN ARRAY OF RICH, WORLD-CLASS ARTS AND CULTURAL OFFERINGS THAT HELP DEFINE THE CITY AS A VERY SPECIAL PLACE TO LIVE, VISIT AND WORK. REMEMBER THAT ENHANCING THE CENTER BY COMPLETING THESE ELEMENTS WILL RESULT IN MANY YEARS OF INCREASED REVENUE AND ENHANCED PROGRAMMING FOR THE COMMUNITY AND IN SUPPORT OF THE DOWNTOWN ECONOMY. THE INCREASE IN THE CITY'S APPROPRIATION HAS BEEN AND WILL CONTINUE TO BE MIRRORED BY INCREASED PRIVATE SECTOR INVESTMENT. AS PARTNERS WORKING TOGETHER THESE REVENUE STREAMS ARE THE ONES THAT WILL COVER THE INEVITABLE INFLATION COST ESCALATIONS AND MAKE POSSIBLE THE PROGRAM GROWTH THAT WE OFFER IN SUPPORT OF A PROSPEROUS FUTURE. THANK YOU VERY MUCH.

PUBLIC COMMENT

[Time: 00:20:23]

Mayor Lane: THANK YOU, MR. BANCHS. NEXT ITEM IS OUR PUBLIC COMMENT. THIS IS RESERVED FOR CITIZEN COMMENTS. THERE WILL BE NO ACTION TAKEN ON THESE ITEMS. THE SPEAKERS ARE LIMITED TO THREE MINUTES A PIECE. THERE IS AN OPPORTUNITY AT THE END FOR ADDITIONAL COMMENT. WE DO HAVE FOUR REQUESTS TO SPEAK I WILL START WITH YOU.

[Time: 00:21:05]

Ed Quihuis: I AM THE OWNER OPERATOR FOR ARIZONA CLASSIC JEEP TOURS. SINCE SCOTTSDALE HAS BOUGHT OUR TRAIL THAT WE HAVE A PERMIT FROM, WE WANT TO PUT A FACE TO OUR COMPANY TO LET YOU KNOW WE ARE HOPING WE CAN BE GRANDFATHERED IN WITH THAT PERMIT. I WANT TO SPEAK ABOUT WHAT OUR TOURS DO. HOW IT IS IMPORTANT FOR THE ECONOMY. A LOT OF OUR COMPANIES WE TYPICALLY PICK PEOPLE UP AT THEIR RESORTS WHEN PEOPLE WANT TO GET OUT OF THE COLD WEATHER. WE DRESS UP LIKE COWBOYS BUT THERE ARE A FEW GUYS IN THE AREA THAT ARE HERE. WE PICK PEOPLE OFF AT THEIR HOTELS AND GIVE THEM STORIES ABOUT THE OLD WEST. WE TELL THEM ABOUT THE NATIVE AMERICANS AND HOW THEY SURVIVED IN THE DESERT. A LOT OF OUR CLIENTS ARE FAMILIES WITH KIDS AND ALL THE GUYS ARE ABLE TO ENTERTAIN THE KIDS WITH STORIES AND JOKES. A LOT OF PEOPLE WE PICK UP ARE ELDERLY AND DISABLED OR UNABLE TO GET OUT TO THE DESERT ON THEIR OWN. THOSE TYPES OF TOURS WE TAKE SOMEONE OUT AND KIND OF MAKE THEM FEEL COMFORTABLE. THEY DON'T HAVE TO GET OUT AND WALK. WE JUST GIVE THEM A PERIOD OF TIME WHERE THEY CAN LOOK AT THINGS. THEY FEEL VERY COMFORTABLE WITH A GUIDE IN A JEEP WITH SOMEONE THEY KNOW. IT IS A VERY ENTERTAINING TIME. WE TALK ABOUT THE PLANTS AND THE TREES AND TELL THEM HOW THE NATIVE AMERICANS SURVIVED. A LOT OF THE PEOPLE, NOT KNOWING WHAT TO EXPECT IN THE DESERT, THEY THINK IT WILL BE LIKE THE SAHARA. BUT ONCE THEY GET TO THE AREA THAT WE GO IT IS SO GREEN AND IT IS BEAUTIFUL AND PEOPLE ARE TAKEN ABACK BY THE SCENERY AND THE VIEWS IN THE AREA. I BELIEVE WE ARE AN IMPORTANT PART OF THE ECONOMY. WE ARE ABLE TO TAKE PEOPLE OUT, ENTERTAIN THEM, TALK ABOUT HISTORY, IT IS A GOOD THING AND A LOT OF PEOPLE ENJOY IT. AGAIN, WE ARE ASKING ON THE ISSUE OF THE PERMIT COMING UP IN THE FUTURE WE SPOKE TO THE COMMISSION AND WE ARE LOOKING FOR SOME HELP WITH THAT. THANK YOU.

Mayor Lane: THANK YOU MR. QUIHUIS.

[Time: 00:24:23]

Carolina Butler: I BROUGHT YOU A PRESENT. I HAVE COMPLETED A HISTORY BOOK WHICH I WILL DONATE TO THE CITY. THIS IS HISTORY TOLD FROM THE INDIANS' POINTS OF VIEW. IT IS A VERY SPECIAL BOOK. IT IS FULLY DOCUMENTED AND ENDORSED BY SEVERAL TRIBAL PRESIDENTS AND FOR THE FIRST TIME THE COMPLETE HISTORY OF THE YAVAPAI TRIBE FROM THE YEAR 1250 A.D. TO THE PRESENT IS TOLD IN ONE VOLUME. I FEEL SURE THAT THIS BOOK WILL BE USED BY RESEARCHERS 100 YEARS FROM NOW, I AM FORTUNATE TO HAVE TAKEN A PART IN THIS. SO, I WANT TO BRING THE CITY OF SCOTTSDALE'S ATTENTION TO IT. I HOPE THAT EACH OF THE COUNCIL AND THE MAYOR WILL MAKE A RECOMMENDATION TO DISCUSS PUTTING IT IN THE LIBRARY. IT IS INFORMATION WHICH IS IMPORTANT TO EVERYONE LIVING AROUND HERE. WE HAVE THE YAVAPAI TRIBE RIGHT NEXT TO US. WHEN WE GET THE WESTERN MUSEUM I KNOW THAT YOU WILL INCLUDE THE INDIANS, AND ALSO FOR THE TOURISTS TO COME OUT HERE FOR OUR HISTORY WHICH INCLUDES INDIANS. SO, THIS COULD BE USED IN MANY WAYS BUT MOSTLY IT IS A FULLY DOCUMENTED HISTORY BOOK TOLD FROM THE INDIANS POINTS OF VIEW. THANK YOU, VERY MUCH.

Mayor Lane: THANK YOU. NEXT IS DOREEN O'CONNELL.

[Time: 00:26:26]

Doreen O'Connell: GOOD EVENING, MY HUSBAND AND I OWN AND OPERATE ARIZONA'S DESERT EVENTS. I HAVE BEEN HERE FOR OVER 25 YEARS. I DEDICATED MOST OF MY ADULT LIFE TO PRESERVING AND EDUCATING GUESTS ABOUT THE SONORAN DESERT. TOURISTS COME TO ARIZONA TO VISIT OUR DESERT AND LEARN ABOUT OUR HISTORY. I RECENTLY CONTACTED ALL OF YOU TO MAKE YOU AWARE OF OUR DESIRE TO CONTINUE OPERATING OUR TOURS OF THE NEWLY PURCHASED PRESERVE LAND. WE HAVE BEEN OPERATING IN GOOD STANDING SINCE 1999. WE OPERATE ON EXISTING TRAILS THAT HAVE BEEN THERE AND WILL CONTINUE TO BE THERE WHETHER WE ARE DRIVING ON THAT ONE NOT. WE TRAVEL LESS THAN ONE QUARTER OF A MILE IN A 28,000-ACRE PRESERVE. SO, WE REALLY IMPACT A SMALL AREA OF THE PRESERVE. OUR FOOTPRINT ON THE LAND IS MINIMAL. BUT OUR PRESENCE HERE HAS HAD AN ENORMOUSLY POSITIVE EFFECT ON ITS PRESERVATION. FOR THE PAST 12 YEARS WE HAVE BEEN PROMISED THAT WE WOULD BE GRANDFATHERED IN ONCE SCOTTSDALE PURCHASED THESE TRAILS. WE ARE NOW ASKING THAT THE CITY HONOR ITS COMMITMENT. THE PRESERVE COMMISSION HAS REQUESTED THAT DIRECTOR KROY EKBLAW PROVIDE THEM WITH OPTIONS TO ACCOMPLISH THIS. WE BELIEVE THIS CAN BE DONE BY USING THE CITY'S TERM FOR NON- CONFORMING USE, WHICH STATES "A USE THAT DOES NOT CONFORM TO THE REGULATIONS THAT APPLIES TO A PROPERTY. SOMETIMES A USE BECOMES A NON- CONFORMING WHEN SUBSEQUENT REGULATION CHANGES BUT IS ALLOWED ON THE PROPERTY. A NONCONFORMING USE UNDER THESE CONDITIONS MAY BE GRANDFATHERED IN OR PERMITTED TO CONTINUE FOR A DESIGNATED PERIOD OF TIME SUBJECT TO RESTRICTIONS." WE HAVE THE SUPPORT OF SOME OF THE PRESERVE COMMISSIONERS, THE SCOTTSDALE RESORTS, AND A LOT OF THE PUBLIC. WE HOPE THAT WE WILL ALSO HAVE YOUR SUPPORT. THANK YOU.

Mayor Lane: THANK YOU MS. O'CONNELL. MARY FENN?

[Time: 00:29:08]

Mary Fenn: SOMETHING THAT PEOPLE DON'T REALIZE AS FAR AS THE JEEP TOURS GO MY HUSBAND AND I ALONG WITH THE BEST GUIDES IN THE STATE ARE PART OF WAYWARD WIND TOURS. WHAT WE DID WHEN WE STARTED WAS GET WITH THE MAN BACK IN 1979 THE FIRST JEEP TOUR COMPANY STARTED AND THE REASON IT WAS CREATED WAS BECAUSE THIS MAN USED TO BE SENT OUT TO RESCUE PEOPLE IN THE DESERT WHO GOT LOST. HE WOULD HAVE TO GO OUT AND FIND THEM. HE CAME UP WITH THIS IDEA TO PROVIDE TRANSPORTATION IN THE DESERTS OF THE TOURISTS AND RESIDENTS CAN GO OUT AND ENJOY THE DESERT SAFELY. SINCE THEN WE HAVE BEEN TRYING TO PROMOTE STEWARDSHIP OF THE DESERT. WE WANT TO CREATE A GENERATION OF PEOPLE THAT LOVE THE DESERT. THE WAY TO DO THAT IS THROUGH EDUCATION. KNOWLEDGE IS POWER AND UNLESS PEOPLE REALIZE HOW WONDERFUL THE DESERT IS THEY WILL SEE AS MOST PEOPLE, A BUNCH OF CACTUS. AS ED AND DOREEN BOTH SAID, WE TAKE PEOPLE OUT AND WE SHOW THEM THE DESERT. WE ARE CREATING AN EXPERIENCE FOR THEM ESPECIALLY FOR PEOPLE WHO CAN'T GET OUT THERE ON THEIR OWN, THE ELDERLY, THE PHYSICALLY CHALLENGED, AND OF COURSE TOURISTS. WE HAVE BEEN PROTECTING AND PRESERVING THE GRANITE MOUNTAIN AREA SINCE 1994. WHERE WE GO, WE TRAVEL SLOWLY DOWN THE ROAD ON TRAILS THAT WILL BE THERE IF WE DON'T EVER DRIVE ON THAT ROAD AGAIN THAT ROAD WILL BE THERE FOR THE NEXT MILLENIUM. IT IS THERE AND WE ARE NOT DOING ANY DAMAGE. WE HAVE ALWAYS PROMOTED THE PHILOSOPHY OF THE PRESERVE. WE'VE BEEN DOING IT LONG BEFORE THE PRESERVE WAS CREATED. WHAT WE ARE ASKING FOR IS PERMISSION TO CONTINUE TO DO SO. OUR GOALS ARE IDENTICAL TO THOSE OF THE PRESERVE. THANK YOU.

Mayor Lane: THANK YOU. THAT COMPLETES OUR PUBLIC COMMENTS. AS I SAID THERE WOULD BE TIME FOR FURTHER COMMENT AT THE END OF THE MEETING.

APPROVAL OF MINUTES

[Time: 00:31:53]

Mayor Lane: THE APPROVAL OF MINUTES PROVIDED TO US AHEAD OF TIME. DO I HAVE A MOTION TO APPROVE THE WORK STUDY SESSION MINUTES OF FEBRUARY 12, 2013.

Councilmember Korte: SO MOVED.

Vice Mayor Klapp: SECOND.

Mayor Lane: MOVED AND SECONDED. WE ARE PREPARED TO VOTE ALL IN FAVOR INDICATE BY AYE AND REGISTER YOUR VOTE, NAY IF YOU OPPOSE. THE MINUTES ARE APPROVED.

CONSENT AGENDA

[Time: 00:32:22]

Mayor Lane: WE HAVE MOVED ITEM SEVEN TO THE REGULAR AGENDA. IT WILL COME AFTER ITEM 19. AS IT RELATES TO ITEMS 1-15 ABSENT ITEM 7, WE DO HAVE SOME REQUESTS TO SPEAK. WE HAVE TWO REQUESTS TO SPEAK ON ITEM TEN. I WILL START WITH MARK STUART AND THEN JOHN WASHINGTON.

[Time: 00:33:25]

John Washington: MY NAME IS JOHN WASHINGTON. YOU HAVE HEARD ME ON THE ISSUE IN THE PAST I WANT TO REPEAT ONE COMMENT THAT I ALWAYS SAY. THAT IS, IN ORDER TO BE A CONSERVATIVE YOU HAVE TO CONSERVE SOMETHING. IN THIS CASE IN THE MOST FUNDAMENTAL CASE IT IS CONSERVING MONEY, CONSERVING TAXPAYER DOLLARS. THIS ITEM IS ABOUT A SUBSIDY TO THE TOURNAMENT PLAYERS CLUB. YOU WILL NOTE HERE IT DOES NOT SAY SCOTTSDALE ANYWHERE. TPC SCOTTSDALE IS A FINE GOLF COURSE BUT IS IT A MUNICIPAL GOLF COURSE. WE DON'T KNOW THAT. IT IS A GOOD COURSE. I HAVE NEVER PLAYED IT. LET ME BACK UP A LITTLE BIT. LET'S TRY THIS AGAIN. SO, EFFECTIVELY IF YOU DO THE MATH IT WORKS OUT TO ABOUT A MILLION DOLLARS A YEAR IF THE CITY SUBSIDIZES THIS OPERATION. THE ARRANGEMENT IS A LEASE. THEY LEASE THE FACILITY FROM US. YET, SOMEHOW THE CITY SPENDS A MILLION DOLLARS A YEAR ON IT. WE SHOULD SPEND MONEY ON THE SYSTEM I THINK. IF YOU DO THE MATH IT WORKS OUT TO BE THE MOST EXPENSIVE PUBLIC ACCESS GOLF COURSE. THE STADIUM COURSE IS \$299 A ROUND. IT IS THE MOST EXPENSIVE CITY-OWNED GOLF COURSE. SOMEONE DID THIS ON PURPOSE I THINK. I WILL READ OFF MY NOTES. THIS IS THE COUNTRY'S MOST EXPENSIVE MUNICIPALLY OWNED GOLF COURSE. A ROUND OF GOLF COSTS MORE THAN AT ANY OTHER OWNED GOLF COURSE IN AMERICA, FIFTY PERCENT MORE THAN THE NEXT MOST EXPENSIVE GOLF COURSE. FEWER THAN FIVE PERCENT OF THE ROUNDS PLAYED AT THE COURSE ARE PLAYED BY SCOTTSDALE RESIDENTS. SCOTTSDALE RESIDENTS DO NOT RECEIVE, AS FAR AS I CAN

TELL, DISCOUNTED FEES OR GUARANTEED PREFERENCES. THIS IS UNLIKE ANY OTHER GOLF COURSE THAT HAS AN ARRANGEMENT LIKE THIS IN THE COUNTRY. THEY SELL MEMBERSHIPS FOR \$4500 A YEAR. YOU GET A LOT FOR THAT INCLUDING PRIVATE CLUBHOUSE LOCKERS, REDUCED GREEN FEES, YOU ONLY PAY CARD FEES AS A MEMBER AND YOU GET 90 % OFF THE LIST PRICE TO PLAY GOLF. THERE ARE MORE THAN 60 TPC PLAYERS THAT CALL THIS THEIR HOME COURSE. ACCORDING TO 2011 TOURNAMENT LISTINGS THE TOP 100 PLAYERS EARN MORE THAN \$1 MILLION IN TOURNAMENT PURSES ALONE. THESE ARE NOT POOR GUYS. THE TPC IS MANAGED EXCLUSIVELY FOR THE BENEFIT OF PGA TOURNAMENT. SO DO THESE GUYS NEED OUR HELP? THE ASSISTANCE THAT THE CITY HAS PROVIDED HAS COST THE TAXPAYERS MORE THAN THE SEVEN MILLION DOLLARS. AT THE COVERAGE RATE IT LOOKS LIKE IT WILL MAKE SURE THAT THE TAXPAYERS WILL INVEST ANOTHER \$22 MILLION OVER THE NEXT 15 YEARS. THIS AMOUNTS TO GOLF WELFARE. WE ARE SUBSIDIZING GOLF OPERATIONS AT A COURSE THAT OUGHT TO BE TAKING CARE OF ITSELF. UNTIL THE RECENT MODIFICATIONS TO THE LEASE THEY DID. I ASK YOU, CAN YOU IDENTIFY THE PUBLIC PURSE IN THIS ARRANGEMENT? WHAT IS THE OBJECTIVE, FAIR MARKET VALUE OF THE DIRECT CONSIDERATION PROMISED TO THE TAXPAYERS IN RETURN FOR OUR INVESTMENT?

Mayor Lane: I WILL GIVE YOU AN ADDITIONAL MINUTE.

John Washington: THESE PRACTICES THAT THE CITY HAS IN PLACE ARE UNLIKE ANY OTHER ARRANGEMENT IN THE COUNTRY. MARK STUART HAS MORE INFORMATION ON THAT.

Mayor Lane: NOW MARK STUART, SINCE WE CHANGED IT AROUND.

[Time: 00:39:15]

Mark Stuart: THANK YOU. I AM MARK STUART. I AM HERE TONIGHT TO URGE THE COUNCIL TO VOTE NO ON THE DESIGN AND BUILD CONTRACT FOR THE PRIVATE CLUBHOUSE 5000 SQUARE FOOT ADDITION AND 5000 FOOT RENOVATION OF THE CLUBHOUSE. WITH THOSE PEOPLE WHO ARE ABLE TO SPEND \$4500 A YEAR TO BE MEMBERS OF THE COUNTRY'S MOST EXPENSIVE GOLF COURSE. I HAVE HAD GOOD FORTUNE IN DOING RESEARCH TO PREPARE FOR THE INEVITABLE SUIT AGAINST THE CITY TO OVERTURN THIS ARRANGEMENT. I WANT TO SPEND TONIGHT SHARING IT WITH YOU. HOW DO MOST CITIES THAT SUBSIDIZE IT MAKE TAKE PUBLIC RESOURCES AND USE IT FOR AN ELITIST GAME THAT IS NOT UNIVERSALLY POPULAR, HOW DO THEY PROTECT THE PUBLIC PURSE AND MAKE SURE THEY SERVE A PUBLIC PURPOSE? THIS IS NOT FORWARDING. TPC IS A UNIQUE GOLF COURSE. MOST GOLF COURSES ARE EXPECTED TO BREAK EVEN AND HAVE REPAID THEIR CAPITAL INVESTMENT WITHIN TEN YEARS. TPC IT IS ALWAYS A NET MONEY LOSER. TAXPAYERS WILL NEVER EARN ANYTHING ON THEIR INVESTMENT AT LEAST FOR THE NEXT 25 YEARS. THERE ARE NO BENEFITS TO TAXPAYERS. THE GREEN FEES ARE SO EXPENSIVE THAT MOST RESIDENTS CANNOT PLAY THERE. THE STADIUM COURSE DOES NOT DISCOUNT GREEN FEES FOR RESIDENTS. TEETIMES ARE NOT SET ASIDE FOR RESIDENTS. THE GOLF COURSE IN SAN DIEGO PROVIDES A STARK CONTRAST. THEY HAVE HOSTED THE US OPEN, AND ANNUALLY HOST THE FARMERS INSURANCE CLASSIC. IT IS RANKED NUMBER FIVE ON GOLF WEEKS LIST. THEY ARE CONSISTENTLY PROFITABLE. THEY EARNED MORE THAN \$4 MILLION IN 2011. TPC IS EXPECTED TO PAY 1.2 MILLION EVERY YEAR TO THE CITY'S GENERAL FUND. IT IS REQUIRED TO FUND ITS OWN IMPROVEMENTS AND SETS ASIDE MORE THAN 2 MILLION A YEAR IN CAPITAL IMPROVEMENT FUND. THEY ARE EXPECTED TO FUND GOLF AT SAN DIEGO'S LESS EXPENSIVE COURSES. NO FUNDS HAVE BEEN USED TO SUPPORT THE CITY'S GOLF COURSES. CRITICAL POLICIES THAT

ENSURES THEY REPRESENT THE PUBLIC. SEVENTY % OF TEATIME IS RESERVED FOR THE RESIDENTS. GREENS FEES ARE REDUCED. TOURNAMENT SPONSORS PAY THE CITY TO USE A COURSE, \$450,000 PER TURN FOR THE FARMERS CLASSIC. THE BUDGET OFFICE IN SAN DIEGO ANALYZED AN OFFER OF PAYMENT FOR TV EXPOSURE. IF IT DOES NOT PRICE OUT ACCORDING TO ACCEPTED ADVERTISING METRICS THE SPONSOR HAS TO PAY MORE MONEY.

Mayor Lane: WE HAVE RUN OUT OF TIME.

Mark Stuart: CAN YOU GIVE ME 30 SECONDS.

Mayor Lane: I CAN GIVE YOU 30 SECONDS.

Mark Stuart: CONTINUED REVIEW OF PUBLIC BENEFITS AND OVERSIGHT BOARDS IS AN IMPORTANT POINT WHICH WE DON'T HAVE. COMMITMENT TO TRANSPARENCY, YOU CAN GET ANY FINANCIAL DOCUMENTS YOU WANT ON ANY OF THEIR GOLF COURSES. I HAVE GONE THROUGH THE LIST AND THE TPC IS THE ONLY ONE THAT IS MUNICIPALLY OWNED BUT HAS NO IDENTIFIED PUBLIC PURPOSE. USING THE METRICS ESTABLISHED BY THESE OTHER COURSES. I LEAVE YOU WITH THIS QUESTION. WHAT IS REALLY GOING ON HERE? IT DOES NOT SEEM TO BE A PUBLIC GOLF COURSE. IT IS NOT OPERATED FOR THE BENEFIT OF THE PUBLIC. WE LOSE MONEY EVERY YEAR. IT SEEMS TO BE A PRIVATE CORPORATION WHOSE PROFITABILITY IS GUARANTEED BY TRANSFERRING ITS OBLIGATION OR CAPITAL COSTS.

Mayor Lane: I HAVE GIVEN YOU THE 30 SECONDS.

Mark Stuart: I URGE YOU TO DO THE RIGHT THING BY THE TAXPAYERS. TO VOTE NO ON THIS DESIGN CONTRACT. TO REWRITE THE AGREEMENT IN A WAY THAT PROTECTS TAXPAYERS.

Mayor Lane: THANK YOU. NEXT IS A REQUEST TO SPEAK ON ITEM 11.

[Time: 00:45:04]

Michael Auerbach: GOOD AFTERNOON. I WISH TO EXPRESS MY SUPPORT FOR RESOLUTION 9319. I HEARD THE CHIEF SPEAK ON THIS TOPIC LAST WEEK. THE IMPORTANCE OF THIS PROGRAM SPECIFICALLY IN TERMS OF DOLLARS SAVED AND POTENTIAL REDUCTION OF LOSS OF LIFE IS CRUCIAL. ESSENTIALLY WHAT THIS RESOLUTION WOULD DO WOULD PROVIDE AN AGENCY FOR FIRST RESPONDERS AND PUBLIC SAFETY PEOPLE, WHICH MEANS, IF YOU ARE A RESIDENT IN SCOTTSDALE BUT AT THE SOUTHERN END IF A FIRE OR POLICE UNIT COULD RESPOND QUICKER TO YOUR EMERGENCY. THIS RESOLUTION WOULD ALLOW A JOINT OPERATION AMONGST VALLEY CITIES. THE REDUCTION THAT THE CITY WOULD SAVE IS IN THE MILLIONS BECAUSE THEY WOULD NOT HAVE TO PURCHASE EXTRA EQUIPMENT TO COMPENSATE. THANK YOU MR. MAYOR.

Mayor Lane: THANK YOU. THAT COMPLETES QUESTIONS AND COMMENTS ON THE CONSENT ITEMS, 1-15 ABSENT NUMBER SEVEN.

[Time: 00:46:38]

Councilman Robbins: MAYOR, I MOVE WE APPROVE CONSENT ITEMS 1-15 EXCEPT FOR SEVEN.

Councilwoman Milhaven: SECOND.

Mayor Lane: THE MOTION HAS BEEN MADE. IT HAS BEEN SECONDED. WE ARE READY TO VOTE ON THE ITEMS. ALL IN FAVOR INDICATE BY AYE, AND NAY IF YOU'RE OPPOSED. IT'S UNANIMOUS EXCEPTING THOSE ITEMS INDICATED. IF YOU ARE HERE FOR THOSE CONSENT ITEMS YOU CAN STAY OTHERWISE YOU CAN EXIT QUIETLY.

REGULAR AGENDA

[Time: 00:47:14]

Mayor Lane: LET'S MOVE ON TO OUR REGULAR AGENDA ITEMS. WE WILL START WITH ITEM NUMBER 16. THIS IS A SPECIAL ELECTION FOR BONDS. WE WILL HAVE A PRESENTATION, DISCUSSION AND ACTION OF A GENERAL OBLIGATION BOND PROGRAM FOR THE NOVEMBER 5 SPECIAL ELECTION. THAT WOULD INCLUDE AN ADOPTION OF A RESOLUTION SO ORDERING WITH SOME SPECIFICS.

ITEM 16 NOVEMBER 5, 2013 SPECIAL ELECTION FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS

[Time: 00:48:07]

Acting Public Works Executive Director Derek Earle: THANK YOU MAYOR. I'M HERE TO GO THROUGH A PROGRAM AND GIVE COUNCIL OPPORTUNITY TO PROVIDE INPUT AND MAKE A DECISION. THE PRESENTATION WILL COVER A FEW KEY POINTS I WILL BEGIN WITH MY BEST IMITATION OF TREASURER DAVID SMITH AS WELL IS AN OVERVIEW OF THE DEBT STRUCTURE OF THE CITY. WE WILL DO A BRIEF REVIEW OF BOND 2000. WE'LL DO A QUICK REVIEW OF THE BOND TASK FORCE RECOMMENDED PROGRAM AND DISCUSS PROPOSED OVERSIGHT OF THE PROGRAM OR HOW COUNCIL WILL SEE IT. FINALLY, WE WILL BE OPEN FOR DISCUSSION. THE FIRST SLIDE IS A CHART INDICATING THE CITY'S ASSETS. JUST AS A SIDE NOTE THESE ARE NET OFF THE ACCUMULATED DEPRECIATION. I WILL USE THIS BECAUSE WE DON'T HAVE A POINTER. THE FIRST TWO SLICES ARE THEY SEWER SYSTEM AND WATER SYSTEM ASSETS. THAT IS A TOTAL OF \$1.2 MILLION FUNDED BY THE ENTERPRISE FUND. MOVING AROUND, THESE ARE CONSTRUCTION IN PROGRESS WHICH HAS NOT BEEN CAPITALIZED YET. IN ADDITION SOME PAPER ASSETS THE CITY OWNS. THE TWO LARGE SLICES AS WE MOVE TOWARD THE BOTTOM ARE LAND. LAND IS NOT CONSIDERED A DEPRECIABLE ASSET. THE NEXT SLIDES WILL BE FOCUSED ON THE DEPRECIATION OF THE CITY'S ASSETS. BEGINNING IN THE 4:00 POSITION YOU WILL SEE THE CITY'S DEPRECIABLE ASSETS. THOSE ARE STREETS AND STORM DRAINS, BUILDING AND LAND IMPROVEMENTS, ALL OF THE EQUIPMENT AND MACHINERY. THIS IS ANOTHER LOOK AT THE DEPRECIABLE ASSETS OF THE CITY. AS YOU FOLLOW THE BLUE BARS THESE ARE THE ACTUAL BOOK VALUE OF THE ASSETS. WHAT YOU ARE LOOKING AT IS HOW THE CITY'S ASSETS HAVE GROWN. ON THE SLIDE YOU ARE LOOKING AT ALL THE DEPRECIABLE ASSETS EXCEPT THE WATER AND SEWER. WE WILL FOCUS ON THE DEPRECIABLE ASSETS EXCEPT WATER AND SEWER. OVER TIME AS WE HAVE INVESTED THROUGH BOND PROCEEDS THE ASSETS HAVE GROWN, AT THE END OF 2011 AT \$3.5 BILLION IN ASSETS. AS WE FOCUS ON THE RED, THESE ARE THE ACCUMULATED APPRECIATION ACCOUNTING DEPRECIATION AGAINST ALL OF THESE ASSETS. YOU CAN SEE AS THEY GROW EACH YEAR THEY TAKE A BIG PIECE OF THE ASSETS. IT IS INTERESTING TO NOTE AS YOU LOOK FROM YEAR TO YEAR

WE SEE AN INCREASE OF ABOUT \$100 MILLION OR MORE. IF YOU FOLLOW THE GREEN THIS TELLS YOU HOW MUCH OF YOUR ASSETS HAVE NOT BEEN DEPRECIATED. IF YOU GO TO THE FAR RIGHT YOU WILL SEE 51 %, THAT IS 49 % OF THE VALUE OF THE CITY'S ASSETS WE ARE FOCUSED ON HAVE DEPRECIATED. THIS CHART REALLY TRACKS THE HISTORIC EXPENDITURES FOR THE CITY. AGAIN WE ARE FOCUSED ON DEPRECIABLE ASSETS OF THE CITY. OVER TIME STARTING BACK IN 2002 IT HAS CLIMBED OVER TIME. IT TOOK A DROP IN THE RECESSION THEN CLIMBED BACK UP. THE COLORS YOU ARE LOOKING AT REALLY HAVE MORE TO DO WITH HOW THOSE ASSETS WERE RECEIVED. IF YOU LOOK ON THE RIGHT YOU WILL SEE A KEY, YOU WILL SEE A MAJOR PORTION AT THE TOP OF THESE BARS WAS CONTRIBUTED BY DEVELOPERS. WHEN A DEVELOPER DEVELOPS A NEW SUBDIVISION WITHIN THE CITY THEY BUILD ALL OF THE STREETS AND WATER LINES AT THEIR EXPENSE. YOU SEE THE ORANGE, YOU CAN GO OVER TO THE BARS AND YOU CAN SEE THE ORANGE IS A GENERAL OBLIGATION BOND FUNDING. THIS IS BEEN BOND 2000, AS WE GET TO TODAY'S TIMEFRAME YOU WILL SEE WE ARE RUNNING OUT OF BOND 2000. OTHER CONTRIBUTIONS CAN BE FLOOD CONTROL DISTRICT FUNDING, TRANSPORTATION SALES TAX, GRANTS, AGAIN THESE ARE THE DIFFERENT TYPES OF FUNDING THAT WE HAVE AVAILABLE. IF YOU LOOK AT THE RED BAR THESE ARE THE MPC BONDS ISSUED BACKED BY SOME REVENUE SOURCE IN THIS CASE MOSTLY BY BED TAX. IF YOU NOTICE IN THE CURRENT YEAR FY 12/13 YOU WONDER WHY THAT GRAPH IS SO HIGH, THAT IS BECAUSE OF THE INVESTMENT WE JUST MADE WITH THE BEDTAX DOLLARS LIKE THE EQUESTRIAN FACILITY. THAT IS WHY YOU SEE THIS BIG JUMP.

[Time: 00:54:36]

I AM ONLY FOCUSED ON WHAT THE PROPOSAL WAS FOR THE BOND PROGRAMS. THIS AGAIN IS YOUR INVESTMENT PROFILE. ONE NOTE I DID NOT MAKE IF YOU FOLLOW THIS WHITE LINE I TALKED ABOUT HOW MUCH ACCUMULATED DEPRECIATION THE CITY RECOGNIZES EACH YEAR. THAT IS OVER \$100 MILLION. THIS WHITE LINE TRACKS THE AMOUNT YEAR BY YEAR. THE PURPOSE OF THE SLIDE IS TO DEMONSTRATE THE AMOUNT OF FUNDING THAT IS AVAILABLE IS FINITE ULTIMATELY AND THE BONDS WILL PROVIDE OVER THE NEXT SEVERAL YEARS AN OPPORTUNITY TO STEM SOME OF THE DEPRECIATION THAT HAS OCCURRED IN THE CITY'S ASSETS. THIS IS A SLIDE YOU HAVE ALREADY SEEN. THIS IS WHERE WE HAVE CONTRIBUTED GENERAL FUND DOLLARS OVER THE PROCEEDINGS YEARS. IT IS INTERESTING ONE OF THE ANALOGIES I LOOKED AT YOU ALWAYS SEE THE IMPACT FROM THE FOUR YEARS OF HIGH-LEVEL ECONOMIC ACTIVITY WE HAD IN THE CITY. WE SEE A LARGE CONTRIBUTION FROM THE GENERAL FUND TO THE CIP. ALL OF THIS INVESTMENT ACTIVITY OCCURRED BETWEEN 2005 AND 2008. I THINK IT IS FROM YOUR POINT OF PERSPECTIVE ON HOW YOU WOULD EXAMINE THIS. OUR CONTRIBUTIONS TO THE CIP ARE MUCH SMALLER IF WE ARE LOOKING AT TWO AND ONE HALF MILLION DOLLARS. WE HAD AN ADDITIONAL CONTRIBUTION LAST YEAR. CITY DEBT STRUCTURE, WE ARE INDICATING ABOUT \$1.2 BILLION OF OUTSTANDING DEBT. THAT SOUNDS LIKE A LOT OF MONEY. STARTING AT THE 12:00 POSITION, \$35 MILLION IS THROUGH SPECIAL DISTRICTS THAT ARE SPECIAL TAXING DISTRICTS. EXCISE TAX IS THE AMOUNT OF DEBT THAT IS BACKED BY OTHER REVENUE SOURCES PRIMARILY DEBT TAX. MOVING INTO THE GREEN SLICE, \$318 MILLION THOSE ARE BONDS FOR PURCHASE WITH THE PRESERVE AND BACKED BY THE PRESENT SALES TAX. YOU LOOK AT THE RED SECTION, THE WATER AND SEWER THAT IS NOT THE SUBJECT OF THIS DISCUSSION. OUR DISCUSSION WILL BE FOCUSED ON THIS RIGHT HERE. IF YOU LOOK AT THE LEVEL OF THE BOND DEBT IT IS AN INTERESTING STORY. IT IS NOT DIFFERENT THAN YOUR MORTGAGE. YOU TAKE OUT A MORTGAGE AND OVER TIME AS YOU MAKE THE PAYMENTS YOU ARE PAYING A LOT OF INTEREST AND A SMALL AMOUNT OF PRINCIPAL. AS YOU GET FURTHER ALONG IN YOUR MORTGAGE YOUR DEBT IS BEING PAID

DOWN SIGNIFICANTLY. THIS IS PART OF WHAT YOU ARE SEEING HERE. THE REASON THIS DROPS OVER THE YEARS, WE ARE PAYING OFF THE PREVIOUS DEBT TO THE CITY. THAT IS A GOOD THING. WE ARE PAYING OFF BOND 2000. YOU GO TO THE LEFT IT IS INTERESTING YOU WILL SEE SPIKES EVERY OTHER YEAR FOR ABOUT FOUR YEARS. THOSE ARE THE FINAL ISSUANCES FROM BOND 2000. THE NEXT YEAR WE BEGIN PAYING DOWN THE DEBT. WHY IS THIS IMPORTANT? BECAUSE AS WE LOOK AT THE NEW BONDS WE HAVE TO UNDERSTAND THAT LIKE A MORTGAGE THIS WILL BE PAID DOWN OVER TIME. IF YOU LOOK AT THE CHART YOU WILL SEE OVER A FOUR YEAR PERIOD WE ARE INCREASING THE BOND DEBT THAT IS CONSISTENT WITH ISSUING THESE BONDS OVER TIME. WE DON'T ISSUE THE BONDS ALL AT ONCE. WE ISSUE THEM AS THE FUNDING IS NEEDED BY THE CITY. WE ARE LOOKING AT A FOUR-YEAR ISSUANCE FOR THIS PROGRAM SO YOU CAN SEE WHY IT IS EACH YEAR THEN STARTS DROPPING. IF YOU LOOK AT THE AMOUNT WHICH WE ARE EXPECTING A CITY TO HAVE WE ARE EXPECTING IT TO BE ABOUT \$312 MILLION. WITHIN EIGHT YEARS WE WILL BE BACK AT THAT SAME LEVEL. I WILL GO THROUGH THIS QUICKLY. THESE INDICATE ONE OF THE STATE'S STATUTES THAT LIMIT THE AMOUNT OF DEBT A CITY CAN TAKE AS COMPARED TO ITS OVERALL ASSESSED VALUATION. THAT WAS DURING THE YEARS WHERE VALUATIONS WENT UP EXTENSIVELY AND THEY HAVE SINCE DROPPED. BY ANY MEASURE WE ARE WELL BELOW THIS LINE. BOND RATINGS I THINK WE TALKED ABOUT THIS. WE MAINTAIN THE HIGHEST BOND RATING AVAILABLE FROM ANY OF THE AGENCIES. A LOT OF IT IS BASED ON A STRONG MANAGEMENT, STRONG RESERVES IN OUR GENERAL FUND, AS WELL AS FAVORABLE DEBT STRUCTURE. A LOT OF TIMES WE DON'T LIKE TO LOOK AT NUMBERS IN SCOTTSDALE AND SAY HOW DO WE STACK UP WITH THE REST OF THE VALLEY? THIS WILL GIVE YOU AN INDICATION ON SOME COMPARABLE CITIES.

[Time: 01:00:55]

IF YOU LOOK AT SCOTTSDALE WHEN YOU LOOK AT THE HEIGHT OF THE BAR YOU ARE LOOKING AT HOW MUCH OF OUR STATE STATUTE THAT WAS UTILIZED. THE YELLOW THAT IS STACKED ON TOP IS DEBT FOR THE PRESERVE. THAT IS COUNTED AGAINST OUR STATUTORY LIMIT THAT IS NOT IN OUR PROPERTY TAX. THAT IS FUNDED THROUGH THE PRESERVE SALES TAX. YOU CAN SEE THE OTHER CITIES ACROSS THE VALLEY OF THE WAY TO THE RIGHT AGAIN WE ARE WELL BELOW THEM. THE IMPACT ON RESIDENTS OF THE BOND PROGRAM YOU HAVE TO UNDERSTAND THIS IS BASED ON THE FACT THAT THIS PROGRAM IS PHASED IN OVER A FOUR YEAR PERIOD. WE ESTIMATE THE MAXIMUM IMPACT COULD BE HAD ON THE RESIDENTS STARTING WITH THE \$240 MILLION-DOLLAR PER PROGRAM AND CALCULATING THE ANNUAL DEBT ABOUT TWO THIRDS OF THE GENERAL OBLIGATION BOND DEBT IS PAID THROUGH RESIDENTIAL PROPERTIES. SO, THAT LEAVES \$11 OR \$12 MILLION DEBT SERVICE ATTRIBUTED TO THE RESIDENTIAL COMMUNITY. IF YOU TAKE THAT AMONG THE RESIDENTIAL UNITS ACROSS THE CITY YOU WILL SEE THE ANNUAL AMOUNT OF THAT DEBT IS BROKEN DOWN IN THIS WAY. NINETY DOLLARS BASED ON AN OVERALL AVERAGE. IT IS MORE INSTRUCTIVE TO LOOK AT THE BOTTOM WHERE YOU KNOW THE AVERAGE RESIDENTIAL IS \$287,000. THE KEY MEASURE IS IT IS MEASURED AT THE ASSESSOR'S MARKET VALUE OF THE PROPERTY. THE IMPACT ON MARKET VALUE WOULD BE UNDER \$32. SO, IF YOU TAKE A RESIDENTIAL VALUE AND MULTIPLY IT YOU CAN ESTIMATE THE IMPACT. BOND 2000; INTERESTING SLIDE BECAUSE WE HAVE ADDED A COLUMN, YOU NOTICE THIS IS A LISTING OF ALL THE QUESTIONS INDICATED IN RED. IT WAS ORIGINALLY PROPOSED AS UNDER A \$452 MILLION PROGRAM TO TAX PAYERS. IF YOU MOVE TO THE CENTER COLUMN IF YOU TAKE THE CONSUMER PRICE INDEX AND ADJUST THE AMOUNT, BRING THAT UP TO TODAY'S VALUES YOU WILL SEE WHAT BOND 2000 WOULD HAVE LOOKED LIKE TODAY. IT WOULD HAVE BEEN A \$614 MILLION PROPOSAL TO THE TAXPAYERS OR HALF A BILLION DOLLARS IF THE BOND WAS APPROVED.

ONE OF THE THINGS TO NOTE ABOUT BOND 2000, IN DEALING WITH THE POTENTIAL BOND PROGRAM, IT WAS NECESSARY FOR THE NATURAL COURSE OF EVENTS ON ANY CONSTRUCTION PROCESS THAT PRIORITIES OVER TIME CHANGED, COSTS OVER TIME CHANGE, AND THE EFFICIENCY AND AVAILABILITY OF THE PROJECTS CHANGED. IF YOU LOOK AT THE ORIGINAL BOND THERE ARE PROJECTS THAT WE HAVE REBUILT FOR GOOD REASON. WE LOOK FOR EXAMPLE TO THESE PARKS PROJECTS. NO INVESTMENT WAS MADE IN THE PARK AT THE RANCH. THE OTHER TWO PARKS HAD A SECOND PHASE PROGRAM. IT WAS FOUR COMMUNITY CENTERS. ONE OF THE THINGS WE EVALUATED YOU SEE THE OPERATING COSTS. THESE PRICES HAD CONSIDERABLE OPERATING COSTS. PINNACLE PEAK ROAD AND INDIAN BEND ROAD ARE AN EXAMPLE WHERE NOTHING WAS AVAILABLE THERE FOR AS WE DESIGNED THESE A REQUEST WAS MADE TO COUNCIL TO REALLOCATE THE FUNDS TO REPAIR THE ROADS. IT IS ANOTHER EXAMPLE WE USE THE ORIGINAL INTENT OF THE VOTERS TO EXECUTE THE PROGRAM. AS A LOT OF YOU KNOW THERE WAS A BOND FOR A HELICOPTER PURCHASE BUT IT WAS NEVER BOUGHT. FINALLY SOME PROJECTS DID NOT USE THEIR ENTIRE BUDGET. THE FLIPSIDE OF THE EARLIER DISCUSSION IS A LOT OF THE PROJECTS CAME IN UNDER BUDGET. WE PUT THE EXCESS FUNDING AND ALLOCATE THAT TO OTHER PROJECTS. THIS IS WHERE THE FLEXIBILITY OF WORKING WITH A BOND PROGRAM IS GOOD. IN 2010 WE HAD TWO QUESTIONS THAT WENT BEFORE THE ELECTORATE. OTHER FINANCIAL ELECTIONS HAVE BEEN SUCCESSFUL. ALL THE WAY UP TO THE 1999 ELECTION FOR THE PRESERVE WHICH WAS OVER 77% ACCEPTED. YOU'VE SEEN A PREVIOUS SLIDE NOW 900 HOURS WILL BE TALLIED UP ALL THE WORK THAT WAS DONE OVER THE PREVIOUS YEAR. THE SECOND SLIDE THE MOST GERMANE ISSUE IS THE AMOUNT OF THE BOND THAT WAS EXPECTED TO BE PUT FORWARD BY THE BOND TASK FORCE. WE TOOK THIS INFORMATION TO THE TASK FORCE.

[Time: 01:07:09]

THE VERY FIRST DECISION WE ARRIVED AT WAS THE RANGE OF THE REINVESTMENT IN THE CITY. THAT WAS ESTIMATED FOR PURPOSES THEY CHOSE IN A RANGE UP TO \$250 MILLION AS BEING THE MOST APPROPRIATE AMOUNT. THE RECOMMENDATION AS YOU'VE SEEN \$239 MILLION-DOLLAR PROGRAM SPREAD OVER FOUR QUESTIONS IN THIS MANNER. THERE WERE SEVERAL OTHER CONCLUSIONS THAT THE TASK FORCE ARRIVED AT. THEY DID BELIEVE IT IS NECESSARY TO REINVEST IN THE CITY'S INFRASTRUCTURE. THEY DID NOTE THAT THEY FELT THE PROJECTS THAT WERE BEING PROPOSED SHOULD BE INITIATED WITH A THREE-YEAR TIMEFRAME. THIS IS CONSISTENT WITH THE RECOMMENDATIONS BY THE CITY TREASURER. THE 13 YEARS WE ARE LOOKING AT WITH THE EXCEPTION THAT THE GENERAL FUND CONTRIBUTIONS WHICH HELD IN THE GOOD YEARS MAY NOT BE THE RIGHT PROGRAM. WE MAY WANT TO LOOK AT OTHER PROGRAMS THAT ARE SMALLER. I WANT TO BE SURE THAT WE ARE CLEAR THAT THERE IS NOT ANY MISCONCEPTION FROM THE COUNCIL THAT THIS IS THE ONLY TIME THEY WOULD SEE THIS PROGRAM. THERE ARE MULTIPLE STEPS FOR THE COUNCIL TO HAVE AN IMPACT ON THIS PROGRAM. TONIGHT, IT IS ONE OF THE KEY DECISION POINTS BUT AS WE MOVE FORWARD EVERY PROJECT THAT WILL BE BROUGHT FORWARD THAT WILL BE FUNDED WITH BOND FUNDS WILL BE BROUGHT IN FRONT OF THE COUNCIL EITHER ON ITS OWN OR AS PART OF THE ANNUAL UPDATE. SO THE COUNCIL WILL SEE EVERY SINGLE ONE OF THESE PROJECTS THAT COMES FORWARD. IN BOND 2000 WE ACTUALLY HAD A CITIZEN REVIEW COMMISSION THAT WAS FORMED. ANY CHANGES MADE THEY WOULD REVIEW AND FORWARD THE RECOMMENDATIONS TO THE COUNCIL. THE COUNCIL WILL HAVE TO TAKE SPECIFIC ACTIONS TO ISSUE BONDS THROUGH EACH OF THE FOUR YEARS. THIS IS A KEY POINT WHEN WE LOOK BACK AT THE HELICOPTER BOND 2000 WE CHOSE NOT TO ISSUE BONDS BECAUSE OF THE POTENTIAL NEGATIVE IMPACT. NATURALLY THROUGH THE PROCESS THERE ARE MULTIPLE OPPORTUNITIES FOR COUNCIL INPUT. AS WE LOOK

FORWARD AND TRYING TO MAKE A DECISION TONIGHT WHICH I UNDERSTOOD IS EASILY SAID AND CHALLENGING THE WE ARE HERE TO OFFER ALL THE SUPPORT WE CAN BOTH ON THE STAFF PERSPECTIVE WE HAVE ALL OF OUR EXPERTS HERE ON EACH OF THE SUBJECT MATTER IS BUT THIS IS ONLY ONE POSSIBLE WAY TO LOOK AT THE PROGRAM. THERE ARE MANY DIFFERENT WAYS TO LOOK AT IT. IF YOU WERE TO APPROVE THE PROGRAM YOU WOULD BE LOOKING AT THIS. BASICALLY EVERYTHING THE PROGRAM AS RECOMMENDED WHICH WOULD BE A \$239.9 MILLION-DOLLAR PROGRAM. IF YOU CHOOSE TO EXPAND THE PROGRAM IT WOULD GO UP ON THE SLIDE AND IF YOU STRICTLY GO ACCORDING TO THE BOND TASK FORCE RECOMMENDATIONS YOU WOULD BE ADDING PROJECTS RANKED BY THE BOND TASK FORCE. IF YOU CHOOSE TO CONTRACT THE PROGRAM YOU'D BE GOING THE SAME WAY. WE TRIED TO FRAME THESE OPTIONS AS BEST WE COULD. WE COUCHED FOUR POSSIBLE ACTIONS. FIRST ACTION IS IF YOU CHOOSE TO APPROVE THE PROGRAM VERY SIMPLY YOU WOULD APPROVE THE PROGRAM TONIGHT AND ADOPT RESOLUTION 9348.

[Time: 01:11:49]

Mayor Lane: LET ME SUGGEST THESE ARE ITEMS I'D LIKE TO DISCUSS ONCE WE HAVE SOME PUBLIC TESTIMONY.

Derek Earle: I COULD STOP MY PRESENTATION RIGHT NOW AND WE CAN COME BACK.

Mayor Lane: LET'S GO TO PUBLIC TESTIMONY. THANK YOU AND A VERY GOOD PRESENTATION. WE WILL TALK BACK TO YOU ONCE WE GET PUBLIC TESTIMONY. WE DO HAVE A NUMBER OF CARDS AND WE ASK EVERYONE TO USE THEIR TIME WISELY. I AM SURE EVERYONE HAS A COMMENT TO MAKE. I THINK WE HAVE MAYBE 20 CARDS. AT THREE MINUTES EACH THAT COULD ADD UP TO AN HOUR OR SO. IF WE COULD USE OUR TIME WELL I WOULD APPRECIATE THAT. LET'S GET STARTED.

[Time: 01:13:09]

Laraine Rodgers: GOOD AFTERNOON. I AM IN FAVOR OF RESOLUTION 9434. PLEASE PUT THAT ON THE AGENDA AT THE ELECTION IN NOVEMBER. I AM GOING TO BE SPEAKING TONIGHT ON THE LIBRARY AND TALKING ABOUT THE LIBRARY FUNDING REQUESTS. I DO SERVE ON THE BOARD OF OUR LIBRARY AND THE CHAIR FOR 2013. WE RECENTLY PASSED A RESOLUTION FOR FUNDING FOR THE LIBRARY. WHEN YOU TAKE A LOOK THERE ARE TWO AREAS I WANTED TO SPEAK ABOUT. ONE IS THE NEEDED FUNDING FOR THE TECHNOLOGY INFRASTRUCTURE IMPROVEMENTS. MAINLY AT CIVIC CENTER, AS YOU KNOW THE CIVIC CENTER WAS BUILT IN 1993. OUR CITIZENS ARE INCREASING THEIR USE AND REQUESTS FOR E-SERVICES AND PROGRAMS AS WELL IS THE USE OF LIBRARY PUBLIC COMPUTERS AND WIRELESS INTERNET. IT IS HIGH AND THE TRENDING IS HIGHER. IN 2012 THERE WERE THREE AND ONE HALF MILLION ITEMS THAT WERE CHECKED OUT. ABOUT HALF A MILLION OF THOSE WERE BOOKS, AUDIOTAPES ETC. AND WELL OVER 2 MILLION OF THOSE WERE DIGITAL DOWNLOADS. THE PUBLIC ACCESS COMPUTERS WERE ACCESSED 474,000 TIMES. SO THAT IS IMPORTANT SO THAT WE PRIDE OURSELVES AT THE LIBRARY THAT WE PROVIDE EQUAL ACCESS FOR ALL CITIZENS AND THIS HELPS THAT PROCESS. THE SECOND IS RENOVATING THE CHILDREN'S ROOM INTO A DISCOVERY ZONE. IT IS AN OPPORTUNITY FOR OUR YOUNG PEOPLE FROM EARLY AGES UP UNTIL AGE 12 TO GET WELL-VERSED IN 21st CENTURY DIGITAL LITERACY. I WOULD LIKE TO STATE MY SUPPORT, I HAVE USED THE LIBRARY, MY CHILDREN HAVE USED THE LIBRARY, IT IS BEAUTIFUL IN MANY WAYS BUT WE NEED TO

KEEP IT CURRENT. I SPEAK FROM A BACKGROUND IN INFORMATION SYSTEMS INDUSTRY. THANK YOU FOR CONSIDERING MY REQUEST.

Mayor Lane: THANK YOU MS. RODGERS. SASHA WELLER AND THEN WAYNE ECTON.

[Time: 01:16:40]

Fire Captain Sasha Weller: I AM THE VICE PRESIDENT OF THE SCOTTSDALE FIREFIGHTERS ASSOCIATION. TYPICALLY I SPEAK ON PUBLIC SAFETY. TONIGHT I SPEAK TO THE BOND ISSUE. THE FIREFIGHTERS SUPPORT THE BOND PACKAGE BECAUSE IT FITS WELL TOGETHER. IN ITS ENTIRETY IT ALLOWS US TO CONTINUE TO PRESERVE THE WAY OF LIFE WE HAVE IN SCOTTSDALE. AS PUBLIC SAFETY EMPLOYEES WE HAVE THE ABILITY TO GET OUT AND SEE THE PUBLIC. WE HAVE A GOOD PERSPECTIVE OF WHAT OUR TOURISTS AND WHAT OUR COMMUNITY HAS GROWN ACCUSTOMED TO SEEING. WE THINK THIS SUPPORTS THAT. WE THINK THE BOND TASK FORCE HAS DONE A GREAT JOB. I WOULD URGE YOU TO PUT THIS ON THE NOVEMBER BALLOT. THANK YOU.

Mayor Lane: THANK YOU MR. WELLER. FORMER COUNCILMAN WAYNE ECTON, FOLLOWED BY DANA CLOSE.

[Time: 01:18:07]

Former Councilman Wayne Ecton: THANK YOU. WHEN I WAS HERE TWO WEEKS AGO I SPOKE AS A MEMBER OF THE BOND TASK FORCE. WE HAVE BEEN RELEASED FROM THOSE DUTIES SO THIS EVENING I AM SPEAKING TO YOU AS A NEWLY APPOINTED CHAIRMAN OF THE PRESERVE SCOTTSDALE FUTURE. A COMMITTEE THAT IS PREPARED TO HELP PASS THE BOND ISSUE. THAT MEANS WHATEVER YOU DECIDE IF YOU ARE GOING TO HAVE A BOND ISSUE WE WILL SUPPORT IT. FOR US, WE KNOW WE HAVE TO PUT THE VOTE ON THE BALLOT. THAT IS WHAT I WANT TO TALK TO YOU ABOUT. I BELIEVE THE BONDS ARE ABOUT THE BOTTOM LINE. IT IS ABOUT WHAT WE NEED TO BEST KEEP SCOTTSDALE ALIVE. THERE ARE 45 DIFFERENT PROJECTS IN FOUR SEPARATE CATEGORIES. ALL THE PROJECTS DIRECTLY ADDRESS WHAT OUR CITY NEEDS TO CONTINUE PROVIDING THE BASIC SERVICES AT THEIR CURRENT LEVEL. AS YOU KNOW, THE CITY HAS NOT GONE OUT FOR BONDS SINCE 2000. A LOT CAN HAPPEN IN 13 YEARS, INFRASTRUCTURE BREAKS DOWN, ROADS HAVE TO BE REPLACED, THEY HAVE TO BE REPEATED SOME OF OUR TECHNOLOGY FOR PUBLIC SERVICE, PUBLIC SAFETY NEEDS TO BE UPDATED. TRUTHFULLY THE TASK FORCE COULD HAVE INCLUDED MANY MORE PROJECTS THAT WOULD HAVE SIGNIFICANTLY MADE IT MORE EXPENSIVE. THAT WAS MADE VERY CLEAR IN THE PREVIOUS PRESENTATION. YOU WILL HAVE TO DISCUSS ALL THOSE TONIGHT AND MAKE A DECISION. BUT WE WORKED HARD TO DO WHAT WE THOUGHT WAS THE MUST DO NOW PROJECTS. I HOPE YOU ARE ABLE TO REACH TONIGHT A UNANIMOUS DECISION ON THE BOND PACKAGE AND PLACE IT ON THE BALLOT FOR CITIZENS TO VOTE ON. THANK YOU.

Mayor Lane: THANK YOU COUNCILMAN ECTON. DANA CLOSE, FOLLOWING HER WILL BE MARK STUART.

[Time: 01:20:53]

Dana Close: I WOULD LIKE TO THANK ALL OF THOSE PEOPLE THAT PUT IN SO MANY HOURS RECOMMENDING THIS PACKAGE. I FOUND IT INFORMATIVE AND EASY TO READ. AFTER GOING THROUGH IT I HAVE SEVERAL OBSERVATIONS. I WAS PLEASED TO SEE THERE WAS AN EVEN DISTRIBUTION OF PROJECTS. SECONDLY I WAS STRUCK BY THE FACT THAT THE LIST IS COMPRISED OF PROJECTS IT CANNOT BE IGNORED. WE HAVE A BEAUTIFUL CITY AND WE MUST TAKE CARE OF IT. PART OF THAT IS DOING THE THINGS THAT AREN'T NECESSARILY FLASHY THAT KEEP US RUNNING TO MAINTAIN OUR QUALITY OF LIFE. I BELIEVE WHEN VOTERS READ THIS PROPOSAL THEY WILL CHOOSE TO SUPPORT OUR PARKS AND OUR LIFE AND OUR LIBRARIES. WE HAVE ONE OF THE NICEST PARKS IN THE COUNTRY AND WE OWE IT TO OURSELVES TO TAKE CARE OF IT. I BELIEVE THAT WE MUST MAKE SURE THAT WE ARE UP TO SPEED WITH THE DIGITAL AGE AND OUR EMERGENCY CREWS ARE EQUIPPED WITH THE MOST UP-TO-DATE TECHNOLOGY AVAILABLE. OF COURSE THERE ARE THE MAINTENANCE ISSUES. THESE PROJECTS ARE NOT EXCITING BUT THEY ARE THINGS WE CANNOT IGNORE. WHEN READING THROUGH THEM I WAS REMINDED OF SOME OF MY OWN LIST OF PROJECTS IN MY OWN HOME. PROJECTS LIKE THE ROOF REPLACEMENT, WHICH WE'VE BEEN TRYING TO KICK DOWN THE ROAD BECAUSE OF COST, BUT WHEN WE LOOKED AT HOW MUCH MORE WHAT IT COSTS IF WE LET IT GO BECAUSE OF POSSIBLE DAMAGE TO THE INSIDE OF THE HOUSE, POSSIBLE DAMAGE TO THE GARAGE WE DECIDED WE NEEDED TO MAKE A RESPONSIBLE CALL. IT IS NOT FUN BUT THE ALTERNATIVE IS LESS FUN. WE HAVE TO TAKE CARE OF THE BUSINESS OF MAINTAINING OUR PERSONAL PROPERTY. I WOULD HOPE THE COUNCIL TAKES THE SAME ATTITUDE WITH THE MUNDANE BUT NECESSARY PROJECTS. AND IS MY HOPE THAT YOU GIVE US AN OPPORTUNITY TO VOTE ON THIS PACKAGE.

Mayor Lane: THANK YOU, MS. CLOSE. MARK STUART.

[Time: 01:23:47]

MARK STUART: THANK YOU. I AM HERE TO ENCOURAGE YOU TO EXERCISE SOME FISCAL DISCIPLINE AND TO ILLUMINATE THESE PROJECTS WHICH ARE NOT NECESSARY. I WANT TO USE THE COMMITTEE'S ANALYSIS TO EXPLAIN HOW I REACHED A CONCLUSION. THE COMMITTEE RANKED PROJECTS BY MUST BE, SHOULD BE AND COULD BE. ONLY A-PROJECTS WERE DETERMINED AS "MUST BE DONE". THAT IS LESS THAN \$30 MILLION. FOR SOME REASON THEY DECIDED TO PUT THIS NEED TO BE TAXED MORE SO LET'S GO FOR \$240 MILLION. SO I ASK YOU, AREN'T TAXED ENOUGH ALREADY? I HAVE A SOLUTION FOR YOU WHICH WILL MEET THE NEEDS OF EVERYONE. IT IS INNOVATIVE. IT WILL PUT SCOTTSDALE ON THE MAP. THAT IS A COMPLETE LINE ITEM BOND ELECTION. WE CAN TAKE THIS DOCUMENT ALMOST AS IF WITH THE DESCRIPTIONS PUT A YES BOX OR NO BOX NEXT TO IT AND LET THE VOTERS DECIDE. THAT WAY THE VOTERS CAN KEEP THE IMPORTANT STUFF AND GET RID OF THE UNIMPORTANT STUFF. THERE IS ANOTHER POINT I WANTED TO MAKE. SO, MANY OF THESE BONDS SHOULD BE FOR A SPECIFIC PURPOSE. THE MOST OBVIOUS EXAMPLE IS THE PARKING GARAGE FOR THE BAR DISTRICT. IF THE LAND OWNERS AND THE PROPERTY OWNERS NEED TO PROVIDE MORE PARKING THEY SHOULD PAY THE COSTS. NOT THE REST OF US WHO DON'T USE IT AND DON'T GET ANY BENEFIT FROM IT. TAXPAYERS DON'T EXIST TO SERVE THE NEEDS OF BUSINESSES. BUSINESSES EXIST FOR THE TAXPAYERS. WE SHOULD KEEP THAT PRINCIPLE IN MIND WHEN WE EVALUATE EVERY PROJECT. THE ONE OTHER THING THAT CAUGHT MY EYE IS HOW OUR ASSETS HAVE DEPRECIATED. SOME OF THE THINGS THAT WERE EXAMPLES WERE BUILDING A 22,000 SQUARE FOOT MEDICAL AND DENTAL BUILDING, THAT IS NOT AN EXAMPLE OF A DEPRECIATING ASSET THAT IS A NEED TO BUILD A NEW BUILDING. THAT IS SOMETHING THAT SERVES AN IMMEDIATE AREA. IF IT IS NECESSARY THEY

WILL KNOW IF THEY WILL PAY THE COST. I URGE YOU TO TRUST THE VOTERS, I URGE YOU TO HAVE A COMPLETE LINE ITEM ELECTION AND WE WILL BE HAPPY WITH THE OUTCOME. THANK YOU.

Mayor Lane: THANK YOU, MR. STUART. NEXT IS JOHN WASHINGTON FOLLOWED BY RICK KIDDER.

[Time: 01:27:07]

JOHN WASHINGTON: LET ME APOLOGIZE WHEN I WAS UP HERE BEFORE I GAVE A SLIDESHOW THAT DID NOT WORK. IT IS NOT YOUR FAULT I DID NOT MEAN TO AVOID THAT. I HAVE RESPECT FOR THE PEOPLE INVOLVED IN BRINGING THIS ITEM TO YOU. THEY PUT A LOT OF WORK INTO THIS. I BELIEVE THERE ARE A FEW GOOD PROJECTS IN THIS LIST. HOWEVER I THINK IT IS MY DUTY TO PROVIDE PERSPECTIVE. IF WE CAN AFFORD TO GIVE THE GOLF ASSOCIATION A COMBINED TOTAL OF \$20 MILLION OF TAXPAYER MONEY THAT IS THREE TIMES THE COST OF THE HIGHEST PRIORITY ITEM ON YOUR LIST WHICH IS PUBLIC SAFETY. IF WE CAN AFFORD TO GIVE MONEY AWAY TO PRIVATE BUSINESSES WE CAN AFFORD TO FUND THIS. OUR PRIORITIES ARE OUT OF LINE. WE HAVE DONE THINGS THAT PUT US IN A POSITION WHERE WE ARE EXPRESSING DO WE NEED THESE THINGS? I THINK THERE IS SOME NEED ON THE LIST. BUT THE JUSTIFICATIONS ARE WE PUT A LOT OF WORK INTO THE PROCESS TO BRING IT TO YOU. WE NEED IT BECAUSE WE HAVE DONE A BAD JOB OF PUTTING MONEY AWAY TO TAKE CARE OF OUR ASSETS IN THE PAST. THAT WAS A BIG ISSUE OF YOURS. WHEN WE DISCOVERED THAT THE CIP HAD BEEN SHORTSIGHTED. THAT IS A BIG ISSUE WITH ME. THE WHOLE NOTION THAT WE SHOULD GO OUT AND BORROW THE MONEY IS FOR PEOPLE WHO DON'T UNDERSTAND IT, BONDING IS THE CITY'S CREDIT CARD. WE ARE BORROWING MONEY FOR US TO GO BORROW MONEY BECAUSE WE CAN, BECAUSE WE HAD THE ABILITY THAT IS NOT A CONSERVATIVE PRINCIPLE. DEBT IS DEATH. WHAT WE ARE DOING RIGHT NOW WE HAVE GOT \$1.3 BILLION WORTH OF DEBT IN THE CITY. IT COSTS US ONE THIRD OF OUR BUDGET TO SERVICE THAT DEBT AND THIS ASKS US TO BORROW ANOTHER \$40 BILLION THAT WE WILL HAVE TO SERVICE INTO THE FUTURE. I THINK IT IS A BIG MISTAKE I WOULD LIKE TO SEE A LINE ITEM VOTE ON THIS. I THINK IT IS DOABLE AND EASY. I THINK WE SHOULD LET THE VOTERS DECIDE WHAT THEY THINK IS IMPORTANT. THANK YOU.

Mayor Lane: THANK YOU MR. WASHINGTON. NEXT IS RICK KIDDER FOLLOWED BY ALEX MCLAREN.

Scottsdale Area Chamber of Commerce President and CEO Rick Kidder: I COME BEFORE YOU TO OFFER SUPPORT FOR THE BOND PROGRAM THAT WOULD ADDRESS CRITICAL NEEDS. I WOULD LIKE TO ECHO COMMENTS OFFERING THANKS TO THE BOND TASK FORCE FOR THEIR HARD WORK. SIFTING THROUGH WHAT WAS ORIGINALLY \$1 BILLION. SECOND, I WOULD LIKE TO MENTION THE FACT THAT THE PACKAGE BRINGS UP CRITICAL NEEDS FOR OUR CITY. THERE IS NOTHING MORE IMPORTANT TO A CITY THAN ITS INFRASTRUCTURE. WHILE SOME OF THE PROJECTS ARE NOT VISIBLE TO THE PUBLIC THEY ARE NECESSARY TO PROTECT AND ENHANCE THE CITY. THIS IS A NO-FRILLS APPROACH. ONE THAT HAS BEEN A CHALLENGING ECONOMICAL CLIMATE REFLECTS RESTRAINT AND THE DESIRE TO ADDRESS THOSE AREAS MOST IMPORTANT TO THE PRESENT AND FUTURE OF OUR CITY. NO COMMUNITY CAN AFFORD TO ALLOW ITS INVESTMENTS TO WITHER AWAY BUT IN TOUGH TIMES WE ALL MUST MAKE DIFFICULT CHOICES. THE CHAMBER WAS PLEASED TO HAVE RUN THE SUCCESSFUL 2000 BOND CAMPAIGN. THOSE WERE DIFFERENT TIMES. WE ARE PROUD TO BE PART OF AN EFFORT TO HELP EDUCATE THE COMMUNITY ON THE NEED TO ADDRESS OUR INFRASTRUCTURE AND SUPPORT IT IN ALL PARTS OF OUR CITY. WE HAVE A CASE TO MAKE, ONE OF NEEDS VERSUS WANTS. BUT WE RECOGNIZE THE CHALLENGE OF ASKING RESIDENTS TO SELF-TAX FOR THE BENEFIT OF SCOTTSDALE.

YOUR STRONG STATEMENT AND A UNANIMOUS VOTE TO PLACE THESE QUESTIONS BEFORE THE VOTERS, WILL SPEAK VOLUMES ABOUT YOUR RECOGNITION OF THE NEEDS OF OUR CITY. THANK YOU FOR YOUR TIME.

Mayor Lane: THANK YOU MR. KIDDER. NEXT IS ALEX MCLAREN, FOLLOWED BY JASON KLONOSKI

[Time: 01:32:45]

Alex McLaren: I AM HERE TO SUPPORT YOUR PUTTING THE FOUR QUESTIONS ON THE BALLOT SO THE VOTERS CAN DECIDE IN NOVEMBER. I WORKED FOR THE CITY FOR 21 YEARS PRIOR TO RETIRING IN 2007. I WORKED IN THE TRANSPORTATION DEPARTMENT AND THE CAPITAL PROJECT IMPROVEMENT AREA. I WAS INVOLVED IN DEVELOPING THE 1989 BOND PROGRAM AND THE 2000 BOND PROGRAM, INVOLVED IN DEVELOPING THE PROGRAM AS WELL AS IMPLEMENTATION AND THE BUILDING OF THE PROJECT. THE TASK FORCE HAS DONE A FINE JOB IN LOOKING AT THE PROJECTS, TAKING PUBLIC INPUT AND PUT EFFORT INTO DOING SO. THE PROJECTS ARE A BENEFIT TO THE CITIZENS OF SCOTTSDALE. I THINK OTHERS HAVE TALKED TO THE ISSUE OF MAKING SURE WE INVEST IN THE COMMUNITY AND THESE PROJECTS INVEST IN THE COMMUNITY. I THINK WE HAVE DEMONSTRATED THAT THE PROGRAM IS AFFORDABLE OBVIOUSLY TAXES ARE INVOLVED AND I THINK THEY DID A GOOD PRESENTATION ON HOW THAT WOULD DO THE TAX RATES IN THE CITY. I BELIEVE IT IS A GOOD PROGRAM. I THINK IT IS UP TO THE COUNCIL NOW TO HOPEFULLY PUT THIS QUESTION ON THE BALLOT AND I THINK A UNANIMOUS VOTE WOULD INDICATE STRONG SUPPORT TO THE CITIZENS OF SCOTTSDALE AND I WOULD URGE YOU PUT IT ON THE BALLOT. THANK YOU.

Mayor Lane: THANK YOU MR. MCLAREN. JASON KLONOSKI FOLLOWED BY SHAREE BROOKHART.

[Time: 01:34:59]

Jason Klonoski: I STAND HERE BEFORE YOU AS A SUPPORTER FOR THE PAIUTE COMMUNITY CENTER. I AM A POTENTIAL STAKEHOLDER IN THAT LOCATION. WE WERE APPROVED TO PUT A CHARTER SCHOOL IN SOUTH SCOTTSDALE. THE CHALLENGE FOUNDATION WHICH IS THE ORGANIZATION FOUNDED BY JON BRION WHO WITH A COUPLE OF FRIENDS INVENTED THE PVC PIPE AND DEDICATED HIS WEALTH TO EDUCATING AT RISK YOUTH IN AMERICA. THE NAME OF THE SCHOOL HAS BEEN APPROVED. IT IS CALLED HIRSCH ACADEMY. THE FIRST SCHOOL HE HAS LENT HIS NAME AND HAS AGREED TO SERVE AS AN HONORARY BOARD MEMBER ON. WE WANT TO MAKE YOU AWARE OF OUR PRESENCE. IT IS A GREAT OPPORTUNITY FOR THE CITY TO HAVE ONE OF THE WORLDS MOST OF TRULY RENOWNED SCHOLARS AS A PARTNER IN EDUCATING SOME OF THE AT RISK STUDENTS IN SCOTTSDALE. I WANTED TO MAKE YOU AWARE OF OUR PRESENCE. THANK YOU.

Mayor Lane: THANK YOU MR. KLONOSKI. NEXT IS SHAREE BROOKHART, FOLLOWED BY COPPER PHILLIPS.

[Time: 01:36:46]

Sharee Brookhart: GOOD EVENING, I AM HERE ON BEHALF OF THE SCOTTSDALE RAILROAD AND MECHANICAL SOCIETY, THE MCCORMICK-STILLMAN RAILROAD PARK, AND THE 750,000 YEARLY VISITORS WE HAVE TO THE PARK. I AM HERE TO SPEAK ON BEHALF OF THE FLOOD CONTROL PART OF

THE BOND ISSUE. THE FLOOD CONTROL SHOWS A DRAINAGE WHICH IS NECESSARY FOR FLOOD CONTROL THAT GOES FROM THE CORNER OF SCOTTSDALE ROAD AND INTO THE PARK. IT IS COVERED ALONG SCOTTSDALE ROAD BUT IT IS AN OPEN DRAINAGE DITCH THAT GOES THROUGH THE MAIN PART OF THE PARK ALONG SANDS NORTH TO THE END OF THE PARK. WHAT WE ARE REQUESTING IS THAT THIS ENTIRE DITCH BE COVERED OR UNDERGROUND. SO THAT THE FOOTPRINTS OF THE PARK STAYS THE SAME AS IT IS TODAY AND THAT WE MAINTAIN THE SAFETY OF THE PARK FOR THE CHILDREN. THANK YOU.

Mayor Lane: THANK YOU MS. BROOKHART. NEXT IS COPPER PHILLIPS.

[Time: 01:38:08]

Copper Phillips: I AM HERE AS A MEMBER OF THE TASK FORCE THAT EXISTED PRIOR TO THE CURRENT ONE. I HAVE A LEG UP BECAUSE I WAS THERE FOR THE DISCUSSIONS. A FRIEND OF MINE WHO DOES NOT LIVE IN SCOTTSDALE SAID YOU PEOPLE IN SCOTTSDALE SAY YOU DESERVE TO HAVE ALL THESE THINGS. MY RESPONSE WAS, YES WE DO AND WHAT IS YOUR PROBLEM? WE ARE A VERY EDUCATED COMMUNITY. WE VOTE ON THINGS BASED ON WHAT WE PERCEIVE OUR NEEDS THAT WE HAD TO HAVE HERE. I AM CONCERNED HOWEVER WITH LUMPING THESE BOND QUESTIONS INTO JUST FOUR QUESTIONS. I THINK IT HAS A WELL-ROUNDED REPRESENTATION. I THINK THERE IS A FEEL FOR EVERYONE THROUGHOUT THE CITY. HOWEVER, I CAN'T UNDERSTAND THE SENTIMENTS OF OTHERS THAT THEY FEEL THE PRICE IS TOO HIGH. I LOOK AT NUMBER FOUR, THAT IS 45% OF THE TOTAL COST. I SEE THAT HUGE NUMBER IS A TURNOFF TO MANY PEOPLE. I THINK IF WE BREAK THAT INTO MORE MANAGEABLE UNITS AND THINK ABOUT WHAT THOSE ITEMS CONSIST OF. I SEE SAFETY ISSUES IN THERE, I SEE ENHANCEMENT, I SEE TRAFFIC FLOW. PERHAPS BREAKING THAT DOWN INTO A MORE MANAGEABLE UNIT WILL STOP THAT FROM BEING THAT HARD HIT WHEN YOU SEE THE NUMBER. STRATEGICALLY I WOULD HATE TO SEE THE ENTIRE BOND GO DOWN, THE ENTIRE QUESTION, BECAUSE THERE ARE SOME CRITICAL ELEMENTS IN THERE, BASED UPON PERCEPTION THAT IT IS TOO MUCH MONEY TO SPEND. I WOULD ASK THAT YOU TAKE A GOOD LOOK AT THAT AND BREAK IT DOWN. I DON'T KNOW IF WE COULD USE A LINE ITEM. BUT I THINK WE CAN DO A BETTER JOB OF BREAKING IT DOWN. I REFLECT BACK TO THE PRIOR BOND ELECTION. IF THAT HAD BEEN LUMPED INTO FOUR QUESTIONS AT LEAST ONE OF THE QUESTIONS WOULD HAVE FAILED. PERHAPS WE CAN LOOK AT THE BREAK IT INTO A MORE MANAGEABLE UNIT. I STRONGLY URGE YOU, WE NEED TO MAINTAIN OUR INFRASTRUCTURE IT IS A CRITICAL THING TO DO IN SCOTTSDALE. THANK YOU.

Mayor Lane: THANK YOU MS. PHILLIPS. THAT COMPLETES THE PUBLIC TESTIMONY ON ITEM 16. I WOULD ASK MR. EARLE IF YOU WOULD RETURN TO THE PODIUM AND NOW WE CAN GET THOSE IN INSTRUCTIONS YOU REFERRED TO.

[Time: 01:40:53]

Derek Earle: WHAT I WAS TRYING TO EXPLAIN IS BECAUSE OF THE UNIQUE WAY THE RESOLUTION IS WRITTEN, WITHIN THAT RESOLUTIONI IS SPECIFIC LANGUAGE WHAT THE COUNCIL HAS THE ABILITY TO DO AND WHAT WOULD HAVE TO BE MOVED TO ANOTHER MEETING, I JUST WANTED TO BE SURE I AM CLEAR. IF COUNCIL CHOOSES TO APPROVE THE PROGRAM AS PROPOSED BY THE TASK FORCE THEN THEY CAN ALSO APPROVE THE RESOLUTION AT THE SAME TIME AND WE'RE DONE. IF COUNCIL CHOOSES TO REDUCE THE AMOUNT OF THE BOND PROGRAM COUNCIL MAY STILL APPROVE THE

RESOLUTION OF THE ELECTION WITH THAT STIPULATION WITH THE AMOUNTS STIPULATED. THAT IS ITEM NUMBER TWO. THOSE ARE THE TWO OPTIONS FOR THERE TO BE A FINAL ACTION TONIGHT. IF COUNCIL MAKES IS ANY OTHER CHANGES THEN IT WILL BE NECESSARY FOR STAFF TO RE-WRITE THE RESOLUTION AND BRING IT BACK TO A SUBSEQUENT MEETING, I BELIEVE THAT WOULD BE ON APRIL 9. IF THERE IS A CHOICE TO INCREASE THE PROGRAM, TO CHANGE THE LANGUAGE OF THE QUESTIONS OR ADD QUESTIONS YOUR ACTION TONIGHT WOULD BE TO APPROVE A REVISED PROGRAM. NUMBER FOUR IS ALWAYS OPEN TO THE COUNCIL. IT IS A LITTLE CONVOLUTED WE HAVE TO BE CONSISTENT ON THE RESOLUTION THAT HAS BEEN PREPARED. AS A MATTER OF FACT I EXCHANGED QUESTIONS WITH THE CITY ATTORNEY THIS AFTERNOON. IF ONE QUESTION WAS TO GO DOWN AND ANOTHER UP WE MAY BE FINE WITH THAT. THE OVERALL PROGRAM GOES OUT AS THAT NUMBER AND ANYTHING ABOVE THAT WOULD BE INCONSISTENT.

Mayor Lane: AND WOULD HAVE TO BE CONTINUED TO A FOLLOW-UP MEETING.

Derek Earle: WE WILL BRING THE RESOLUTION BACK. WE WILL HAVE THE CORRECT LANGUAGE BASED ON THE COUNCIL'S ACTION TONIGHT.

Mayor Lane: THANK YOU. WE START WITH VICE MAYOR KLAPP.

[Time: 01:43:54]

Vice Mayor Klapp: I HAVE A QUESTION. THE SPEAKERS TONIGHT ARE UNDER THE IMPRESSION THAT THE PAIUTE COMMUNITY CENTER IS FOR A HEALTH CLINIC ONLY. CAN SOMEONE GIVE US A BETTER EXPLANATION OF HOW THE SPACE WILL BE UTILIZED? I HAVE GOTTEN E-MAILS ABOUT THIS AND I THINK THERE NEEDS TO BE A BETTER EXPLANATION OF WHAT THIS RENOVATION IS ABOUT.

Mayor Lane: LET ME INTERJECT FOR ONE SECOND. I THINK ONE OF THE THINGS WE WILL LOOK AT AS TO WHETHER OR NOT THIS COUNCIL IS OF A MIND TO BEING LOOKING AT THE INDIVIDUAL ITEMS VERSUS THE OVERALL AS YOU SUGGESTED. I THINK THERE HAS BEEN EVEN WITH THE INITIAL QUESTION AND I KNOW THERE ARE OTHERS THAT WILL RELATE TO SPECIFIC ITEMS AND FRANKLY THE FORMATION OF HOW MANY QUESTIONS. WE ARE GOING TO NEED TO TAKE A LOOK AT YOUR ADDITIONAL SLIDES THAT BREAK DOWN THE INDIVIDUAL ITEMS. WE WILL LEAVE THAT SUBJECT TO WHAT THE COUNCIL WOULD LIKE TO SPEAK TOWARD.

WE DON'T NECESSARILY HAVE TO GO ITEM BY ITEM. IT MAY END UP AS YOU HAVE ADVISED US THAT WE MAY HAVE TO COME BACK WITH A REVISED. BECAUSE OF SOME OF THE COMMENTS THAT WERE MADE AS WELL AS WHAT THE INTENTION IS AS FAR AS WHAT WE HAVE IN FRONT OF US RIGHT NOW. WE WOULD HAVE TO COME BACK WITH MODIFICATION IF WE FOLLOW THE PATH THAT I THINK WE ARE GOING TO BE. I WILL SAY TO THE COUNCIL WHATEVER ITEMS INDIVIDUALLY YOU'D LIKE TO BRING UP WE CAN DISCUSS THEM. I PREFER NOT TO GO ITEM THROUGH ITEM I THINK WE HAVE ALL STUDIED THIS. UNLESS THERE IS AN OVERWHELMING TO NO OR AN OVERWHELMING UP BUT TO SPECIFICALLY TALK TO A LINE ITEM AND IF IN FACT THERE IS A QUESTION ON IT, WE WILL AS A BODY VOTE TO WHICH WAY TO GO WITH THAT. WITH THAT I AM SORRY, I DON'T KNOW HOW CLEAR THAT WAS BUT I WANT TO WARN THE FACT THAT WE ARE LOOKING AT SPECIFIC ITEMS AND THAT MAY BRING US TO A DEPARTURE OF WHAT WAS PLANNED TONIGHT. WITH THAT PLEASE GO ON.

Vice Mayor Klapp: I THINK MY QUESTION WAS CLEAR. I JUST NEED MORE EXPLANATION ON THAT. I THINK IT WOULD BENEFIT THE PEOPLE WHO ARE SITTING HERE.

Derek Earle: THE PROGRAM PUT FORWARD WAS ORIGINALLY DEVELOPED BY AN OUTSIDE ARCHITECT. AT THE TIME IT CAME FORWARD WE WERE UNDER THE IMPRESSION THAT THERE WOULD BE A NEED FOR THE ENTIRE FACILITY. THAT IS NOT THE CASE. IT DOES NOT NEED THAT MUCH AREA. THEY PUT FORWARD A PLAN AS IF THEY WERE LOOKING AT A TOTAL RENOVATION. I THINK RIGHT NOW THERE IS 39,000 SQUARE FEET. ORIGINALLY IT WAS CONTEMPLATED A TOTAL RAZING OF THE ORIGINAL FACILITY AND THE CONSTRUCTION OF A NEW FACILITY. SO WE ARE SHOWING 4260 SQUARE FEET PLUS SOME PORTION OF THE ADMINISTRATIVE AND EXERCISE AND HEALTH. OUR OPINION ON THIS PROGRAM IS AS FAR AS THE FUNDING THE REAL KEY WHEN WE DID THIS PRESENTATION IS THE MASTER PLAN. THAT HAS REALLY GOT TO COME FIRST TO EVALUATE THE CRITICAL USERS AND NEEDS FOR PAIUTE. THAT WILL LEAD TO THE PROGRAM PERHAPS SMALLER OR LARGER BUT WHICHEVER WAY WOULD BE BASED ON PUBLIC OUTREACH.

[Time: 01:48:38]

Mayor Lane: I HAVE A COUPLE OF COMMENTS. ONE OF THE THINGS YOU INTRODUCED TONIGHT HAS BEEN IN THE POWERPOINT AND THAT IS THE EXTENT OF DEVELOPERS' CONTRIBUTIONS OF CAPITAL PROJECTS INTO THE SYSTEM. ONE WE TALK ABOUT DEPRECIABLE ASSETS THAT IS NOT UNTYPICAL IN A MUNICIPALITY TO TRACK DEPRECIATION AGAINST BOND DEBT PAYMENTS. AS YOU PAY DOWN THE BOND THERE IS A SIMILAR LIFECYCLE ON A BOND AS THERE IS TO DEPRECIABLE ASSETS SOME AS ONE DEFINES THE NEED FOR THE OTHER GOES UP. BUT WITH THE INCLUSION OF DEVELOPER CAPITAL ASSETS WE HAVE FACTORED THAT HAS NO PRESENTATION IN ANY BOND THAT IS OUTSTANDING. I THINK THAT MADE IT A LITTLE CLEAR TO ME. THERE IS ONE THING THAT WAS MENTIONED THAT IS THE ADDITIONAL 11 CONTRIBUTIONS THE PAY-AS-YOU-GO TYPE OF CAPITAL CONTRIBUTION. OVER THAT PERIOD OF TIME THAT YOU'VE MENTIONED ACCUMULATED CLOSE TO \$140 MILLION. IF WE CAN PUT THAT UP THAT IS AN INTERESTING SLIDE TO CONSIDER. IN THE BOND 2000 WE HAD A TOTAL OF NINE QUESTIONS. IN THIS CASE WE HAVE 45 ITEMS AND WE'VE GROUPED THEM IN A BLOCK AS FAR AS THE INDIVIDUAL QUESTIONS ARE CONCERNED. THERE IS AN AWFUL LOT OF LATITUDE AND A LOT LESS DETAIL. EVEN IN THAT CASE WITH THE VOTERS IN BOND 2000 THERE WERE A COUPLE OF ITEMS THAT THEY VOTED AND OPPOSED AND THOSE CIP FUNDS WERE USED TO OVERRIDE THEIR VOTE ON THAT AND WE PURCHASED THEM ANYWAY. IT IS AN INTERESTING KIND OF PREDICAMENT WHEN WE HAVE A BOND, BOND 2000, I AM THINKING ABOUT THE LAND ACQUISITION WHICH WAS DENIED, WE TURNED AROUND AND USED THE CIP FUNDS TOWARDS THAT. ALSO OTHER PROJECTS THAT WERE NOT ON THE BOND 2000 THAT WE INVESTED IN. WE HAVE ADDED TO THE AMOUNT BUT WE ALSO HAVE A NEW PROGRAM WHICH TAKES THE BURDEN OFF OF OUR RESIDENTS FOR ANY KIND OF CAPITAL INFRASTRUCTURE PROJECT FINISHED THAT IS TOURIST RELATED. IN ACCORDANCE WITH THE VOTERS ABOUT TWO YEARS AGO THEY INDICATED TO US THAT A CERTAIN PORTION OF OUR TOURISM FUNDS THAT WERE GENERATED BE SPECIFICALLY SPENT FOR TOURISM RELATED INFRASTRUCTURE. WE HAVE BEEN IN THE PROCESS AND HAVE WORKED THROUGH A NUMBER OF PROJECTS THAT ARE UNDERWAY RIGHT NOW THAT HAS ALLOWED FOR TOURISM INFRASTRUCTURE TO PROCEED WITHOUT A BOND OR FRANKLY WITHOUT GENERAL FUNDING. I THINK THERE ARE A COUPLE OF MAJOR VARIABLES THAT MAKES THIS BOND ISSUE VERY DIFFERENT FROM THE LAST. IN BOND 2000 WE HAD NINE SPECIFIC LINE ITEMS. WITH THAT BEING SAID THERE IS A COUPLE OF ITEMS AND I WILL START IT OFF BY SAYING THERE ARE A COUPLE OF ITEMS THAT WARRANT A SPECIFIC LINE ITEM. EVEN IF THE

GROUPINGS WERE TO REMAIN SIMILAR. THERE ARE ITEMS I THINK THE PUBLIC SHOULD BE ABLE TO SPECIFICALLY WEIGH IN ON. JUST AS A START ON THAT I THINK THE PAIUTE COMMUNITY CENTER RENOVATIONS SHOULD BE A SEPARATE LINE ITEM. THIS IS A DEPARTURE FROM THE KINDS OF FUNDING WE HAVE DONE IN THE PAST. MOST EVERYTHING WE HAVE DONE IN THIS THIS CATEGORY HAS COME FROM FEDERAL FUNDS, EITHER BY PURCHASE OF LAND OR BUILDINGS OR RENOVATIONS, OF COURSE, QUALIFYING PARTIES BEING ON THOSE PROPERTIES. WE ARE NOW MOVING INTO AN AREA IN PART DEPENDING UPON HOW THIS GETS DIVIDED UP INTO PUBLIC HEALTH AND A PUBLIC HEALTH FACILITY THAT WILL BE WIDE SPREAD. THAT SEEMS LIKE A BIG NEW AREA FOR US. I THINK THE PUBLIC SHOULD BE ABLE TO TAKE A LOOK AT THAT INDIVIDUALLY.

[Time: 01:54:16]

ANOTHER ITEM I THINK WARRANTS A PUBLIC TAKING A LOOK AT IT AND THAT IS THE PARKING GARAGE THAT IS NOTED IN NUMBER THREE. I THINK IT WOULD WARRANT A SEPARATE QUESTION ON THAT IN FAIRNESS TO THE PUBLIC. TWO ITEMS I THINK THAT COULD BE REMOVED ARE THE COURT REMODELING EXPANSION WHICH IS A PRODUCT OF A CONSULTING GROUP THAT CAME TO SCOTTSDALE. CURRENTLY WE HAVE IMPROVED OUR STATISTICS AS IT RELATES TO HOW MUCH WE ARE PROCESSING THROUGH OUR COURT SYSTEM. THE ONE THING THAT STANDS OUT IS THE FACT THAT 65% OF THE USE OF OUR COURT SYSTEM IS BY PEOPLE WHO DON'T LIVE IN SCOTTSDALE. SO ITS ASSOCIATION WITH A USE TAX OR USE FEE IS NOT UNWARRANTED. IN FACT IT WAS CONSIDERED AND IMPLEMENTED YEARS AGO. WE HAVE AN ENHANCEMENT CAPITAL FUND WITHIN THE COURT SYSTEM RIGHT NOW. IT IS NOW BEING USED TO PAY PAYROLLS. IT DOES HAVE A SUBSTANTIAL SUM OF MONEY ON IT AND A REVENUE STREAM THAT WILL EVENTUALLY BE ABLE TO TAKE CARE OF THESE THINGS. MY SUGGESTION IN THIS CASE WOULD BE THAT THAT BE REMOVED AND WE USE THE ALTERNATIVES. THE ONLY OTHER ITEM I THINK AT THIS POINT IN TIME IS I AM SKEPTICAL OF THE AMOUNT OF MONEY AND THE PURCHASE PRICE FOR ANOTHER POLICE FACILITY. WHEN WE QUESTIONED ABOUT THAT ITEM AND I REALIZE THAT I DID NOT SAY THIS BUT FOR THE PUBLIC AND FOR THE TASK FORCE MEMBERS THEIR WORK WAS TEDIOUS AND WELL DONE AND AS I SAID AT THE TIME AND COMPLIMENTING THEM IT IS ANOTHER SET OF EYES BUT THAT DOES NOT MEAN THIS SET OF EYES DOES NOT ALSO HAVE TO LOOK AT IT CAREFULLY. IT IS NO REFLECTION ON THEIR ABILITY AND WHAT THEY HAVE DONE.

THOSE ARE THE TWO ITEMS THAT I WOULD SUGGEST BE REMOVED. AND THE ITEMS THAT I MENTIONED THAT SHOULD BE ON A SEPARATE ONE. THAT'S MY FIRST THOUGHT ON IT AND AT SOME POINT IN TIME I THINK THAT IS SOMETHING I'LL EITHER MAKE A MOTION TO DO THAT AND SEE IF THERE'S SUPPORT FOR IT ON THOSE ITEMS. WITH THAT, COUNCILMAN LITTLEFIELD.

[Time: 01:57:21]

Councilman Littlefield: SEVERAL OF THE SPEAKERS MADE REFERENCE TO THEIR HOPE THAT THIS COUNCIL WOULD MAKE A UNANIMOUS DECISION. I UNDERSTAND THE DESIRE FOR THAT BECAUSE AFTER ALL, IF WE ARE NOT FIRMLY BEHIND WHATEVER WE PUT ON THE BALLOT, HOW CAN WE SELL THAT TO THE VOTERS? IF YOU SEE A COUNCIL UP HERE THAT DOESN'T LIKE WHAT'S ONO THE BALLOT, THAT'S GOING TO MAKE THE VOTERS EVEN MORE SCEPTICAL. HERE'S WHAT I HEAR WHEN I GO OUT IN THE COMMUNITY. NUMBER ONE, PEOPLE AREN'T REALLY THAT INCLINED TO APPROVE A TAX INCREASE THIS YEAR. NUMBER TWO, MANY PEOPLE DON'T TRUST WHAT WE DID WITH THE MONEY

FROM THE LAST BOND. AS THE MAYOR POINTED OUT, WE DID SOME MOVING AROUND THAT MANY PEOPLE BELIEVED WAS INCONSISTENT THE DESIRE THE VOTERS HAD WHEN THEY VOTED FOR SOME OF THOSE ITEMS. I WOULD SAY THAT THIS IS THE WRONG YEAR TO PUT THIS ON THE BOND. I THINK WE OUGHT TO WAIT TILL 2014. I DON'T THINK THE ECONOMY IS GOOD ENOUGH THAT PEOPLE ARE GOING TO SUPPORT THIS. I THINK IF WE PUT A \$239,000,000 BOND ISSUE ON THE BALLOT, IT WILL FAIL BECAUSE IT'S TOO BIG. THIRD THING I HEARD IS A DESIRE TO HAVE A MORE GRANULAR ISSUE IF WE DO IT WHICH MEANS LINE ITEM, WHICH MEANS THE ABILITY TO VOTE ON EACH OF THESE AS OPPOSED TO VOTE ON BIG GROUPS. ONE OF THE SPEAKERS MADE THE POINT UP HERE THAT IF YOU HAVE A \$100 MILLION DOLLAR ITEM WITH A WHOLE BUNCH OF DIFFERENT THINGS IN IT PEOPLE ARE GOING TO BE SCEPTICAL ABOUT THAT. MY POSITION WOULD BE AND I'M NOT GOING TO MAKE A MOTION YET BECAUSE WE HAVE TO HEAR WHAT EVERYBODY ELSE THINKS. I WOULD SAY THAT I WOULD NOT WANT TO PUT THIS ON THE BALLOT THIS YEAR. I WOULD WANT TO WAIT UNTIL 2014. BUT IF WE DO PUT SOMETHING ON THE BALLOT THIS YEAR, IF THAT'S THE DESIRE OF THE MAJORITY OF THE COUNCIL, WHAT I WOULD SUPPORT WOULD BE LISTEN TO WHAT THE BOND TASK FORCE DID. WE ALL AGREE THEY WORKED HARD AND DID A GOOD JOB SO WE SHOULD LISTEN TO WHAT THEY HAD TO SAY. ONE OF THE THINGS THEY HAD TO SAY AS ONE OF THE SPEAKERS POINTED OUT WAS THEY HAD MUST HAVE, NICE TO HAVE, GOOD TO HAVE. LET'S STICK WITH THE MUST-HAVES FOR THIS YEAR. THERE ARE EIGHT ITEMS THEY LISTED AS NUMBER ONE PRIORITY. IF WE'RE GOING TO PUT SOMETHING ON THE BOND FOR 2013 I WOULD SUPPORT PUTTING ONLY THOSE EIGHT ITEMS ON, MAKE EACH ONE A LINE ITEM, SO YOU WOULD HAVE EIGHT QUESTIONS ON THE BALLOT. WE NEED SOME KIND OF STIPULATION TO TIGHTEN UP THE PROPOSED USAGE SO THAT PEOPLE WILL HAVE SOME CONFIDENCE THAT WHEN THEY VOTE FOR SOMETHING THAT'S WHAT WE'RE GOING TO SPEND THE MONEY ON.

[Time: 02:00:17]

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN PHILLIPS.

Councilmember Phillips: THANK YOU, MAYOR. MR. EARLE, WHAT WAS THE DOLLAR IMPACT ON BOND 2000? OR THE ASSESSED \$100,000 VALUE ON HOMES?

Derek Earle: MAYOR AND COUNCIL, I'LL SEE IF WE MAY HAVE THAT AVAILABLE.

Councilmember Phillips: JUST CURIOUS, I DIDN'T MEAN TO THROW THAT AT YOU.

Derek Earle: WE DON'T HAVE THAT DETAILED ANSWER BUT WE CAN GET THAT FOR YOU QUICKLY.

Councilmember Phillips: I WAS JUST THINKING WHAT WOULD BE PAID THEN COMPARED TO WHAT WE'RE ASKING PEOPLE TO PAY FOR NOW.

Derek Earle: AS FAR AS THE TAX IMPACT, I DON'T HAVE THAT AVAILABLE. OBVIOUSLY ONE OF THE CHALLENGES IS MATCHING THE TAX IMPACT WITH THE ASSESSED VALUATIONS ALSO OVER TIME WHICH CLIMBED DURING THE 2000'S. IF WE CAN FIND THAT WE'LL GET THAT BEFORE THE MEETING IS OVER.

Councilmember Phillips: I APPRECIATE THAT. LOOKING OVER THIS AND WE'VE HAD A LOT OF DISCUSSIONS ON IT, I APPRECIATE THE BOND TASK FORCE. I THINK THEY'VE DONE AN AMAZING JOB, ONE I WOULDN'T HAVE WANTED TO DO MYSELF. MOST MUNICIPALITIES EVERY TEN YEARS OR SO COME UP WITH BOND QUESTIONS TO THE VOTERS TO GET THINGS DONE. THERE ARE ITEMS THAT NEED TO BE DONE, THERE ARE ITEMS THAT YOU WANT TO BE DONE. IF YOU ALWAYS VOTE ON THE ITEMS THAT NEED TO BE DONE YOU NEVER GET WHAT YOU WANT TO BE DONE BECAUSE THERE'S NEVER ANY MONEY AVAILABLE. I CAN SEE THAT SIDE OF THE COIN. WE'RE ASKING FOR ABOUT \$240 MILLION. BOND 2000 WAS ALMOST \$600 MILLION. STILL THE VOTERS APPROVED THAT. I'M CURIOUS WHY THE VOTERS APPROVED THAT ONE. A LOT OF IT WAS BECAUSE OF TRANSPARENCY. I THINK THERE WAS MOSTLY LINE ITEM. THEY SAW WHAT THEY WERE VOTING FOR AND WERE ABLE TO MAKE AN INTELLIGENT DECISION. I THINK IT'S CRUCIAL THIS TIME AROUND IF WE VOTE FOR THIS AND WE HAVE A BOND THAT IT HAS TO BE AS TRANSPARENT AS POSSIBLE. I THINK A LINE ITEM IS CRUCIAL TO THAT. I THINK WE SHOULD ALSO HAVE AS MUCH VOTER INFORMATION AS POSSIBLE SO PEOPLE CAN MAKE AN INTELLIGENT DECISION ON THAT. AS FAR AS TAKING STUFF OUT, FOR THE REST OF THE COUNCIL, NUMBER ONE IN THE GROUP NUMBER ONE, I WAS LOOKING AT NUMBER TWO, NUMBER FIVE AND NUMBER TEN HAVING THEIR OWN LINE ITEM. PARKS, LIBRARIES AND COMMUNITY FACILITIES PINNACLE PEAK PARK IMPROVEMENTS, NUMBER TWO NUMBER FIVE, EXPANSION OF VIA LINDA AND GRANITE REEF, AND NUMBER TEN, SCOTTSDALE CENTER FOR THE PERFORMING ARTS, I THINK THOSE SHOULD BE LINE ITEMS. IN TRANSPORTATION AND STREETS, I THINK NUMBER TEN THE AIRPARK ROADWAY CIRCULATION AND NUMBER SIXTEEN THE THOMPSON PEAK PARKWAY BRIDGE SHOULD ALSO BE LINE ITEMS. WHETHER WE'RE GOING TO GO THAT ROUTE I DON'T KNOW. WHAT I WANT TO DO IS GET THE BALL ROLLING HERE TONIGHT.

[Time: 02:03:25]

MOTION NO. 1 - ITEM 16: SPECIAL ELECTION FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS
COUNCILMAN PHILLIPS MOVED TO ADOPT RESOLUTION NO. 9348 ORDERING AND CALLING A SPECIAL ELECTION FOR TUESDAY, NOVEMBER 5, 2013, TO SUBMIT TO THE QUALIFIED ELECTORS QUESTIONS AUTHORIZING THE ISSUANCE AND SALE OF \$239,900,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, WITH THE STIPULATION THAT EACH PROJECT IS ENUMERATED IN EACH OF THE FOUR BALLOT QUESTIONS AND THAT THEY ARE PROJECT SPECIFIC, THAT IS THE DOLLAR AMOUNT ALLOCATED TO EACH PROJECT CANNOT AND WILL NOT BE REAPPROPRIATED TO ANOTHER PROJECT WITHIN THAT SAME GROUP OR REALLOCATED TO ANOTHER GROUP OR PROJECT, EITHER BONDED OR OUTSIDE THE BOND ELECTION SCOPE. MONEY THAT IS NOT ALLOCATED FOR BONDING FOR THAT SPECIFIC PROJECT WILL REMAIN AS BONDING CAPACITY FOR THAT SPECIFIC PROJECT ONLY IN PERPETUITY AS LONG AS VOTED ON BY THE ELECTORS. MOTION DIED FOR LACK OF A SECOND.

Mayor Lane: MOTION HAS BEEN MADE. COUNCILMAN LITTLEFIELD HAS A QUESTION.

Councilman Littlefield: WOULD THAT BE FOR ALL 45 ITEMS?

Councilmember Phillips: COUNCILMAN LITTLEFIELD, YES THAT'S CORRECT.

Councilman Littlefield: I SUPPORT YOUR IDEA ON THE STIPULATIONS. IN FACT I WOULD INCORPORATE THAT INTO ANOTHER MOTION. IF WE'RE GOING TO DO IT THIS YEAR I SUPPORT WHAT YOU'RE SAYING ABOUT THE STIPULATIONS ABOUT NOT REALLOCATING THE MONEY. I THINK THAT'S IMPORTANT TO

LET THE PUBLIC KNOW WE'RE NOT GOING TO MOVE THIS MONEY AROUND IF THEY APPROVE IT. I DON'T SUPPORT PUTTING ALL FORTY-FIVE OF THE ITEMS ON THERE. I WOULD SUPPORT YOUR MOTION IF YOU WERE JUST GOING TO DO THE TOP EIGHT.

Mayor Lane: MOTION IS ON THE TABLE. MOTION FAILED FOR LACK OF A SECOND.

Councilman Littlefield: CAN I MAKE IT AS AN ALTERNATE?

Mayor Lane: YOU CAN ALWAYS MAKE AN ALTERNATE MOTION. BUT THE MOTION IS ON THE TABLE. IT DIES FOR LACK OF A SECOND. COUNCILMAN LITTLEFIELD, DO YOU WANT TO MAKE AN ALTERNATE MOTION?

[Time: 02:05:40]

MOTION NO. 2 AND VOTE - ITEM 16

COUNCILMAN LITTLEFIELD MOVED TO DIRECT STAFF TO BRING BACK THE EIGHT HIGHEST PRIORITY ITEMS, AS DETERMINED BY THE BOND TASK FORCE, AS EIGHT SEPARATE BALLOT QUESTIONS FOR PLACEMENT ON THE NOVEMBER 5, 2013 SPECIAL ELECTION BALLOT, WITH THE STIPULATION THAT EACH PROJECT IS ENUMERATED IN EACH OF THE FOUR BALLOT QUESTIONS AND THAT THEY ARE PROJECT SPECIFIC, THAT IS THE DOLLAR AMOUNT ALLOCATED TO EACH PROJECT CANNOT AND WILL NOT BE REAPPROPRIATED TO ANOTHER PROJECT WITHIN THAT SAME GROUP OR REALLOCATED TO ANOTHER GROUP OR PROJECT, EITHER BONDED OR OUTSIDE THE BOND ELECTION SCOPE. MONEY THAT IS NOT ALLOCATED FOR BONDING FOR THAT SPECIFIC PROJECT WILL REMAIN AS BONDING CAPACITY FOR THAT SPECIFIC PROJECT ONLY IN PERPETUITY AS LONG AS VOTED ON BY THE ELECTORS. COUNCILMAN PHILLIPS SECONDED THE MOTION, WHICH FAILED 2/5, WITH MAYOR LANE; VICE MAYOR KLAPP; AND COUNCILMEMBERS KORTE, MILHAVEN, AND ROBBINS DISSENTING.

Mayor Lane: COUNCILMAN, JUST A COMMENT. I BELIEVE THEY'RE LISTED AS SEPARATE LINE ITEMS MUCH LIKE THE HELICOPTER WAS LAST TIME. THEY AREN'T REALLOCATABLE BETWEEN LINE ITEMS. THEY'RE ALL LISTED. IS THAT CORRECT MR. WASHBURN?

City Attorney Bruce Washburn: I'M SORRY MAYOR, I DIDN'T HEAR EXACTLY WHAT YOU SAID.

Mayor Lane: THE SUGGESTION FOR ALTERNATIVE MOTION, ACTUALLY THE FIRST MOTION FAILED SO THIS IS A NEW MOTION. A MOTION WAS MADE BY COUNCILMAN LITTLEFIELD TO INCLUDE THE TOP EIGHT ITEMS AS INDIVIDUAL LINE ITEMS. THEY WANT TO INCLUDE THE LANGUAGE THAT THEY WOULD NOT BE ALLOCATABLE INTO OTHER SOURCES OR SOME OTHER APPLICATION. MY RESPONSE WAS, AND I WAS LOOKING FOR CONFIRMATION YOU THAT IF IN FACT THEY ARE LINE ITEMS, THEY ARE IN FACT SPECIFICALLY BEING VOTED FOR THAT USE. OR SEPARATE QUESTIONS, HOWEVER YOU WANT TO DEFINE THEM.

Bruce Washburn: MAYOR, MY RESPONSE TO THAT WOULD BE AS MR. EARLE DISCUSSED DURING HIS PRESENTATION, IF WE'RE GOING TO MAKE THESE KIND OF CHANGES, STAFF WILL HAVE TO DRAFT THE LANGUAGE, WE'LL HAVE TO BRING IT BACK ON ANOTHER AGENDA. AT THE TIME WE BROUGHT IT BACK ON ANOTHER AGENDA WE COULD ACCOMPLISH THE STIPULATIONS AND THE GOALS THAT

COUNCILMAN LITTLEFIELD HAS INCORPORATED INTO HIS MOTION AND MAKE IT SO THAT IF EACH ITEM IS GOING TO BE A LINE ITEM THAT THE MONEY CAN BE USED ONLY FOR THAT LINE ITEM.

[Time: 02:07:33]

Councilman Littlefield: WORKS FOR ME.

Councilmember Phillips: I'LL SECOND THAT.

Mayor Lane: THERE'S A MOTION THEN TO CONTINUE IT TO ANOTHER NIGHT IN ORDER TO ACCOMPLISH THAT.

Bruce Washburn: IF I MAY INTERJECT MAYOR, YES.

Mayor Lane: IF THIS IS VOTED UPON IN THE AFFIRMATIVE...

Bruce Washburn: WITH THE PERMISSION OF THE MOTION MAKERS I WOULD LIKE TO TAKE THIS AS A MOTION TO CONTINUE THIS ITEM TILL APRIL AND ON APRIL 9 TO BRING BACK A BOND RESOLUTION THAT REFLECTS THE DIRECTION THAT WE'RE RECEIVING IN THE MOTION.

Councilman Littlefield: I DO BELIEVE I HEARD MR. EARLE SAY THAT IT WAS OK FOR US TO CONTRACT THIS TONIGHT BUT NOT EXPAND IT.

Bruce Washburn: MAYOR AND COUNCILMAN LITTLEFIELD, I BELIEVE WHAT HE SAID WAS THAT IF WE WERE GOING TO CHANGE THE QUESTIONS WE WOULD NEED TO BRING IT BACK ON ANOTHER NIGHT. YOU CAN REDUCE THE AMOUNT WITHIN ANY QUESTION BUT IF WE'RE GOING TO CHANGE THE QUESTION WE DEFINITELY NEED TO COME BACK.

Councilman Littlefield: IN THAT CASE WE MODIFY THE MOTION TO DIRECT STAFF TO BRING BACK EIGHT ITEMS, EACH OF THEM A SEPARATE ITEM. THE TOP EIGHT ITEMS.

Mayor Lane: THE MOTION HAS BEEN MADE AND SECONDED. I THINK THERE'S NO FURTHER COMMENT. WE ARE READY TO VOTE ON THAT MOTION. ALL THOSE IN FAVOR INDICATE BY AYE AND ALL OPPOSED, WITH A NAY. THE MOTION FAILED WITH COUNCILMAN LITTLEFIELD AND COUNCILMAN PHILLIPS IN THE AFFIRMATIVE. THAT'S STILL ON THE TABLE. THERE'S A NUMBER OF THINGS THAT HAVE BEEN SAID. I DON'T SEE ANY FURTHER COMMENTS THAT ARE BEING OFFERED RIGHT NOW. IF THERE'S NOT, AND EVEN IN THE CASE OF WHAT I SUGGESTED WE'D HAVE THE SAME SITUATION THAT WE WOULD HAVE TO CONTINUE IT TO ANOTHER MEETING. IF I WERE TO MAKE THAT SUGGESTION, BUT I WAS GOING TO HOLD OFF ON THAT UNTIL WE HAD FURTHER CONVERSATION. COUNCILMAN ROBBINS.

[Time: 02:09:45]

Councilman Robbins: THANK YOU MAYOR. I'D LIKE TO SEE US MOVE FORWARD WITH THE BOND PROGRAM BUT I WOULD LIKE TO REDUCE THE SIZE FROM WHAT WE HAVE IN FRONT OF US. IF WE'RE GOING TO LINE ITEM EVERYTHING I THINK THAT'S EXTREMELY CONFUSING, ESPECIALLY FOR 45 ITEMS.

WHO VOTES FOR ALL THE JUDGES EACH TIME YOU HAVE AN ELECTION. YOU STOP ABOUT HALF WAY THROUGH AND THROW YOUR HANDS UP AFTER THAT. I THINK THAT WOULD DOOM TO FAIL THE ENTIRE PROGRAM. I THINK MAYBE WE CAN EXPAND SOME OF THE QUESTIONS OR CHANGE THE QUESTIONS AROUND, BUT TO HAVE 45 QUESTIONS I THINK IS RIDICULOUSLY INEFFICIENT. I GUESS I'D MAKE A SUGGESTION, MAYOR, THAT MAYBE YOU CAN JUST ASK EACH QUESTION, JUST THE FOUR QUESTIONS, AND SEE WHERE WE ARE ON THESE ITEMS. THERE'S A COUPLE ITEMS IN EACH QUESTION I'D LIKE TO ELIMINATE. MAYBE WE CAN GO THROUGH THE FOUR QUESTIONS AND MAYBE HAVE A VOTE ON ELIMINATING SOME OF THESE AND THEN MAYBE A TOTAL AT THE END THAT WE CAN AT LEAST HAVE A YES OR NO VOTE ON.

Mayor Lane: I GUESS I WAS HOPING THAT WE WOULD AVOID THAT BECAUSE WE OBVIOUSLY HAVE A COUPLE OF MEMBERS THAT ARE GOING TO HAVE A LOT OF EXCEPTIONS.

Councilman Robbins: I GUESS I'M NOT SAYING THAT WE HAVE TO VOTE ON EACH QUESTION. I'M JUST SAYING THERE'S A COUPLE THINGS IN EACH ONE THAT I THINK WE CAN PROBABLY TAKE OUT AND THEN GO FROM THERE. THAT'S MY SUGGESTION.

Mayor Lane: I THINK THAT'S A GOOD ONE IF WE CAN WORK OUR WAY THROUGH IT WITH SOME SEMBLANCE OF ORDER. ON THE BASIS OF THAT SUGGESTION, LET'S START WITH QUESTION ONE. ARE THERE ITEMS IN QUESTION ONE THAT THERE ARE ANY KINDS OF PROBLEMS OR CONCERNS ABOUT? IF I WERE TO JUST START WITH MINE WHEN I SAID, I WOULD RECOMMEND THAT WE REMOVE THE PAIUTE COMMUNITY CENTER RENOVATIONS TO A SEPARATE LINE ITEM GIVEN THAT IT'S A NEW AND SEPARATE BUILDING AND FOR DIFFERENT APPLICATIONS IT HAS PREVIOUSLY BEEN APPLIED FOR. COUNCILMEMBER KORTE.

Councilmember Korte: THANK YOU MAYOR. I'D LIKE TO CLARIFY THAT PAIUTE COMMUNITY CENTER IS NOT A NEW APPLICATION. THERE HAS BEEN A COMMUNITY HEALTH CENTER AT PAIUTE FOR A NUMBER OF YEARS. THEY RECENTLY MOVED BECAUSE OF UNLIVABLE CONDITIONS WITHIN THOSE BUILDINGS, INFESTED WITH LIVING ORGANISMS. IT IS NOT A NEW APPLICATION AT THAT SITE. I JUST WANTED TO CLARIFY THAT.

Mayor Lane: THANK YOU COUNCILWOMAN. COUNCILMAN ROBBINS.

Councilman Robbins: I'D LIKE TO MAKE A MOTION THAT WE DEFER, I'M NOT SAYING THESE ARE NOT WORTHY PROJECTS. EVERY ONE OF THESE HAVE CONSITUENCIES BEHIND THEM SO WHEN I MAKE THIS MOTION, THOSE THAT ARE IN FAVOR ARE NOT GOING TO BE HAPPY.

[Time: 02:12:42]

MOTION NO. 3 - ITEM 16

COUNCILMAN ROBBINS MOVED TO DEFER THE SCOTTSDALE CENTER FOR THE PERFORMING ARTS RENOVATIONS PHASE III PROJECT UNTIL ANOTHER BOND ELECTION. VICE MAYOR KLAPP SECONDED THE MOTION.

Mayor Lane: OKAY, NOT ON THIS BOND.

Councilman Robbins: NOT INCLUDED ON THIS BOND.

Mayor Lane: SO ELIMINATE \$4.3 MILLION. ANY FURTHER COMMENTS ON THAT?

Vice Mayor Klapp: I'D LIKE TO SPEAK ON THAT SECOND. I DON'T WANT TO IMPLY THAT THE BOND TASK FORCE DID NOT DO A GOOD JOB. IT'S MY FEELING THAT THEY PUT ON... I'M KIND OF DOING THE REVERSE OF WHAT COUNCILMAN DID. I'M LOOKING AT WHAT'S ON THE BOTTOM OF THE LIST, NOT THE TOP OF THE LIST. THE RENOVATION WAS RANKED NUMBER 43 ON A LIST OF 45. IT WAS ALSO INCLUDED IN THE DISCUSSIONS. I THINK WHAT I'M SEEING IS SOMETHING IT WOULD BE NICE TO HAVE BUT IT ISN'T CRITICAL. I'D LIKE TO SEE IT DEFERRED. NOT ELIMINATED BUT DEFERRED TO THE NEXT QUESTION. THE TASK FORCE DEFERRED APPROXIMATELY \$20 MILLION IN PROJECTS TO A LATER ELECTION. THAT'S WHERE I THINK THIS ONE SHOULD GO AS WELL, TO DEFER IT NOT TO ELIMINATE IT. I WOULD NOT BE IN AGREEMENT TO ELIMINATE THE PAIUTE COMMUNITY CENTER.

Mayor Lane: SO YOU WOULD NOT...

Vice Mayor Klapp: THE MOTION WAS JUST TO ELIMINATE THE CENTER FOR THE PERFORMING ARTS, NOT PAIUTE.

Mayor Lane: I WASN'T SUGGESTING ELIMINATING PAIUTE EITHER. SO THE MOTION IS SIMPLY FOR THE REMOVAL OF RENOVATIONS PHASE 3 OF THE SCPA RIGHT NOW. COUNCILMAN ROBBINS, DID YOU WANT TO SPEAK AGAIN ON THIS? COUNCILMAN LITTLEFIELD?

Councilman Littlefield: I REITERATE, YOU CAN KNOCK OFF SOMETHING HERE AND THERE BUT THE BOND TASK FORCE THEMSELVES HAVE THREE RANKINGS. A PROJECT MUST BE PART OF IT, IT SHOULD BE PART AND IT COULD BE PART. I GUARANTEE IF YOU PUT ALL THESE KNOCK OFF ONE OR TWO FROM EACH QUESTION ON THEN SAY WE'RE GOING TO LUMP TOGETHER WHAT DOES THAT LEAVE IN THAT, THAT STILL LEAVES SEVEN OR EIGHT ITEMS IN THAT ONE QUESTION. IT'S GOING TO GO DOWN TO DEFEAT. PEOPLE ARE GOING TO LOOK AT THAT AND SAY THERE'S ONE OR TWO THINGS THAT MUST BE HAD, THERE'S A WHOLE BUNCH OF COULD AND SHOULD. THIS IS NOT THE TIME IN THIS ECONOMY FOR COULDS AND SHOULD. WE SHOULD ONLY BE ASKING PEOPLE TO APPROVE WHAT MUST BE PART OF IT. I'M GOING TO BE VOTING AGAINST THIS JUST BECAUSE... EVERYTHING ON HERE HAS A CONSTITUENCY. ALL THESE ARE NICE TO HAVE. ALL OF THESE 47 ITEMS HAS SOMEBODY THAT WANTS IT. BUT THAT DOESN'T MEAN THE VOTERS ARE GOING TO APPROVE IT.

Mayor Lane: COUNCILMAN PHILLIPS?

[Time: 02:16:11]

Councilmember Phillips: THANK YOU MAYOR. I DON'T KNOW IF THIS WOULD BE BEFORE THIS VOTE OR AFTER THIS VOTE I'M THINKING MAYBE WHAT WE CAN DO IS TAKE THE TOP EIGHT ITEMS AND MAKE THOSE THE LINE ITEMS AND LEAVE THE REST AS THE OTHER FOUR QUESTIONS. LET THE VOTER DECIDE IF THEY WANT TO DO THE MUSTS AND THEN IF THEY WANT TO LUMP THE REST TOGETHER. MAYBE WE CAN VOTE ON IT THAT WAY.

Mayor Lane: THAT CAN BE AN ALTERNATE MOTION IF YOU'D LIKE TO MAKE IT LATER. SO YOUR ALTERNATE MOTION IS TO MAKE THE TOP EIGHT ITEMS LINE ITEMS AND THEN BUNDLE EVERYTHING ELSE TOGETHER IN FOUR QUESTIONS.

Councilmember Phillips: FOUR QUESTIONS AS PRESENTED, YES.

Mayor Lane: SEEMS ALSO OPPOSITE OF DISCLOSURE, THE ITEMS THAT MIGHT BE MORE QUESTIONABLE RATHER THAN THE ONES THAT WERE OUR TOP PRIORITY.

Councilmember Phillips: I'M LOOKING FOR A CONSENSUS HERE SO WE GET THE TOP EIGHT ITEMS THAT WE NEED, THOSE CAN BE THE LINE ITEMS AND THE REST OF IT ARE STILL IN THEIR SAME GROUPS. WE'LL HAVE TO LOOK INTO IT AND SEE IF THAT'S WHAT THEY WANT TO VOTE FOR OR NOT IF YOU'RE IN FAVOR OF LUMPING THINGS TOGETHER.

Mayor Lane: THAT'S THE MOTION, COUNCILMAN LITTLEFIELD?

Councilman Littlefield: ACTUALLY AS BIZARRE AS THAT SOUNDS, AND COUNTERINTUITIVE IN SOME WAY I WOULD SUPPORT THAT FOR THIS REASON: AT LEAST THEN THE EIGHT IMPORTANT ITEMS WOULD GET ON THE BOND AND PEOPLE WOULD HAVE THE CHANCE TO VOTE ON THOSE. I THINK WHAT WILL HAPPEN IS IF WE WERE TO TAKE COUNCILMAN PHILLIPS' SUGGESTION THOSE EIGHT WILL PASS OR MOST OF THEM, AND THE OTHERS WILL FAIL. THAT'S WHAT I WOULD PREDICT WOULD HAPPEN. AND, THAT'S PROBABLY THE RIGHT OUTCOME IF WE'RE GOING TO DO THIS IN 2013. THAT'S WHY I SECONDED HIS MOTION.

Mayor Lane: THE ALTERNATE MOTION HAS BEEN MADE AND SECONDED.

[Time: 02:18:23]

ALTERNATE MOTION NO. 3 - ITEM 16

COUNCILMAN PHILLIPS MOVED TO PLACE THE EIGHT HIGHEST PRIORITY ITEMS, AS DETERMINED BY THE BOND TASK FORCE, ON A NOVEMBER 5, 2013 SPECIAL ELECTION BALLOT AS LINE ITEMS, AND BUNDLE EVERYTHING ELSE TOGETHER INTO FOUR QUESTIONS. COUNCILMAN LITTLEFIELD SECONDED THE MOTION, WHICH FAILED 2/5, WITH MAYOR LANE; VICE MAYOR KLAPP; AND COUNCILMEMBERS KORTE, MILHAVEN, AND ROBBINS DISSENTING.

Mayor Lane: WE'RE STILL STAYING WITH THE ORIGINAL MOTION AND THAT IS TO REMOVE ITEM 10 ON THE LIST WE CURRENTLY HAVE WHICH WAS A PRIORITY 43 OF \$4.3 MILLION. MOTIONS WERE MADE AND SECONDED. WE'RE READY THEN TO VOTE.

[Time: 02:19:09]

VOTE ON MOTION NO. 3 - ITEM 16

THE COUNCIL VOTE ON THE MOTION TO DEFER THE SCOTTSDALE CENTER FOR THE PERFORMING ARTS RENOVATIONS PHASE III PROJECT UNTIL ANOTHER BOND ELECTION FAILED 3/4, WITH COUNCILMEMBERS LITTLEFIELD, KORTE, MILHAVEN, AND PHILLIPS DISSENTING.

Mayor Lane: I STILL WOULD LIKE TO OFFER THE MOTION, I'LL OFFER ONE MORE TIME THE PAIUTE COMMUNITY CENTER RENOVATION WHICH WAS RATED AS NUMBER 36 ON THE LIST FOR \$7.6 MILLION. I WOULD SUGGEST THAT THAT BE A SEPARATE LINE ITEM.

[Time: 02:19:49]

MOTION NO. 4 - ITEM 16

MAYOR LANE MOVED TO REMOVE THE PAIUTE COMMUNITY CENTER RENOVATIONS PROJECT FROM BALLOT QUESTION 1 AND PLACE IT ON THE BALLOT AS A SEPARATE QUESTION. MOTION DIED FOR LACK OF A SECOND.

Councilman Littlefield: IT'S PRETTY CLEAR EVERY TIME WE HAVE A COMBINATION, WE CAN'T GET FOUR VOTES FOR IT. I THINK THE ONLY THING WE'LL BE ABLE TO DO IS GO THROUGH EACH OF THESE 45 AND SEE WHICH ONES ARE GOING TO GET FOUR VOTES TO GET ON THE BOND. OTHERWISE WE'LL BE HERE ALL NIGHT TRYING TO COME UP WITH SOME KIND OF COMBINATION.

Mayor Lane: I THINK THE NEXT MOTION IS WHAT DO WE DO WITH QUESTION ONE. DO I HAVE A MOTION OR DO I HAVE FURTHER COMMENT. COUNCILWOMAN MILHAVEN.

[Time: 02:20:27]

MOTION NO. 5 AND VOTE - ITEM 16

COUNCILWOMAN MILHAVEN MOVED TO ACCEPT QUESTION 1 AS PRESENTED BY THE TASK FORCE. COUNCILMEMBER KORTE SECONDED THE MOTION, WHICH CARRIED 4/3, WITH MAYOR LANE AND COUNCILMEMBERS LITTLEFIELD AND PHILLIPS DISSENTING.

Derek Earle: MAYOR, JUST TO BE SURE THAT STAFF IS WALKING FORWARD WITH THE RIGHT DIRECTION BECAUSE JUST PRIOR TO THIS, OH THAT WAS THE ACTUAL MOTION FOR THE SCPA AND IT WAS ACTUALLY TURNED DOWN SO IT'S CONSISTENT. THANK YOU VERY MUCH, I APPRECIATE THE CLARIFICATION.

Mayor Lane: FOLLOWING ON THE SAME PATTERN OF THINGS WE HAVE QUESTION 2 PUBLIC SAFETY. COUNCILMAN ROBBINS.

[Time: 02:21:39]

MOTION NO. 6 - ITEM 16

COUNCILMAN ROBBINS MOVED TO REMOVE THE COURT REMODEL/EXPANSION PROJECT AND THE PURCHASE LAND FOR NORTH POLICE FACILITY PROJECT FROM BALLOT QUESTION 2 AND ACCEPT BALLOT QUESTION 2 AS AMENDED. MAYOR LANE SECONDED THE MOTION.

Mayor Lane: WITH REGARD TO MY SECOND I THINK MOST OF THE OTHERS THAT WE HAVE STUDIED AND THIS PARTICULAR ONE ARE OF PARTICULAR IMPORTANCE IIN THE PUBLIC SAFETY ARENA. I THINK FOR THE MOST PART THEY ARE VALUED AND ABSOLUTELY NECESSARY. THE RANKINGS IN THIS CATEGORY ARE GENERALLY IN A HIGHER ORDER. WITH THE ONE THAT WE'VE EXCLUDED RANKING

DEAD LAST AT 45. NUMBER 9 WHICH WE'VE EXCLUDED THERE'S AN ALTERNATE MEANS TO HANDLE THAT. COUNCILWOMAN KORTE.

Councilmember Korte: THANK YOU MAYOR. CAN SOMEONE HELP ME UNDERSTAND WHY YOU WISH TO ELIMINATE THE COURT REMODEL?

Mayor Lane: SINCE I SUGGESTED IT, THE REASON IS THAT RIGHT NOW OUR STATISTICS DO NOT INDICATE THAT WE HAVE AN IMMEDIATE NEED FOR THIS. WE DO HAVE A CAPITAL ENHANCEMENT FUND THAT IS FUNDED RIGHT NOW FROM USERS WHICH MAKE UP 65% OF THE PEOPLE THAT COME THROUGH OUR COURT SYSTEM. THAT FUND WAS PUT INTO PLACE FOR JUST THESE KINDS OF RENOVATIONS. IT HAS BEEN SOMEWHAT MISALLOCATED TO FUND NINE FTE'S OVER THE LAST YEARS WHEN THERE'S BEEN A SHORTFALL IN THE BUDGET. WE'RE WORKING OUR WAY BACK TO PUT THEM BACK IN THE GENERAL FUND WHERE THEY BELONG AND HAVE THIS FUND CAPITALIZED AND USED FOR THESE ENHANCEMENTS.

[Time: 02:23:34]

Councilmember Korte: AND IS THAT REVENUE STREAM ADEQUATE FOR THIS ENHANCEMENT? BECAUSE I HAVE BEEN IN THE COURT BUILDING AS A VISITOR AND IT FEELS LIKE A MOUSE MAZE TO ME.

Mayor Lane: THE REVENUE STREAM ON THAT IS ESTIMATED AT BETWEEN \$800,000 AND \$900,000 A YEAR ONCE IT'S PUT BACK INTO PLACE. IT ALREADY HAS A BALANCE IN IT THAT WE COULD MAINTAIN BUT THIS SHOWS A COURT REMODEL OF ABOUT \$4.5 MILLION. A BASIC CALCULATION ON THIS IS \$600,000 OF DEBT SERVICE SUPPORTS \$7.5 MILLION SO IT'S WELL IN EXCESS OF THAT. IT LOOKS LIKE WE HAVE NO FURTHER COMMENT ON THIS ITEM BUT WE DO HAVE TWO QUESTIONS. I SUPPOSE IF THE MAKER OF THE MOTION WOULDN'T MIND WE COULD PHRASE THIS AS AN ACCEPTANCE OF QUESTION 2 WITH THOSE TWO ELIMINATIONS. IS THAT UNDERSTOOD AS FAR AS THAT'S CONCERNED?

Derek Earle: YES MAYOR, THANK YOU.

Mayor Lane: WITH THAT IN MIND, WE HAVE THE MOTION.

[Time: 02:25:16]

VOTE ON MOTION NO. 6 - ITEM 16

THE COUNCIL VOTE ON THE MOTION TO REMOVE THE COURT REMODEL/EXPANSION PROJECT AND THE PURCHASE LAND FOR NORTH POLICE FACILITY PROJECT FROM BALLOT QUESTION 2 AND ACCEPT BALLOT QUESTION 2 AS AMENDED CARRIED 4/3, WITH COUNCILMEMBERS LITTLEFIELD, MILHAVEN, AND PHILLIPS DISSENTING.

Mayor Lane: QUESTION 3 NEIGHBORHOOD FLOOD CONTROL, COUNCILMAN ROBBINS.

[Time: 02:25:54]

MOTION NO. 7- ITEM 16

COUNCILMAN ROBBINS MOVED TO REMOVE THE EAST UNION HILLS INTERCEPTOR CHANNEL PROJECT AND THE POWERLINE INTERCEPTOR CHANNEL PROJECT FROM BALLOT QUESTION 3 AND ACCEPT BALLOT QUESTION 3 AS AMENDED. VICE MAYOR KLAPP SECONDED THE MOTION.

Mayor Lane: WOULD THE SECOND LIKE TO SPEAK TOWARD IT?

Vice Mayor Klapp: THESE PROJECTS AS I READ THEM ON THE LIST WERE SUBJECT TO MATCHING GRANT AND I GUESS I WONDER IF IT'S ON THE LIST BECAUSE OF THE MATCHING GRANT. WE HAD SOME BOND QUESTIONS LAST TIME THAT WERE PLACED BEFORE THE VOTERS THAT WERE THERE BECAUSE OF MATCHING FUNDS AVAILABLE. IT SEEMED TO ME THAT THIS QUESTION IS IN MY MIND ABOUT THESE TWO ITEMS AND ALSO THESE ITEMS WERE RATED LOW ON THE LIST, NUMBER 40 AND 42. I BELIEVE THAT THE RESPONSIBLE THING TO DO IS WHAT I THINK COUNCILMAN ROBBINS IS ATTEMPTING TO DO TO TRIM BACK THE TOTAL ON THE BOND PROGRAM. THAT WOULD ELIMINATE NEARLY \$9 MILLION. I'M NOT SURE IT WOULD BE NEEDED AT THIS TIME BUT IT COULD AGAIN BE DEFERRED. THAT'S MY REASONING BEHIND THOSE TWO ITEMS.

Mayor Lane: THANK YOU COUNCILWOMAN. SEEING AS THERE IS NO FURTHER COMMENT ON QUESTION 3. AGAIN, IF WE HAVE THIS POSED AS A QUESTION WITH THOSE TWO ELIMINATED THE MOTION IS TO ACCEPT QUESTION 3 WITH ITEMS SIX AND SEVEN REMOVED.

[Time: 02:27:50]

VOTE ON MOTION NO. 7 - ITEM 16

THE COUNCIL VOTE ON THE MOTION TO REMOVE THE EAST UNION HILLS INTERCEPTOR CHANNEL PROJECT AND THE POWERLINE INTERCEPTOR CHANNEL PROJECT FROM BALLOT QUESTION 3 AND ACCEPT BALLOT QUESTION 3 AS AMENDED FAILED 3/4, WITH COUNCILMEMBERS KORTE, LITTLEFIELD, MILHAVEN, AND PHILLIPS DISSENTING.

Mayor Lane: DO I HAVE AN ALTERNATE MOTION ON QUESTION 3. COUNCILWOMAN MILHAVEN.

[Time: 02:28:38]

MOTION AND VOTE NO. 8 - ITEM 16

COUNCILWOMAN MILHAVEN MOVED TO ACCEPT QUESTION 3 AS PRESENTED. COUNCILMEMBER KORTE SECONDED THE MOTION, WHICH FAILED 2/5, WITH MAYOR LANE; VICE MAYOR KLAPP; AND COUNCILMEMBERS LITTLEFIELD, PHILLIPS, AND ROBBINS DISSENTING.

[Time: 02:29:25]

MOTION AND VOTE NO. 9 - ITEM 16

COUNCILWOMAN MILHAVEN MOVED TO REMOVE THE EAST UNION HILLS INTERCEPTOR CHANNEL PROJECT AND THE POWERLINE INTERCEPTOR CHANNEL PROJECT FROM BALLOT QUESTION 3 AND ACCEPT BALLOT QUESTION 3 AS AMENDED. COUNCILMAN ROBBINS SECONDED THE MOTION, WHICH CARRIED 5/2, WITH COUNCILMEMBERS LITTLEFIELD AND PHILLIPS DISSENTING.

Mayor Lane: DEREK, DID YOU GET THAT?

Derek Earle: YES MAYOR, I BELIEVE THAT WAS ELIMINATING NUMBERS 6 AND 7 FROM THE QUESTION.

Mayor Lane: THE REST OF THE QUESTION ACCEPTED OF COURSE. MOVING ON TO QUESTION 4 TRANSPORTATION AND STREETS.

Councilman Robbins: MAYOR, MAY I MAKE A MOTION?

Mayor Lane: YES YOU MAY.

[Time: 02:30:36]

MOTION NO. 10 - ITEM 16

COUNCILMAN ROBBINS MOVED TO REMOVE THE ADVANCE FUNDING FOR LOOP 101 ACCESS IMPROVEMENTS PROJECT, THE CHAPARRAL ROAD STREETScape IMPROVEMENTS PROJECT, AND THE THOMPSON PEAK PARKWAY BRIDGE PROJECT FROM BALLOT QUESTION 4; REDUCE THE EXPIRED/QUIET PAVEMENT REPLACEMENT PROJECT BY \$5.0M; AND ACCEPT BALLOT QUESTION 4 AS AMENDED. VICE MAYOR KLAPP SECONDED THE MOTION.

Mayor Lane: MOTION MADE. WOULD THE SECOND LIKE TO SPEAK TOWARD IT AT ALL?

[Time: 02:31:06]

Vice Mayor Klapp: THE LAST TWO ITEMS ARE RATED NUMBERS 41 AND 46 ON THE LIST. I BELIEVE AS SUGGESTED THAT WE COULD DEFER \$5.0 MILLION OF THE QUIET PAVEMENT TO THE NEXT BOND VOTE AND DO \$10 MILLION RATHER THAN \$15 MILLION. THE ITEM KNOWN IS PRIMARILY ALL INTEREST PAYMENTS, ANOTHER MILLION DOLLARS IN INTEREST PAYMENTS WHICH I THINK IS EXCESSIVE AND THESE CHANGES WOULD ALSO THEN GREATLY REDUCE THE NUMBER ON THIS QUESTION WHICH I THINK WAS BROUGHT UP BY ONE OF THE SPEAKERS WHICH IS QUITE ACCURATE THAT THE TOTAL OF TRANSPORTATION AND STREETS WAS MUCH HIGHER THAN THE LAST. MAKING THOSE CHANGES WILL MAKE SOME SIGNIFICANT ADJUSTMENT IN THE TOTAL FOR QUESTION 4.

Mayor Lane: THANK YOU COUNCILWOMAN. THE ITEM ON FUNDING THE LOOP 101 ACCESS IMPROVEMENTS IS SOMEWHAT OF A CRITICAL ISSUE. I UNDERSTAND THAT IT LOOKS LIKE A LOT OF MONEY BUT WHAT THIS AMOUNTS TO, WITH MAG WE HAVE OUR OBLIGATION IF WE WANT TO MOVE THAT PROJECT BEFORE 2025 WE HAVE TO ADVANCE FUNDS FOR THAT TIME PERIOD BETWEEN NOW AND 2025. IT'S SOMETHING THAT HAS BEEN CONSIDERED THROUGH THE ECONOMIC DEVELOPMENT COUNCIL, IT'S BEEN CONSIDERED FOR A NUMBER OF YEARS. THIS IS AN EFFORT TO IMPROVE THE INGRESS AND EGRESS IN A VERY HIGHLY TRAFFICED EVENTS CORRIDOR. THIS WOULD BE A SIGNIFICANT IMPROVEMENT AS TO WHAT TAKES PLACE THERE. IT WOULD BE CONSISTENT WITH THE TRANSPORTATION MASTER PLAN AS FAR AS THE USE AND UTILIZATION. I'M CONCERNED ABOUT THE ELIMINATION OF THAT ITEM BECAUSE WE'RE TALKING ABOUT SOMEWHERE BETWEEN A LITTLE OVER TEN YEARS' TIME IN ADVANCING OF IT. I WOULD ONLY ASK THAT BE CONSIDERED IN THE MOTION AND IF NOT, WELL, IT'S IN THE MOTION. THE ONLY OTHER ITEM IS, AND THIS IS A POINT OF SOME CONCERN, THAT WE HAVE SOME ITEMS THAT ARE NEWLY CONSIDERED BEING BUNDLED IN THESE

QUESTIONS THAT WE HAVE NO INDEPENDENT DISCLOSURE OF. THAT'S WHY I HAD OFFERED EARLY ON THE SPECIFIC LINE ITEMS AND FOR ONE THAT'S WITHIN THIS QUESTION AND THAT IS FOR THE PARKING GARAGE DOWNTOWN. I THINK IT WOULD BE A FAIR THING TO ACCEPT THAT AS WELL. WITHOUT THAT WE DO HAVE THE MOTION AS IT STANDS. VICE MAYOR KLAPP WOULD LIKE TO COMMENT FURTHER.

Vice Mayor Klapp: I JUST WANTED TO CLARIFY THAT THESE ITEMS ARE BEING DEFERRED AND NOT ELIMINATED. THE \$11 MILLION WOULD BE DEFERRED TO THE NEXT BOND ELECTION WHICH WOULD POTENTIALLY COME IN 2017 WHICH WOULD BE WELL IN ADVANCE OF THE TIMEFRAME THAT MAG REQUIRES.

Mayor Lane: THANK YOU VICE MAYOR. WITH THOSE TWO EXCEPTIONS FROM MY STANDPOINT I WILL PROBABLY NOT BE VOTING AFFIRMATIVELY ON THIS. I WON'T BE. WE'RE READY THEN TO VOTE.

[Time: 02:34:49]

VOTE ON MOTION NO. 10 - ITEM 16

THE COUNCIL VOTE ON THE MOTION TO REMOVE THE ADVANCE FUNDING FOR LOOP 101 ACCESS IMPROVEMENTS PROJECT, THE CHAPARRAL ROAD STREETScape IMPROVEMENTS PROJECT, AND THE THOMPSON PEAK PARKWAY BRIDGE PROJECT FROM BALLOT QUESTION 4; REDUCE THE EXPIRED/QUIET PAVEMENT REPLACEMENT PROJECT BY \$5.0M; AND ACCEPT BALLOT QUESTION 4 AS AMENDED FAILED 2/5, WITH MAYOR LANE AND COUNCILMEMBERS KORTE, LITTLEFIELD, MILHAVEN, AND PHILLIPS DISSENTING.

Mayor Lane: THIS LEAVES US STILL WITH QUESTION 4.

[Time: 02:35:20]

MOTION NO. 11 - ITEM 16

MAYOR LANE MOVED TO REMOVE THE DOWNTOWN PEDESTRIAN IMPROVEMENTS PROJECT FROM BALLOT QUESTION 4 AND PLACE IT ON THE BALLOT AS A SEPARATE QUESTION; REMOVE THE ADVANCE FUNDING FOR LOOP 101 ACCESS IMPROVEMENTS PROJECT, THE CHAPARRAL ROAD STREETScape IMPROVEMENTS PROJECT, AND THE THOMPSON PEAK PARKWAY BRIDGE PROJECT FROM BALLOT QUESTION 4; REDUCE THE EXPIRED/QUIET PAVEMENT REPLACEMENT PROJECT BY \$5.0M; AND ACCEPT BALLOT QUESTION 4 AS AMENDED. THE MOTION DIED FOR LACK OF A SECOND.

Mayor Lane: COUNCILMAN ROBBINS.

[Time: 02:38:25]

MOTION AND VOTE NO. 12 - ITEM 16

COUNCILMAN ROBBINS MOVED TO REMOVE THE CHAPARRAL ROAD STREETScape IMPROVEMENTS PROJECT AND THE THOMPSON PEAK PARKWAY BRIDGE PROJECT FROM BALLOT QUESTION 4 AND ACCEPT BALLOT QUESTION 4 AS AMENDED. VICE MAYOR KLAPP SECONDED THE MOTION, WHICH FAILED 3/4, WITH COUNCILMEMBERS KORTE, LITTLEFIELD, MILHAVEN, AND PHILLIPS DISSENTING.

Mayor Lane: WE'LL TRY IT AGAIN. COUNCILWOMAN MILHAVEN.

[Time: 02:39:27]

MOTION NO. 13 - ITEM 16

COUNCILWOMAN MILHAVEN MOVED TO ACCEPT QUESTION 4 AS PRESENTED. THE MOTION DIED FOR LACK OF A SECOND.

Mayor Lane: COUNCILMAN LITTLEFIELD.

[Time: 02:39:49]

MOTION AND VOTE NO. 15 - ITEM 16

COUNCILMAN LITTLEFIELD MOVED TO MAKE THE NORTHEAST DOWNTOWN PUBLIC PARKING STRUCTURE PROJECT A SEPARATE ITEM. COUNCILMAN PHILLIPS SECONDED THE MOTION, WHICH FAILED 3/4, WITH VICE MAYOR KLAPP AND COUNCILMEMBERS KORTE, MILHAVEN, AND ROBBINS DISSENTING.

[Time: 02:41:04]

MOTION AND VOTE NO. 14 - ITEM 16

VICE MAYOR KLAPP MOVED TO REMOVE THE CHAPARRAL ROAD STREETScape IMPROVEMENTS PROJECT AND THE THOMPSON PEAK PARKWAY BRIDGE PROJECT FROM BALLOT QUESTION 4 AND ACCEPT BALLOT QUESTION 4 AS AMENDED. COUNCILMAN ROBBINS SECONDED THE MOTION, WHICH CARRIED 5/2 WITH COUNCILMEMBERS LITTLEFIELD AND PHILLIPS DISSENTING.

Derek Earle: MAYOR, I BELIEVE WE'VE CAPTURED ALL OF THAT. BASED ON WHAT I JUST HEARD ON ALL OF THESE WE CAN DO A QUICK CALCULATION AND IF YOU SO CHOOSE YOU MAY APPROVE THE RESOLUTION WITH THE FOLLOWING NEW AMOUNTS:

- QUESTION 1 = \$50.4 MILLION
- QUESTION 2 = \$43.7 MILLION
- QUESTION 3 = \$19.0 MILLION
- QUESTION 4 = \$99.0 MILLION

I HATE TO PUT \$200 MILLION ON A GREEN STICKY.

Mayor Lane: CAN YOU PUT THAT ON AN IOU?

Derek Earle: THAT'S IN ESSENCE THE SUMMARY OF THE ACTIONS THAT COUNCIL CHOSE. UNLESS COUNCIL IS CHOOSING TO MAKE ANY ADDITIONAL QUESTIONS THEN YOU ARE ABLE TO APPROVE RESOLUTION 9348 CALLING THE ELECTION WITH THESE AMOUNTS.

Mayor Lane: THANK YOU MR. EARLE. COUNCILWOMAN KORTE.

[Time: 02:42:49]

Councilmember Korte: NOT KNOWING WHERE TO BRING THIS CONCEPT INTO THIS CONVERSATION I WOULD LIKE TO PROPOSE SOME ADDITIONAL PROJECTS THAT WERE NOT ON THE A-LIST, THEY WERE LISTED ON THE B AND C LIST. THOSE PROJECTS ARE SPECIFICALLY IN THE SOUTHERN PART OF OUR CITY AROUND IMPROVEMENTS TO A NEIGHBORHOOD COLLECTOR STREETS AND STREETSCAPES. ONE IS THE CAMELBACK ROAD RECONSTRUCTION, SCOTTSDALE TO INDIAN BEND. NUMBER 76, IT'S FOR \$6 MILLION. AS YOU KNOW, THAT SECTION OF CAMELBACK ROAD WE HAVE TWO HOTEL RESORTS JUST EAST OF THAT INTERSECTION. IT'S AN ICONIC INTERSECTION. WE HAVE FASHION SQUARE AND IF YOU'VE EVER TRIED TO WALK FROM THE W HOTEL OR THE BEST WESTERN ALONG CAMELBACK, YOU'VE TAKEN YOUR LIFE INTO YOUR HANDS. IT IS FULL OF FOOT TRAFFIC AND VISITORS AND PEDESTRIANS. I'D LIKE TO PROPOSE THAT AND DEREK, I THINK YOU MIGHT HAVE SOME DESCRIPTIONS FOR THIS FOR THE COUNCIL. I'D LIKE TO ALSO PROPOSE TWO MORE. ONE IS OAK STREET STREETSCAPES IMPROVEMENTS NUMBER 185, AND THE OTHER IS NUMBER 217, DOWNTOWN PEDESTRIAN IMPROVEMENTS.

[Time: 02:42:50]

Derek Earle: YES MAYOR, COUNCILMEMBER KORTE, IF THAT IS A QUESTION I'D BE GLAD TO RESPOND. THE THREE PROJECTS THAT THE COUNCILWOMAN HAS PROPOSED, ONE BEING THE CAMELBACK ROAD RECONSTRUCTION FROM SCOTTSDALE TO INDIAN BEND WASH. COUNCILMEMBER I WISH I'D HAD MORE TIME TO GET BACK TO YOU, I HAD TO DO SOME INVESTIGATION ON THESE PROJECTS. THAT WAS ORIGINALLY ASSOCIATED WITH A STORMSEWER PROJECT. IT WAS ORIGINALLY PROPOSED ON CAMELBACK ROAD. AT THE TIME THAT STORMSEWER WOULD GO IN IT WOULD CAUSE A LOT OF CHALLENGES WITH CAMELBACK ROAD AND THAT WOULD BE THE OPPORTUNITY TO REBUILD THE ROAD AT THE SAME TIME. BUT AGAIN, THAT IS PRIMARILY FOCUSED AS YOU'VE SEEN THE OTHER STREETS AROUND THE CITY, ON ENHANCING PEDESTRIAN, BICYCLE ACCESS, LANDSCAPE ENHANCEMENT AND ADDITIONAL SHADE AS YOU'VE SEEN ON SOME OF OUR ROADWAY PROJECTS. I'LL COME BACK TO 217, THE OAK STREET STREETSCAPE, SCOTTSDALE TO INDIAN BEND WASH. THIS IS, AS YOU HAVE SEEN, THERE HAS BEEN A PUSH TO TRY TO ENHANCE PEDESTRIAN AND BICYCLE ACCESS AS WELL AS LANDSCAPING IMPROVEMENTS ON MANY OF OUR MAJOR ARTERIALS. INDIAN SCHOOL ROAD, SCOTTSDALE ROAD, ETC. THIS WAS A FORWARD-THINKING ATTEMPT TO DO THE SAME TYPE OF IMPROVEMENTS, PEDESTRIAN, BICYCLE, ETC. ON OUR HALF-SECTION STREETS. THAT WAS THE GOAL OF THE OAK STREET PROJECT. AND FINALLY ITEM 217 WHICH WAS A C-RATED PROJECT, IS DOWNTOWN PEDESTRIAN IMPROVEMENTS. WE HAVE OVER 300 SIDEWALKS IN DOWNTOWN SCOTTSDALE THAT NEED UPGRADE, REPAIR OR IN SOME CASES JUST FLAT OUT NEED THEM BUILT BECAUSE THEY DON'T EXIST. THERE IS ACTUALLY IN THE CURRENT BOND PROGRAM AS YOU HAVE PROPOSED TO DATE WHAT WE CALL THE INITIAL PHASE OF THIS PROJECT. BECAUSE OF THE FACT THAT WE HAVE LOOKED AT MULTI-YEAR POTENTIAL BOND PROGRAMS SOME PROJECTS WE DEFERRED LATER AND THIS WAS CONSIDERED A SECOND PHASE FOR THE DOWNTOWN PEDESTRIAN IMPROVEMENTS. IT WOULD BE ELIGIBLE TO PULL FORWARD IF COUNCIL FEELS COMFORTABLE. THAT'S A DESCRIPTION OF THOSE THREE PROJECTS. IF YOU NEED MORE DETAIL WE CAN PULL OUR SUBJECT MATTER EXPERT IN ON THOSE AS WELL.

Councilmember Korte: DEREK, CAN YOU CONFIRM THE COSTS OF THOSE PROJECTS FOR THE COUNCIL AND OUR VIEWERS?

Derek Earle: YES. CAMELBACK ROAD RECONSTRUCTION WAS A \$6 MILLION PROJECT. THE NEXT PHASE OF THE DOWNTOWN PEDESTRIAN IMPROVEMENTS WAS A \$2 MILLION PROJECT. THE OAK STREET STREETScape WAS A \$3 MILLION PROJECT. THE TOTAL OF THOSE THREE THAT YOU'VE PROPOSED IS \$11 MILLION.

Mayor Lane: \$11 MILLION?

Councilmember Korte: YES.

[Time: 02:47:44]

MOTION AND VOTE NO. 16 - ITEM 16

COUNCILMEMBER KORTE MOVED TO INCLUDE IN A SEPARATE QUESTION THE CAMELBACK ROAD RECONSTRUCTION PROJECT, THE DOWNTOWN PEDESTRIAN IMPROVEMENTS PROJECT, AND THE OAK STREET STREETScape PROJECT. COUNCILWOMAN MILHAVEN SECONDED THE MOTION, WHICH FAILED 3/4, WITH MAYOR LANE, VICE MAYOR KLAPP, AND COUNCILMEMBERS LITTLEFIELD AND ROBBINS DISSENTING.

Mayor Lane: WOULD THE SECOND LIKE TO SPEAK TOWARD THAT? MAYBE I'LL ASK A QUESTION. ARE THESE THE ITEMS THAT WE HAVE LISTED HERE TAKING THEM ON TO A SEPARATE QUESTION OR THESE ARE SEPARATE ITEMS?

Derek Earle: MAYOR IF I MAY CLARIFY. I'D HAD A REQUEST ABOUT A WEEK AGO TO SEND OUT THE BALANCE OF THE LIST. THESE ARE THREE PROJECTS FROM THE...

Mayor Lane: NOT ON THIS LIST.

Derek Earle: THEY WERE NOT ON THE ORIGINAL BOND LIST. THEY WERE ON WHAT WE CALL THE B AND C PROJECTS.

Mayor Lane: SO THIS IS A DIFFERENT DOWNTOWN PEDESTRIAN IMPROVEMENT.

Derek Earle: THAT'S CORRECT. THIS IS IN ADDITION TO THAT.

Mayor Lane: MOTION HAS BEEN MADE AND SECONDED TO ADD THOSE ITEMS AS ONE SEPARATE QUESTION. ALL THOSE IN FAVOR INDICATE AYE, OPPOSED WITH A NAY. MOTION FAILS 4-3.

[Time: 02:49:31]

MOTION NO. 17 - ITEM 16

MAYOR LANE MOVED TO ADD A STIPULATION TO DELINEATE WITHIN THE QUESTIONS EACH SPECIFIC PROJECT AND INCLUDE IN THE ELECTION MATERIALS THE AMOUNT OF MONEY THAT HAS BEEN FUNDED FOR EACH OF THE PROJECTS, MAKING IT CLEAR THAT THE FUNDING FOR THE PROJECTS ARE SPECIFICALLY FOR THOSE PROJECTS AND CANNOT BE MOVED FROM THOSE PROJECTS. COUNCILMAN ROBBINS SECONDED THE MOTION.

City Attorney Bruce Washburn: MAYOR WE NEED A NEW RESOLUTION TO DO THAT. WE'D HAVE TO BRING THAT BACK. IT CAN BE DONE BUT WE'D HAVE TO BRING THAT BACK.

Mayor Lane: I'D LIKE TO MOVE THAT WE DO HAVE A STIPULATION WITHIN THE DOCUMENT AND FOR THE BALLOT LANGUAGE SUPPORTING THE BALLOT INFORMATION THAT THE FUNDING FOR THE PROJECTS THAT ARE LISTED ARE SPECIFICALLY FOR THOSE PROJECTS THAT ARE LISTED.

[Time: 02:51:06]

Councilwoman Milhaven: I HAVE A QUESTION FOR THE CITY ATTORNEY. THE QUESTIONS ARE THE QUESTIONS, AND IF THE CITIZENS APPROVE IT, WE'RE FOLLOWING WHAT THE CITIZENS ARE TELLING US. I'M NOT CLEAR WHAT THE ADDITIONAL CLARIFICATION OR QUALIFICATION PROVIDES TO US.

Bruce Washburn: MAYOR AND COUNCILWOMAN MILHAVEN, THIS WOULD IN FACT MATERIALLY CHANGE WHAT WOULD BE PERMITTED UNDER THE, IF THE BOND PACKAGE WERE SENT TO THE VOTERS WITHOUT THE STIPULATION, THIS BASICALLY CONSIDERABLY RESTRICTS WHAT CAN BE DONE WITH THE FUNDING TO THESE SPECIFIC PROJECTS AND THE LANGUAGE RELATING TO THESE SPECIFIC PROJECTS. IT CHANGES THE DYNAMIC QUITE A BIT. RIGHT NOW, THE WAY THE BOND QUESTION IS WRITTEN, IT'S FOR THE PURPOSES SET FORTH IN THE LANGUAGE IN THE QUESTIONS BUT NOT PROJECT BY PROJECT. THE PROJECTS ARE JUST USED TO ARRIVE AT THE AMOUNT.

Councilwoman Milhaven: I JUST WANT TO COMMENT. I BRIEFLY SERVED ON THE CITIZEN BOND TASK FORCE FOR THE BOND 2000 AND I'M VERY COMFORTABLE THAT WE HAVE SUFFICIENT CONTROLS THAT THE DESIRES OF THE CITIZENS ARE MET IF THEY APPROVE THIS BOND AND I ALSO KNOW THAT OVER TIME COSTS CHANGE AND CONDITIONS CHANGE. WE NEED TO BE FLEXIBLE BETWEEN THE PROJECTS. I THINK WE'VE GOT SUFFICIENT DUE DILIGENCE OVERSIGHT WITH HOW THIS MONEY GETS SPENT AND I WOULD NOT SUPPORT THIS MOTION.

Mayor Lane: IF I MIGHT IN RESPONSE, BOND 2000 WAS SPECIFICALLY LINE ITEMS. THAT WAS TELLING THE PUBLIC EXACTLY WHAT THEY WERE PAYING FOR. THAT'S WHAT WE'RE TRYING TO PUT INTO THIS. WE HAVE 45 DIFFERENT PROJECTS. IN BOND 2000 THERE WERE NINE. THE VOTERS VOTED ON THOSE SPECIFICALLY. WHEN WE DIDN'T USE THOSE PROJECTS, THE HELICOPTER, IT DIDN'T GO SOMEWHERE ELSE, IT WAS NOT EXPENDED. JUST TO BE HONEST WITH THE PUBLIC IT SEEMS TO ME THAT THEY SHOULD BE VOTING ON THE PROJECTS WE FEEL ARE WORTHY OF CONSIDERATION. THAT'S WHAT WE'VE JUST GONE THROUGH THIS EVENING. I THINK IT'S A WORTHY ENDEAVOR TO RESTRICT, IF WE WANT TO CALL IT A RESTRICTION, TO BE STRAIGHT WITH WHAT'S BEING VOTED ON. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: COUNCILWOMAN MILHAVEN IS ABSOLUTELY CORRECT. IT DOES CHANGE THINGS QUITE A BIT BUT IN A GOOD WAY. THAT'S WHY I SECONDED IT. IF WE'RE GOING TO LUMP THESE TOGETHER, SO THAT WE HAVE 6-8 ITEMS ON A PARTICULAR VOTE, THEN I THINK WE NEED TO ENSURE THE PUBLIC THAT IT'S GOING TO BE SPENT AS WE SAID IT WAS GOING TO BE SPENT. THAT'S WHY I SECONDED THE MAYOR'S MOTION.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN PHILLIPS.

Councilmember Phillips: THANK YOU MAYOR. MR. EARLE, I UNDERSTAND THAT, OR DO I UNDERSTAND, THAT THE WAY IT IS NOW AND THE VOTERS APPROVE ALL THESE, NUMBER 10 A FEW YEARS DOWN THE ROAD STAFF DECIDES THAT YOU KNOW, THIS ISN'T REALLY WORKING AND WE DON'T REALLY WANT THIS. YOU KNOW WHAT WE REALLY NEED MORE TRAIL IMPLEMENTATION. LET'S JUST TAKE THIS \$13 MILLION AND PUT IT ON TRAILS. IS THAT WHAT I UNDERSTOOD?

Derek Earle: MAYOR, COUNCILMEMBER PHILLIPS, NO. ANY DECISION ON THE DEPLOYMENT OF FUNDS OF THE BOND PROGRAM ARE THE DECISION OF COUNCIL. THEY'RE NOT A STAFF DECISION OR A DECISION BY ANY OTHER BODY. COUNCIL MAKES ALL DECISIONS ON EVERY PROJECT THAT'S IN THERE. BRIAN, IF I COULD, WOULD YOU GO OVER TO THE ELMO PLEASE.

[Time: 02:55:14]

Councilmember Phillips: EXCUSE ME MR. EARLE. BUT WOULDN'T THAT BE IF THE VOTERS VOTED FOR IT? THE COUNCIL CAN'T DECIDE TO CHANGE WHAT THEY VOTED FOR.

Derek Earle: THE WAY THE BOND QUESTIONS, AND THIS IS JUST A SAMPLE, THIS JUST HAPPENS TO BE FROM THE CURRENT RESOLUTION YOU ARE LOOKING AT. THIS IS AN EXAMPLE OF A BOND QUESTION. THIS IS ACTUALLY HOW IT WOULD BE PUT FORTH ON THE BALLOT. THERE ARE ACTUALLY TWO PIECES TO THE BALLOT LANGUAGE ITSELF. I'M NOT GOING TO BORE YOU WITH TOO MANY DETAILS, BUT THIS IS PART OF THE OFFICIAL BALLOT WHICH ESSENTIALLY TALKS ABOUT THE WAY THE BONDS MAY BE ISSUED BY THE CITY: MAXIMUM LIFE OF THE BONDS, MAXIMUM INTEREST RATE ETC. THIS IS PART OF THE OFFICIAL BALLOT. THIS IS JUST A SAMPLE, THIS IS THE BALLOT LANGUAGE THAT WAS PROPOSED FOR QUESTION ONE. AND AS YOU CAN SEE, THIS IS WHAT THE VOTERS WOULD BE VOTING ON. YES, COUNCIL DIRECTS US TO REVISE THE RESOLUTION. IN THIS PARTICULAR CASE IT'S APPROVING THE \$50.4 MILLION OF BONDS, THAT MAY CHANGE DEPENDING ON THE PROJECTS YOU APPROVE, TO UPGRADE, DESIGN, ACQUIRE, CONSTRUCT, RECONSTRUCT, IMPROVE, FURNISH AND EQUIP COMMUNITY AND NEIGHBORHOOD RECREATIONAL FACILITIES, PERFORMING ARTS CENTER, LIBRARIES AND PARKS AND ACQUIRING FINANCIAL RESOURCES AND PURCHASING TECHNOLOGY. THIS IS THE PURPOSE THAT THE VOTERS WOULD APPROVE FOR THE PURPOSES OF THIS BOND. THAT MEANS THAT AS LONG AS ANY PROJECTS ARE BROUGHT FORWARD AND COUNCIL MAKES THIS CHOICE, IT WOULD BE CONSIDERED CONSISTENT WITH THE VOTERS' INTENT.

IN BOND 2000 WITH THE EXCEPTION OF TWO QUESTIONS, I'D GO BACK TO CONFIRM THAT, BOND 2000 WAS ESSENTIALLY WRITTEN IN THIS SAME MANNER. TRANSPORTATION QUESTIONS, STORMWATER QUESTIONS, PUBLIC SAFETY QUESTIONS, GOING ON THROUGH. THERE WERE TWO QUESTIONS IN BOND 2000 THAT WERE VERY SPECIFIC TO THE PURPOSES, ACTUALLY THERE WERE THREE. THERE WAS THE POLICE HELICOPTER THAT WAS VERY SPECIFIC. IT WAS GOING TO BUY A POLICE HELICOPTER. THERE WAS A WESTWORLD LAND ACQUISITION. IT WAS TO BUY LAND TO SUPPORT WESTWORLD. THE THIRD ONE WAS THE SCOTTSDALE ROAD PRESERVATION STREETScape WHICH WAS AGAIN VERY SPECIFIC. THOSE FUNDS COULD NOT BE DIRECTED ANYPLACE ELSE, ANY OTHER PROJECTS ETC. FOR THE REST OF THE QUESTIONS ON BOND 2000, DEPENDED ON HOW COSTS PROCEEDED, HOW THE PROJECT PROCEEDED, HOW THE ACTUAL FEASIBILITY OF THE PROJECTS PROCEEDED, WE WERE ABLE TO WORK WITHIN THE CONSTRUCTS OF THIS LANGUAGE, USING A CITIZEN OVERSIGHT COMMITTEE, WORKING WITH THE CITY COUNCIL AND BRING ALL THESE QUESTIONS FORWARD. EVERY CHANGE TO THE ORIGINAL PROGRAM DID COME TO COUNCIL

ULTIMATELY FOR APPROVAL. YOU HAVE TO UNDERSTAND THAT AS WE PUT TOGETHER THE 46 PROJECTS HERE THEY'RE AT THE CONCEPTUAL LEVEL. UNTIL WE ACTUALLY GO TO THAT NEXT LEVEL OF DESIGN DETAIL WE ARE NOT 100% GUARANTEED ON THE FEASIBILITY OF ANY ONE OF THOSE PROJECTS. THIS ALLOWS THE ABILITY TO FULFILL THE NEEDS OF THE VOTERS UNDER THIS LANGUAGE. THAT'S JUST A PROPOSAL. CLEARLY IT'S A COUNCIL DECISION ON HOW SPECIFIC YOU CHOOSE TO BE. WE'LL THROW IN ONE LAST PIECE THAT WAS NOT DONE IN BOND 2000 THAT COUNCIL HAS THE OPTION TO DO.

WHEN THE VOTER INFORMATION PAMPHLET IS PUBLISHED, FOR THE BOND PROGRAM, COUNCIL HAS THE ABILITY THROUGH MAJORITY VOTE HAS THE ABILITY TO PREPARE A STATEMENT AND PUT THAT IN THE VOTER INFORMATION PACKET. THAT COULD BE ANYTHING FROM SPECIFIC PROJECTS, TO DESCRIPTIONS OF THE QUESTIONS, HOW IMPORTANT YOU THINK IT IS, WHATEVER MESSAGE YOU THINK IS IMPORTANT. TYPICALLY IT HAS NOT BEEN DONE BY THIS COUNCIL IN THE PAST BUT IT IS AN OPTION FOR COUNCIL IF THEY SO CHOOSE. COUNCILMAN, I THINK THAT WAS A LONG ANSWER TO A SHORT QUESTION BUT I WANTED TO EXPLAIN THE CONTEXT OF THE BOND QUESTIONS.

Councilmember Phillips: I JUST WANTED TO MAKE THAT POINT, THAT WHAT THE VOTERS VOTE FOR, COUNCIL SHOULDN'T BE CHANGING LATER BECAUSE THEY THINK THAT WASN'T IMPORTANT AND WE NEED SOMETHING ELSE. THAT'S WHY I MADE THOSE STIPULATIONS. I EVEN HAD THAT PART ABOUT MAKING SURE IT'S IN THE PAMPHLET AND EVERY TRANSPARENCY FOR THE VOTERS. THEY UNDERSTAND THAT WHAT THEY VOTE FOR IS WHAT THEY'RE GOING TO GET AND NOT THAT REALLY DIDN'T WORK OUT SO WE'RE GOING TO GET TOGETHER AS COUNCIL AND DECIDE SOMETHING ELSE TO USE THAT MONEY FOR. I'LL BE AGREEING WITH THE MAYOR'S NEW MOTION. THANK YOU.

[Time: 03:00:07]

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: MAY I POINT OUT THAT WHAT WE MIGHT SAY IN THE PAMPHLET ISN'T BINDING. WE'VE HAD THIS CONVERSATION UP HERE PROBABLY A THOUSAND TIMES IN THE ELEVEN YEARS I'VE BEEN ON THE COUNCIL ABOUT HOW THE CURRENT COUNCIL CAN'T BIND THE FUTURE COUNCIL. IF WE DON'T PUT IN THE STIPULATION THAT THE MAYOR AND COUNCILMAN PHILLIPS SUGGESTED INTO THIS, THEN WE WILL STILL HAVE DISCRETION TO MOVE MONEY AROUND. IF WE HAVE AN ITEM ON THE ELECTION THAT HAS EIGHT DIFFERENT PROJECTS IN IT, AND THAT GETS APPROVED BY THE VOTERS, WE WILL HAVE IN THE FUTURE SOME DISCRETION TO MOVE THAT MONEY AROUND BETWEEN PROJECTS THAT MEET THAT GENERAL DESCRIPTION. I THINK THAT'S INAPPROPRIATE. I THINK THE VOTERS THINK IT'S INAPPROPRIATE AND IT CERTAINLY RUNS AGAINST OUR SUPPOSED COMMITMENT TO TRANSPARENCY, THAT WE CAN TAKE TENS OF MILLIONS OF DOLLARS THAT THE VOTERS VOTED FOR BASED ON WHAT THEY THOUGHT WE WERE GOING TO DO, AND THEN WE TURN AROUND AND SPEND IT ON SOMEBODY ELSE. I THINK IF YOU'RE GOING TO DO THIS, I THINK IT'S STILL TOO LARGE, BUT I THINK IF YOU'RE GOING TO DO THIS THE STIPULATION IS ABSOLUTELY NECESSARY TO GIVE THE VOTERS CONFIDENCE THAT WHAT THEY'RE VOTING ON IS WHAT THEY'RE GOING TO GET.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILWOMAN MILHAVEN.

[Time: 03:01:32]

Councilwoman Milhaven: I'D LIKE TO ASK A QUESTION. THESE DOLLAR AMOUNTS FOR THESE PROJECTS ARE ESTIMATES. BASED ON YOUR MOTION, IF IT TURNS OUT THAT ONE ESTIMATE IS WAY HIGH, AND THE PROJECT IS GOING TO COST LESS, AND THE OTHER PROJECT THE ESTIMATE WAS WAY LOW, AND IT'S GOING TO COST MORE, BUT THEY'RE STILL TWO PROJECTS ON THE LIST BUT THE DOLLAR AMOUNTS TURN OUT TO BE DIFFERENT BUT NET-NET THEY ARE TOTAL THE SAME, ARE YOU SAYING YOUR MOTION WOULD NOT ALLOW US TO MOVE MONEY FROM ONE OF THESE PROJECTS TO ANOTHER OR IT TURNS OUT THE ESTIMATES WERE WRONG, WITHOUT EXCEEDING THE TOTAL.

Mayor Lane: I THINK THAT'S RIGHT, YES. I THINK THESE ESTIMATES ARE PROBABLY ON THE HIGHER SIDE IN ANY CASE, SO I DON'T THINK THAT BECOMES A PROBLEM. IT HASN'T IN THE PAST, EVEN WHEN WE HAD AN ESCALATING COST.

Councilwoman Milhaven: MY CONCERN WITH THAT IS WE MAY BE DOOMING SOME OF THESE PROJECTS TO NEVER HAPPEN AND I THINK WE NEED TO KEEP THE FLEXIBILITY. I'M WAY OK WITH SAYING THESE ARE THE PROJECTS WE'RE GOING TO FUND. THEN WE'RE ALMOST GOING BACK TO SPECIFIC LINE ITEMS TO SAY IF THE PROJECT COSTS A LITTLE BIT DIFFERENT, I THINK WE PUT SOME OF THESE PROJECTS AT RISK AND THE CITIZENS ARE GOING TO SAY YES WE WANT THE PROJECT AND WE'RE NOT GOING TO BE ABLE TO DO THEM BECAUSE WE'VE PUT TOO MUCH OF A LIMIT ON OURSELVES. YES THESE ARE THE PROJECTS WE SHOULD DO BUT I'M NOT COMFORTABLE WITH THE SUGGESTION. THANK YOU.

Mayor Lane: THANK YOU, COUNCILWOMAN. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: COUNCILWOMAN MILHAVEN INADVERTENTLY WHICH SUPPORTS THE REASON WHY WE NEED THIS STIPULATION. IF A PROJECT DOESN'T HAPPEN, IF YOU HAVE A \$10 MILLION PROJECT THAT DOESN'T HAPPEN, WHY SHOULD WE BE ALLOWED TO TAKE THAT \$10 MILLION AND PUT IT TO SOMETHING ELSE? IF THE VOTERS APPROVE A CLUMP, I WOULD CALL THESE CLUMPS OF PROJECTS, AND THE \$10 MILLION DOESN'T HAPPEN, THEN THE ANSWER TO SHOULD BE THAT WE DON'T SPEND THAT \$10 MILLION. NOT THAT WE FEEL THAT WE'RE FREE TO TAKE THAT \$10 MILLION AND PUT IT TO SOMETHING THE VOTERS DIDN'T APPROVE. I THINK MAKES THE CASE AS TO WHY THIS STIPULATION IS NECESSARY.

Mayor Lane: NOTATION FROM THE ACTING TREASURER.

Acting Treasurer Lee Guillory: MAYOR AND COUNCILMEMBERS, BY ASSIGNING AN EXACT DOLLAR AMOUNT TO EACH PROJECT WILL REALLY LIMIT MY ABILITY TO FULLY ISSUE THE BONDS BEING REQUESTED. IN OTHER WORDS, IF I'M TOLD THAT YOU'RE GOING TO SPEND \$10 MILLION ON A PROJECT, AND I ISSUE THAT BOND, YOU HAVE TO SPEND THE FULL \$10 MILLION WITHIN THREE YEARS ON THAT PROJECT. IF YOU DON'T THEN WE'RE IN VIOLATION OF THE IRS TAX EXEMPTION RULE. IT WOULD ALMOST MEAN THAT FOR EVERY PROJECT THAT IS BUILT I'D HAVE TO DO REIMBURSEMENT DECLARATIONS, WHICH MEAN THAT I WOULDN'T ISSUE THE BONDS UNTIL THE FULL DOLLAR AMOUNT OF THE FULL CONSTRUCTION IS KNOWN. THAT CAUSES SOME CHALLENGES DEFINITELY ON ISSUING THESE BONDS.

Mayor Lane: THANK YOU.

Derek Earle: MAYOR?

Mayor Lane: YES MR. EARLE.

Derek Earle: MAY I ADD TO LEE GUILLORY'S COMMENT. I UNDERSTAND WHERE YOU'RE GOING AND I THINK FROM STAFF'S PERSPECTIVE OBVIOUSLY WE'RE RESPECTFUL OF COUNCIL'S WISHES. IF INDEED YOU ARE GOING TO RESTRICT THESE QUESTIONS TO A SPECIFIC LIST OF PROJECTS, IF YOU KEEP THE AMOUNTS OF THE SAME BUT STIPULATE THE PROJECTS, WE BELIEVE WE WOULD AT LEAST HAVE THE ABILITY TO MOVE THEM BETWEEN VOTER-APPROVED PROJECTS. PRIME EXAMPLE HAPPENED WITH BOND 2000 WHERE WE HAD PINNACLE PEAK ROAD, WE HAD INDIAN BEND ROAD. NEITHER OF THOSE HAD SUFFICIENT FUNDING IN THE ORIGINAL PROGRAM TO CONSTRUCT. WE CHOSE TO MOVE FUNDING TO INDIAN BEND ROAD OBVIOUSLY IT'S A PROJECT THE CITY HAS BENEFITTED FROM. PINNACLE PEAK ROAD WAS PARTIALLY CONSTRUCTED BY A DEVELOPER, THE BALANCE OF IT IS CURRENTLY CONSIDERED UNFEASIBLE BUT IT COULD BE IN THE LONG RUN. THOSE WERE BOTH IN THE ORIGINAL BOND PROPOSAL. WE'RE NOT SUGGESTING ANYTHING DIFFERENT OTHER THAN WE WANT OTHER THAN WHAT LEE GUILLORY SAID THAT TO THE EXTENT THAT WITHIN THE QUESTION AND WITHIN THE APPROVED PROJECTS, THE ABILITY TO ADJUST THE FUNDING WITHIN THAT QUESTION AMONG THOSE PROJECTS WOULD BE BENEFICIAL TO STAFF AND TO COUNCIL ULTIMATELY TO BE ABLE TO EXECUTE THIS PROGRAM.

[Time: 03:05:57]

Mayor Lane: I THINK I UNDERSTAND THE DIFFICULTY IT RAISES FOR YOU, LEE. I APPRECIATE THAT. BUT WHAT I GUESS I'M GOING TO ASK YOU, MR. EARLE, AND I DON'T KNOW IF THIS WORKS INTO THE EXACT SAME SCENARIO. IN THE PAST YOU'VE HAD A SITUATION WHERE YOU WERE SHORT ON ONE AND COMBINING THEM WITHIN A FIELD OF SIMILAR APPLICATION, AND I'M TALKING PARKS OR SOMETHING ALONG THAT LINE, THAT'S NOT JUST WITHIN THE QUESTION, THAT'S A VERY SIMILAR USE. I LOOK AT PUBLIC SAFETY AND THERE'S A WIDE VARIETY OF DOLLAR AMOUNTS WITHIN PUBLIC SAFETY FOR A VARIETY OF DIFFERENT THINGS. IF WE HAD INCLUDED, AND I THINK WE DID DELETE, THE LAND PURCHASE OF \$4.5 MILLION, AND THAT NEVER CAME ABOUT AND DECIDED THAT WE WOULD BUILD SOME NEW LAB WHICH WASN'T EVEN REMOTELY CLOSE TO WHAT WAS VOTED ON, THAT'S REALLY MY CONCERN. MOVING IT BETWEEN LIKE KINDS OF PROJECTS IS NOT OF PRIMARY CONCERN AS LONG AS THEY WERE BOTH VOTER-APPROVED IN THE FIRST PLACE. I THINK THAT'S WHAT YOU WERE JUST TELLING ME.

Derek Earle: MAYOR, I ABSOLUTELY SUPPORT EXACTLY WHAT YOU'RE SAYING. WE BELIEVE THAT IF IT'S THE COUNCIL'S DESIRE TO KEEP IT WITHIN THE PROJECTS THE 45 PROJECTS OR HOWEVER MANY WE FINALLY AGREED ON, WITHIN THAT NUMBER OF PROJECTS WE'RE VERY COMFORTABLE EXECUTING THAT PROGRAM AS YOU DIRECT. WITHIN A QUESTION, LET'S JUST TAKE A \$50 MILLION PARKS QUESTION, YOU APPROVE 10 PROJECTS, I'M MAKING THIS UP. THE ABILITY TO MOVE WITHIN ANY OF THOSE 10 PROJECTS THAT ARE SPECIFIED GIVES US THE ABILITY TO RESPOND WHEN A PROJECT IS SHORT OR LONG, TO ADJUST THE FUNDING PLUS IT ADDRESSES LEE GUILLORY'S CONCERN ABOUT THE ISSUANCE OF THE BONDS. IF COUNCIL SEES FIT WE WILL RESPECT THE PROJECT LIST EXACTLY AS IT'S SHOWN. THE ONLY FLEXIBILITY WE RECOMMEND THAT COUNCIL CONSIDER IS

WITHIN THAT PROJECT LIST THAT'S APPROVED AND TAKEN TO THE VOTERS THAT AT LEAST WITHIN THAT QUESTION WE HAVE THE ABILITY TO ADJUST FUNDING IF ONE'S LONG AND ONE'S SHORT, THAT WAY WE HAVE A BETTER LIKELIHOOD OF EXECUTING THE PROGRAM AS APPROVED BY THE VOTERS.

[Time: 03:08:13]

Mayor Lane: I UNDERSTAND THAT. I THINK OUR CONCERN EVEN WITHIN A QUESTION THERE'S A VARIETY OF THINGS THAT MAY BE COMPLETELY DIFFERENT ITEMS. IF WE JUST HAVE A FUDGE FIGURE OF \$5 MILLION FOR SOMETHING THAT WE DON'T EVER THINK BUT WE'VE GOT SOME OTHER PROJECT THAT'S PUBLIC SAFETY RELATED, IF IT'S ON THE LIST. I DON'T KNOW IF THERE'S SOME WAY TO FACILITATE MY CONCERNS IN MY ORIGINAL MOTION TO NOT HAVE ABSOLUTE COMPLETE LATITUDE TO MOVE MONEY TO ANY PROJECT BUT AT THE SAME TIME SECURE THE IDEA THAT WHAT THE VOTERS VOTE ON IS WHAT THEY'RE VOTING ON, AND THOSE NUMBERS CLOSELY PROXIMATE OR OTHERWISE WHETHER IT'S LOW OR HIGH THAT THOSE ARE THE NUMBERS THAT THEY'RE VOTING ON. THAT'S WHAT WE'RE TRYING TO MAKE A JUDGMENT CALL HERE. WE'VE BEEN LOOKING AT LISTS THAT'S WHY WE'RE GOING THROUGH THIS, THAT'S WHAT THE VOTERS EXPECT OF US. THIS IS WHAT THEY'RE VOTING ON. THIS IS WHAT WE'RE TELLING THEM THESE ARE GOOD PROJECTS, THESE ARE THINGS THAT THE CITY NEEDS AND WE SHOULD BE VOTING POSITIVELY ON IT. THAT'S WHY I WAS WORKING FOR SEPARATE LINE ITEMS AS WE HAD IN THE BOND 2000, WITH THE HELICOPTER AND THE LAND AT WESTWORLD, THOSE THINGS THAT GOT VOTED DOWN SPECIFICALLY BECAUSE THEY WERE NOT CONSIDERED TO BE IMPORTANT ISSUES TO THE GENERAL PUBLIC. THAT'S WHY I INITIALLY ASKED TO HAVE THAT, BUT THAT WAS NOT RECEIVED WELL AS YOU NOTICED WITH MY MOTIONS NOT BEING SECONDED. THIS IS AN ALTERNATIVE LOOK TO MAKE SURE THAT THE PUBLIC KNOWS WHAT THEY'RE VOTING FOR AND THAT'S WHERE THE MONEY'S GOING. IS THERE SOME KIND OF LANGUAGE THAT WE CAN SUGGEST THAT WOULD, LEE I DON'T KNOW IF YOU'RE IN THE POSITION TO MENTION IT RIGHT NOW BUT SINCE THIS IS COMING BACK....

Senior Project Manager Bill Peifer: MAYOR IF I COULD INTERJECT. I DID MOST OF THE COST ESTIMATES. AT LEAST I VERIFIED OR TRIED TO VERIFY MOST. IF I COULD SUGGEST YOU KEEP THE QUESTION AMOUNT THE SAME AS PER YOUR RECENT DISCUSSION AND THAT YOU DON'T LIST THE PROJECT AMOUNTS, JUST LIST THE PROJECTS. THAT GIVES YOU THE FLEXIBILITY BUT YOU'LL STILL NOT HAVE THE ABILITY TO ADD OR TAKE AWAY FROM THOSE PROJECTS UNLESS THERE ISN'T ENOUGH MONEY AT THE END. YOU WOULDN'T HAVE THE ABILITY TO TAKE AWAY A PROJECT SINCE IT WOULD BE IN THE LIST. TIE THE QUESTION TO THE TOTAL DOLLAR AMOUNT, IN THIS CASE IT'S \$50.4 MILLION WITH TEN PROJECTS BUT THE DOLLAR AMOUNTS FOR THE PROJECTS DON'T NEED TO BE LISTED.

[Time: 03:10:54]

Mayor Lane: I UNDERSTAND WHERE YOU'RE GOING WITH THIS. AS FAR AS THE ESTIMATES ARE CONCERNED I'M SURE THEY'RE AS ACCURATE AS THEY CAN BE AHEAD OF TIME. I'M NOT SURE THAT THAT NECESSARILY COVERS MY CONCERN. WHEN I'M SHOOTING FOR SEPARATE QUESTIONS ON CERTAIN ITEMS THAT WOULD BE VERY DEFINITIVE. THE PUBLIC WOULD BE SAYING YEA OR NAY ON THE BASIS OF THIS OR THAT PURCHASE OR THIS OR THAT PROJECT. THAT'S WHAT I'M SORT OF SHOOTING FOR. I'M NOT TRYING TO SHOOT DOWN OR CAUSE SOME DIFFICULTY WITH REGARD TO HOW THESE MONIES ARE EXPENDED, BUT AT THE SAME TIME I WANT TO BE ENTIRELY HONEST WITH THE PUBLIC. I THINK IN LARGE PART WE'RE SAYING WE THINK THESE PROJECTS ARE WORTH \$9

MILLION, OR THEY'RE WORTH THIS OR THAT. WE'RE TELLING THE PUBLIC THAT. I DON'T KNOW IF THERE'S SOME MIDDLE GROUND ON THIS BUT I'LL STAND ON WHERE THE MOTION IS.

Derek Earle: MAYOR WE'LL EXECUTE THE POLICY AS THE COUNCIL SEES FIT. WE CAN MAKE THAT WORK. WE MAY HAVE TO WORK WITH BOND COUNCIL TO SEE IF THAT'S AN APPROPRIATE BREAKDOWN AT THAT MICRO-LEVEL AND HOW THAT WILL AFFECT THE ISSUANCE OF BONDS.

Mayor Lane: LEE, YOUR BUTTON IS STILL ON DO YOU WANT TO....

[Time: 03:12:08]

Lee Guillory: MAYOR AND COUNCIL, ONE COMMENT I WOULD HAVE IS THE CITY MANAGER'S MENTIONED, IF WE HAVE A PROJECT FOR \$10 MILLION FOR SAY SOME ROAD IMPROVEMENTS, AND THAT'S THE AMOUNT IN THE BALLOT QUESTION, IF I ISSUE THE BONDS FOR THAT AMOUNT AND THEN THE PROJECT COMES IN UNDER BUDGET, SAY AT \$9 MILLION, THEN I AM IN VIOLATION BECAUSE I HAVE NOT SPENT THE FULL \$10 MILLION ON THAT PROJECT. THE OPTION WOULD BE THAT I COULD CALL THE BONDS, A MILLION DOLLARS WORTH OF THE BONDS, BUT THAT MEANS I WOULD HAVE TO ISSUE THE BONDS AS CALLABLE AT DAY ONE. THERE'S ALWAYS A COST TO THAT. IN OTHER WORDS IF I ISSUE THEM AS NON-CALL FOR THE FIRST TEN YEARS, WHICH IS WHAT WE TYPICALLY DO, WE GET LOWER INTEREST COSTS. IF YOU LIMIT ME TO ISSUE THE BONDS FOR \$10 MILLION THEN THE PROJECT COMES IN UNDER I NEED TO PAY OFF THE EXCESS AMOUNT. THAT MEANS THE BONDS WOULD HAVE TO BE CALLABLE TO DO THAT.

Mayor Lane: WHAT YOU'RE SAYING IS YOU'RE EITHER IN VIOLATION OF THE BOND CRITERIA OR YOU THE CITY'S GOING TO INCUR ADDITIONAL COSTS IN ORDER TO ISSUE THE BONDS THAT HAVE THAT GREATER FLEXIBILITY.

Lee Guillory: THE VIOLATION WOULD BE WITH THE IRS BECAUSE I'M ISSUING TAX-EXEMPT BONDS. I CAN ONLY ISSUE THE BONDS FOR THE PURPOSE FOR WHICH IS GIVEN IN THE PERSPECTUS. I MUST SPEND THAT EXACT AMOUNT WITHIN THREE YEARS. I CAN'T SPEND LESS, I'D HAVE TO SPEND THE FULL AMOUNT OR ELSE I AM IN VIOLATION.

Mayor Lane: I WOULD WISH THERE WOULD BE SOME MIDDLE GROUND BETWEEN THAT, THAT THERE WOULD BE SOME WAY TO BE A LITTLE BIT MORE DEFINITIVE TO THE PUBLIC. COUNCILMAN PHILLIPS.

Councilmember Phillips: MS. GUILLORY, IF YOU HAVE A BOND QUESTION FOR \$10 MILLION HELICOPTER AND ONE FOR A \$5 MILLION PARK, AND THE HELICOPTER COST \$8 MILLION, WHAT'S LEFT IS THAT PARK. ARE YOU SAYING THAT YOU HAD TO PUT \$2 MILLION IN BONDS ON THE PARK, AND THE PARK COMES IN AT ONLY \$2 MILLION, NOW YOU HAVE AN EXTRA MILLION ON THAT. WHAT ARE YOU GOING TO DO WITH THAT? HOW DO YOU DISPOSE OF THE REST OF THE BONDS? ISN'T IT THAT YOU ISSUE BONDS AS THE PROJECT PROGRESSES?

[Time: 03:14:35]

Lee Guillory: MAYOR AND COUNCIL, TYPICALLY WE GET NUMBERS FROM THE CAPITAL PLANNING GROUP AS TO HOW MUCH THE PROJECT IS GOING TO COST AND THE TIME FRAME IT'S GOING TO

COST THEM TO BUILD IT. I ISSUE THE AMOUNT OF THE BONDS NEEDED FOR THEM TO BE ABLE TO SPEND THE MONEY WITHIN THREE YEARS. SOMETIMES IT TAKES MULTIPLE ISSUANCES TO COVER ONE PROJECT. IF THEY TELL ME THEY'RE GOING TO NEED \$50 MILLION TO BUILD A RODE BUT THEY CAN ONLY SPEND \$20 MILLION OF IT THE FIRST THREE YEARS, I ONLY ISSUE THE \$20 MILLION UP FRONT, THEN AS THE PROJECT PROGRESSES I WOULD ISSUE ANOTHER BOND FOR \$30 MILLION TO FINISH UP THE PROJECT. I'M NOT SURE IF THAT ANSWERED YOUR QUESTION OR NOT.

Councilmember Phillips: BOND 2000 IS WINDING DOWN AND THERE'S MONEY LEFT OVER. WHAT ARE YOU GOING TO DO WITH THAT BOND MONEY? IT HASN'T BEEN ISSUED, I UNDERSTAND, BUT IF YOU ISSUED IT FOR THE LAST PROJECT AND THERE'S MONEY LEFT OVER, WHERE ARE YOU GOING TO PUT THAT? YOU HAVE TO BE ABLE TO ACCOUNT FOR THAT SOMEHOW.

Lee Guillory: IT'S MY UNDERSTANDING RIGHT NOW THAT THE BONDS THAT HAVE BEEN ISSUED FROM THE BOND 2000 PROGRAM THERE ARE PROJECTS UNDERWAY THAT WILL SPEND THE FULL AMOUNT THAT HAS BEEN ISSUED. I DID NOT ISSUE THE MONEY FOR THE HELICOPTER. I DID NOT ISSUE THE BONDS FOR THE HELICOPTER BECAUSE THAT'S NOT PLANNED TO BE SPENT AT ALL.

Councilmember Phillips: SO BOND 2000 IS GOING TO COME OUT EXACTLY RIGHT. WE'RE NOT GOING TO HAVE ANY MONEY LEFT OVER.

Lee Guillory: RIGHT. THE WAY THE QUESTIONS WERE WRITTEN, LIKE PARKS AND LIBRARIES, THEY DID A CERTAIN AMOUNT FOR PARKS AND LIBRARIES, AND IF THERE WAS MONEY LEFT OVER WITHIN THEY'D ISSUED THE BONDS, THEY CAME TO COUNCIL AND ASKED IF THEY SHOULD PROCEED WITH SOME OTHER PARK PROJECT OR WHATEVER. THEY GOT COUNCIL APPROVAL TO DO THAT.

Councilmember Phillips: AT THE END OF THE ISSUANCE OF THE BONDS, THERE'S A MILLION DOLLARS LEFT OVER. YOU COME BACK TO COUNCIL AND SAY WE HAVE A MILLION DOLLARS IN VOTER-APPROVED BONDS WE HAVE TO GET RID OF. WHAT DO YOU WANT TO USE IT ON? IS THAT WHAT YOU'RE SAYING?

[Time: 03:16:30]

Lee Guillory: I'LL DEFER THAT TO DEREK EARLE AS IT'S HIS GROUP THAT ACTUALLY COMES FORWARD WITH THOSE TYPES OF PROJECTS.

Dan Worth: MAYOR, COUNCILMAN PHILLIPS, I'LL ADDRESS THAT. WHAT WE'RE DOING AT THE TAIL END OF THE BOND 2000 IS SPEND OUT THE LAST REMAINING AMOUNTS OF BOND PROCEEDS IN ACCORDANCE WITH THE QUESTIONS AS THEY WERE APPROVED BY THE VOTERS. WE DO HAVE SOME FLEXIBILITY STAYING WITHIN QUESTIONS, STAYING WITHIN LANGUAGE SIMILAR TO WHAT MR. EARLE WAS SHOWING YOU. WE DO HAVE THE ABILITY TO TAKE A LEFTOVER MILLION DOLLARS AND ADD SOME OTHER FUNDING TO IT MAYBE TO COMPLETE A REQUIRED PROJECT IN OUR CIP. I'LL GIVE YOU AN EXAMPLE, THE FIRE STATIONS THAT WE'VE RECENTLY COMPLETED. WE USED MONEY FROM THE PUBLIC SAFETY QUESTION, BOND 2000, FOR SOME OF THE COSTS ASSOCIATED WITH THOSE FIRE STATIONS. IT WASN'T ENOUGH TO BUILD THEM COMPLETELY. WE SUPPLEMENTED IT WITH GENERAL FUND TO COMPLETE A CIP PROJECT THAT ALLOWED US TO USE UP THE REMAINING AMOUNT FROM THAT QUESTION. BY SUPPLEMENTING WITH SOMETHING ELSE ALLOWED US TO USE THAT AMOUNT

OF MONEY IN ACCORDANCE WITH THE LANGUAGE OF THE ORIGINAL BOND QUESTION AS APPROVED BY THE VOTERS WHICH APPROVED THE FUNDING FOR BUILDING, ACQUIRING LAND, EQUIPMENT, ETC. ETC., POLICE STATIONS, FIRE STATIONS, AND VARIOUS OTHER PUBLIC SAFETY FACILITIES. WE WERE WITHIN THE LANGUAGE OF THE BOND QUESTION.

Councilmember Phillips: SO THIS BOND QUESTION IS GOING TO BE THE SAME. IF THERE'S MONEY LEFT OVER AT THE END WE COULD CONCEIVABLY PUT IT INTO THE CIP FUND AND THEN USE IT FOR SOMETHING ELSE?

[Time: 03:18:16]

Dan Worth: MAYOR, COUNCILMEMBER PHILLIPS, THAT'S CORRECT AND I WILL ADD ONE MORE THING. EVERY DOLLAR THAT WE HAVE SPENT THAT WAY HAS COME BACK TO COUNCIL FOR YOUR CONCURRENCE, EITHER WITH A SPECIFIC RESOLUTION TO REALLOCATE MONEY INTO A PARTICULAR PROJECT, OR PART OF OUR PROPOSED CIP.

Councilmember Phillips: THANKS FOR THE BOND 101. I KNOW THIS IS GETTING DIFFICULT HERE.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: THE LONGER THIS GOES ON THE MORE BIZARRE IT GETS. WHEN THE STAFF SAYS FLEXIBILITY WHAT I HEAR AND WHAT I SUSPECT THE VOTERS HEAR IS BLANK CHECK. WHAT YOU PERCEIVE AS FLEXIBILITY, THE VOTERS ARE GOING TO PERCEIVE AS GIVING US A BLANK CHECK THEY DON'T WANT TO GIVE US. THE IDEA THAT IF A PROJECT IS \$10 MILLION, WE HAVE TO SPEND \$10 MILLION ON IT EVEN IF IT ONLY COSTS \$9 MILLION, YOU THINK IT'S ONLY GOING TO COST \$9 MILLION, WE JUST ISSUE \$9 MILLION IN BONDS. THE MORE THIS CONVERSATION GOES ON, I THINK YOU GUYS HAVE MADE THIS SO IT'S NOT GOING TO PASS ANYWAY, YOU'VE MADE IT WAY TOO BIG. THE MORE YOU GO ON, THIS BECOMES LESS AND LESS TRANSPARENT. YOU TALK ABOUT WE HAVE TO RETAIN FLEXIBILITY. NO, THIS ISN'T ABOUT, THIS ISN'T A CORPORATION, THIS IS A GOVERNMENT, THIS IS TAX MONEY, THIS IS PEOPLE'S PROPERTY TAX. FOR US TO SAY WE WANT THE FLEXIBILITY TO MOVE MONEY AROUND, I DON'T THINK THAT'S WHAT THE PUBLIC WANTS TO HEAR. IT'S NOT TRANSPARENT, IT'S NOT GOOD POLICY, I THINK IT WILL CONTRIBUTE TO THIS THING GETTING BEATEN EVEN WORSE THAN I SUSPECT IT WILL GET BEATEN NOW. THE MORE WE TALK ABOUT IT, THE MORE THE MAYOR'S MOTION BECOMES CRITICAL.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILWOMAN KORTE.

Councilmember Korte: MAYOR, IS THERE A SECOND TO YOUR MOTION?

Mayor Lane: YES.

Councilmember Korte: OKAY. I RESPECTFULLY DISAGREE WITH COUNCILMEMBER LITTLEFIELD. I BELIEVE THE TRANSPARENCY AND ACCOUNTABILITY FOR THESE BONDS RESTS WITH THE COUNCIL. THE BOND REVIEW COMMITTEE VETS THESE PROJECTS; THE SPECIFIC ALLOCATIONS COME BACK TO COUNCIL FOR VERIFICATION, AND PASSING OF THOSE ALLOCATIONS. I'M GOING TO CALL THE QUESTION.

[Time: 03:20:42]

MOTION AND VOTE NO. 18 - ITEM 16

COUNCILMEMBER KORTE MOVED TO CALL THE QUESTION. COUNCILWOMAN MILHAVEN SECONDED THE MOTION, WHICH CARRIED 7/0.

[Time: 03:21:37]

VOTE ON MOTION NO. 17 - ITEM 16

THE COUNCIL VOTE ON THE MOTION TO ADD A STIPULATION TO DELINEATE WITHIN THE QUESTIONS EACH SPECIFIC PROJECT AND INCLUDE IN THE ELECTION MATERIALS THE AMOUNT OF MONEY THAT HAS BEEN FUNDED FOR EACH OF THE PROJECTS, MAKING IT CLEAR THAT THE FUNDING FOR THE PROJECTS ARE SPECIFICALLY FOR THOSE PROJECTS AND CANNOT BE MOVED FROM THOSE PROJECTS CARRIED 5/2, WITH COUNCILMEMBERS KORTE AND MILHAVEN DISSENTING.

Mayor Lane: THAT DIRECTION ALSO IS AN ITEM TO COME BACK IN SPITE OF THE FACT THAT WE HAVE JUST REDUCED THE AMOUNTS BY CATEGORIES AS YOU INDICATED BEFORE ON YOUR YELLOW OR PINK STICKY NOTE.

Derek Earle: THANK YOU MAYOR. I THINK THAT COMPLETES THIS ITEM.

Mayor Lane: COUNCILMAN ROBBINS.

Councilman Robbins: THANK YOU MAYOR. LET ME ASK A QUESTION ABOUT THAT. BRUCE WASHBURN, THIS IS ALL COMING BACK. WE REALLY DIDN'T APPROVE ANYTHING TONIGHT. OR DO WE STILL NEED TO MAKE A MOTION TO CONTINUE THIS TO APRIL 9?

Bruce Washburn: THAT'S CORRECT. SINCE WE DID THIS IN A WAY THAT WE HAVE TO BRING IT BACK, ALTHOUGH WE DIDN'T MAKE IT EXPLICIT IN THE MOTION, THAT WAS MY UNDERSTANDING THAT THE MAYOR'S MOTION ENCOMPASSED BRINGING IT BACK, IT PROBABLY WOULD BE BETTER, THANK YOU, TO ACTUALLY HAVE A MOTION ON THE, VOTED ON TO BRING IT BACK ON APRIL 9 WITH THE REVISED RESOLUTION TO ACCOMPLISH THE DIRECTION OF THE COUNCIL.

Mayor Lane: IT'S ALWAYS BETTER TO MAKE A MOTION.

Councilman Robbins: LET ME ASK A QUESTION THEN I'LL MAKE THAT MOTION. THE STIPULATION THAT WE JUST PASSED WILL BE IN THE APRIL 9 RESOLUTION.

Bruce Washburn: YES. THE TRUTH OF THE MATTER IS THAT WE'RE GOING TO HAVE TO CONFER TO DETERMINE WHAT IS THE BEST WAY EXACTLY TO ACCOMPLISH THE ATTEMPT OF THE DIRECTION WE JUST RECEIVED FROM COUNCIL. WE'LL DO THE BEST WE CAN TO FIGURE OUT EXACTLY HOW TO DO IT AS CLOSE TO WHAT WE UNDERSTAND THE DIRECTION YOU'VE JUST GIVEN US. THAT'S WHAT WE'RE BRINGING BACK. IT WILL BE THE WHOLE THING. IT WILL BE THE BOND PROGRAM WITH THE EXCLUSIONS YOU'VE APPROVED WITH THE MAYOR'S STIPULATION INCLUDED.

Councilman Robbins: THIS LAST STIPULATION WAS BASICALLY GIVING YOU DIRECTION TO BRING BACK THE ACTUAL LANGUAGE BECAUSE OBVIOUSLY THE DEVIL'S IN THE DETAILS. WHAT YOU'RE SAYING IS WE DON'T QUITE HAVE THIS WORKED OUT, WHAT WE'RE GOING TO BE AGREEING TO ON APRIL 9. THAT'S CRITICAL.

Bruce Washburn: RIGHT. IT'S MY UNDERSTANDING THAT WE UNDERSTAND FROM COUNCIL WHAT YOU WANT TO HAVE IN THE BOND PACKAGE. WE WENT THROUGH THE FOUR QUESTIONS AND TOOK SOME THINGS OUT. THAT WILL BE PART OF WHAT'S BROUGHT BACK. WE'LL JUST NEED TO WORK THROUGH WHAT THE BEST WAY IS TO ACCOMPLISH THE FURTHER DIRECTION WE'VE RECEIVED FROM THE MAYOR'S MOTION.

Councilman Robbins: THANK YOU.

[Time: 03:24:26]

MOTION AND VOTE NO. 19 - ITEM 16

COUNCILMAN ROBBINS MOVED TO CONTINUE RESOLUTION NO. 9348 TO APRIL 9. MAYOR LANE SECONDED THE MOTION, WHICH CARRIED 6/1, WITH COUNCILMAN LITTLEFIELD DISSENTING.

Mayor Lane: NEXT ITEM ON THE AGENDA IS ITEM 17 AND WE HAVE BRAD CARR.

ITEM 17 ALTA SCOTTSDALE NON-MAJOR GENERAL PLAN AMENDMENT AND REZONING (6-GP-2012 AND 11-ZN-2012)

[Time: 03:25:42]

Senior Planner Brad Carr: AS YOU MENTIONED, THIS IS ITEM 17, ALTA SCOTTSDALE PROJECT WHICH IS COMPRISED OF TWO REQUESTS: ITEM 6-GP-2012 WHICH IS A NON-MAJOR GENERAL PLAN AMENDMENT AND 11-ZN-2012 WHICH IS A REZONING. AS YOU CAN SEE ON THE AERIAL, THE SITE IS LOCATED GENERALLY AT THE NORTHEAST CORNER OF INDIAN SCHOOL ROAD AND GRANITE REEF ROAD. THE SITE IS SURROUNDED PRIMARILY BY RESIDENTIAL USES AND SOME MINOR OFFICE USES TO THE SOUTH AND SOUTHWEST. THE SITE CURRENTLY HAS TWO BUILDINGS, ONE LARGE ONE ON THE EASTERN PORTION OF THE SITE, AND A SMALL ONE ON THE SOUTHWESTERN PORTION, CURRENTLY HOUSING THE RURAL METRO CORPORATION, THEIR CALL CENTER AND OTHER OFFICE ACTIVITIES. TO THE WEST ARE SOME INDIVIDUAL SINGLE FAMILY UNITS. TO THE SOUTH ARE THE POLICE AND FIRE HEADQUARTERS. TO THE EAST AND TO THE NORTH ARE SOME MULTI-FAMILY RESIDENTIAL PROJECTS. AGAIN THE QUESTIONS IN FRONT OF YOU TODAY ARE THE DECISION REGARDING THE NON-MAJOR GENERAL PLAN AMENDMENT FROM COMMERCIAL TO MIXED-USE NEIGHBORHOODS, AND A DECISION REGARDING A PROPOSED DEVELOPMENT PLAN AND ZONING DISTRICT AMENDMENT FROM PLANNED NEIGHBORHOOD CENTER TO PLANNED UNIT DEVELOPMENT CENTER.

THE PLANNING COMMISSION DID RECOMMEND APPROVAL AT THEIR JANUARY 23RD HEARING WITH A VOTE OF 7-0. THE SITE AS NOTED IS COMMERCIAL DESIGNATION IN THE GENERAL PLAN WITH THE APPLICANT SEEKING THE MIXED-USE AS SHOWN HERE. THE CURRENT ZONING IS PNC WITH THE PROPOSED ZONING BEING PUD. THIS IS MORE OF AN ILLUSTRATIVE SITE PLAN. PRIMARILY THE BUILDINGS ARE LOCATED ON THE NORTHERN AND WESTERN PORTIONS OF THE SITE WRAPPING

AROUND THE EXCEPTION PARCEL AT THE CORNER WITH A LARGE BUFFER PROVIDED ON INDIAN SCHOOL ROAD SIMILAR TO THE ADJACENT PROPERTIES TO THE EAST. PARKING IS LOCATED BEHIND THE BUILDINGS AND RECREATION AREA LOCATED ON THE NORTHERN SIDE OF THE BUILDING FRONTING INDIAN SCHOOL ROAD. THE APPLICANT HAD REVISED STIPULATIONS. ANY MOTION YOU MAKE TO APPROVE THE PROJECT TONIGHT SHOULD INCLUDE THE REVISED STIPULATIONS. THE APPLICANT IS HERE TO GIVE YOU A PRESENTATION AND I'M HAPPY TO ANSWER ANY QUESTIONS.

Mayor Lane: THANK YOU BRAD. WE DO HAVE SOME PUBLIC TESTIMONY, FOLLOWING THE PRESENTATION BY MR. BERRY.

[Time: 03:28:47]

Applicant Representative John Berry: I HAVE FOUR QUESTIONS TO PRESENT TO YOU TONIGHT. AS STAFF NOTED THIS IS A REQUEST FOR A DOWNZONING. WE'RE GOING FROM A MORE INTENSE COMMERCIAL USE TO A LESS INTENSE RESIDENTIAL USE. IT'S INTERESTING THAT THIS APPLICATION ALSO INCLUDES A MINOR MODIFICATION TO THE GENERAL PLAN. THE GENERAL PLAN IS DESIGNED TO BE A FLEXIBLE DOCUMENT. THE ACTUAL LANGUAGE FROM THE GENERAL PLAN SAYS IT NEEDS TO CHANGE AS CONDITIONS CHANGE IN THE COMMUNITY, AND THAT'S WHY WE'RE PROCESSING THE NON-MAJOR GENERAL PLAN AMENDMENT. ONE OF THOSE CONDITIONS THAT'S CHANGED IS THE COMMUNITY'S REALIZATION THAT SOUTHERN SCOTTSDALE, WE WANT IT TO REMAIN A VIBRANT, VITAL PART OF OUR COMMUNITY AND A SUBSTANTIAL ECONOMIC CONTRIBUTOR TO OUR CONTINUING QUALITY OF LIFE. AS SUCH, IN 2007 CITY COUNCIL COMMISSIONED A NATIONALLY-KNOWN CONSULTANT, GRUEN AND GRUEN ASSOCIATES, TO DO AN ANALYSIS OF SOUTHERN SCOTTSDALE AND COME UP WITH SOME STRATEGIC, HIGH-ALTITUDE RECOMMENDATIONS. THIS IS A QUOTE FROM THE REPORT: THE MOST IMPORTANT RECOMMENDATION SUPPORTED BY THE STUDY IS TO REZONE OBSOLETE USES, INCLUDING SMALLER, OLDER, CURRENTLY UNSUCCESSFUL SHOPPING CENTERS FOR RELATIVELY HIGH DENSITY RESIDENTIAL USES. THAT IS OUR APPLICATION IN A NUTSHELL.

BACK IN 2007 THE CONSULTANT SAID THAT IN ORDER TO KEEP SOUTHERN SCOTTSDALE VIBRANT, WE NEED TO DO THESE TYPES OF THINGS. IT GOES ON TO SAY THAT THE PROCESS OF REZONING WILL PROVIDE A WIDER EMPLOYEMENT BASE AS WELL AS PROVIDE FOR MORE PATRONS TO SOUTHERN SCOTTSDALE RETAIL AND RESTAURANT USES. IN OTHER WORDS, BRINGING ROOFTOPS TO SOUTHERN SCOTTSDALE WILL KEEP SOUTHERN SCOTTSDALE A VIBRANT AND VITAL AND SUSTAINABLE PLACE IN OUR COMMUNITY. IN 2007 THAT REPORT WAS COMPLETED. ONE YEAR LATER THE CITY COUNCIL DIRECTED CITY STAFF TO ENGAGE IN A COMMUNITY-WIDE EFFORT TO RE-LOOK AT WHAT DO WE WANT THE CHARACTER OF SOUTHERN SCOTTSDALE TO BE? AFTER TONS OF COMMUNITY INVOLVEMENT, IN 2010 THE CITY COUNCIL APPROVED THE SOUTHERN SCOTTSDALE CHARACTER AREA PLAN. LAND USE POLICY 1.2 SAYS ENCOURAGE NEW RESIDENTIAL DEVELOPMENT AND REVITALIZATION. THAT'S EXACTLY WHAT WE'RE DOING WITH THIS APPLICATION. NOW THIS SITE IS A GREAT SITE FOR MULTI-FAMILY. HERE IS THE 101 FREEWAY, HERE IS OUR SITE, HERE IS THE INDIAN BEND WASH, IT'S CLOSE TO DOWNTOWN BUT IT'S NOT IN DOWNTOWN, AND IMPORTANTLY, THIS SITE PROVIDES AN OPPORTUNITY FOR THOSE ROOFTOPS TO SUPPORT AREA RETAIL.

[Time: 03:31:39]

ONE OF THE QUESTIONS WE'VE BEEN ASKED IS, IS THERE A NEED FOR MULTIFAMILY? THIS IS A REPORT DONE IN JULY OF LAST YEAR BY ELLIOTT POLLACK THAT LOOKED AT THAT QUESTION. WHAT DOES IT SAY? DURING THE REAL ESTATE BOOM, SCOTTSDALE EXPERIENCED A SIGNIFICANT NUMBER OF CONDOMINIUM CONVERSIONS WHICH REDUCED THE INVENTORY OF RENTAL APARTMENTS BY 6,400 UNITS BETWEEN 2002 AND 2007 AND THUS THERE IS A PENT-UP DEMAND FOR APARTMENTS IN SOUTH SCOTTSDALE. SO IF WE BUILT 6400 NEW UNITS WE WOULD JUST BE BACK TO THE 2002 LEVEL. ADDITIONALLY, THE REIS APARTMENT REPORT, WHICH IS A NATIONAL INSTITUTIONAL RESEARCH HOUSE THAT INSTITUTIONAL INVESTORS LOOK AT, IN MARCH THEY ACTUALLY DID A COMPLETE ANALYSIS OF THIS MARKET. WHAT WERE THEIR CONCLUSIONS? THE SOUTH SCOTTSDALE SUBMARKET, WHICH INCLUDES DOWNTOWN SCOTTSDALE, HAS SEEN NO MARKET-RATE APARTMENT PROJECTS COMPLETE CONSTRUCTION SINCE 2000. THE MARKET IS TIGHT. VACANCY ENDED THE LATEST QUARTER AT 3.4%. THIS IS NOT SOME ARMCHAIR ANALYSIS. THIS IS A VERY COMPREHENSIVE ANALYSIS. WHAT ABOUT OVERBUILDING? AGAIN, THIS REPORT FROM ELEVEN DAYS AGO IS NOT COMMISSIONED BY US. THIS GOES OUT TO THE APARTMENT INDUSTRY AND THOSE WHO PROVIDE CAPITAL TO THE APARTMENT INDUSTRY SAYS THE OUTLOOK FOR APARTMENTS, THE MARKET SHOULD MAINTAIN ITS OVERALL TIGHT PROFILE; OVERBUILDING DOES NOT SEEM TO BE ON TAP FOR THE CURRENT CYCLE AS DEMAND REMAINS STRONG. EVENT WITH THOUSANDS OF UNITS BEING DELIVERED OVER THE NEXT FEW YEARS, OBSERVES CUSHMAN AND WAKEFIELD, OVERSUPPLY DOES NOT SEEM LIKELY [GIVEN] POPULATION AND JOB GROWTH PROJECTIONS.

[Time: 03:33:27]

WHAT ABOUT THIS PARTICULAR LOCATION? IT'S A GREAT INFILL LOCATION, CLOSE TO EMPLOYMENT CENTERS LIKE THE CITY OF SCOTTSDALE, SCOTTSDALE HEALTHCARE. THERE'S A DEMAND FOR MULTIFAMILY IN A 3-MILE RADIUS. THE OCCUPANCY RATE IS 94-100%. THERE HAS BEEN NO NEW MULTI-FAMILY BUILT WITHIN A 3-MILE RADIUS IN THE PAST 13 YEARS. THE AVERAGE AGE OF THE EXISTING MULTIFAMILY STOCK IS NEARLY 30 YEARS OLD. LET'S LOOK AT THE PARTICULARS OF THIS SITE. HERE'S GRANITE REEF, HERE'S INDIAN SCHOOL ROAD. HERE IS THE SITE. IT HAS EXISTING MULTIFAMILY ZONING, IT HAS OFFICES ON THE OTHER CORNERS, AND IT HAS SINGLE-FAMILY RESIDENTIAL IN THE AREA AS WELL. WE'VE LOOKED HARD AT THE DIRECT IMPACT ON NEIGHBORS. WE HAVE A REVISED SITE PLAN AS REFLECTED IN YOUR REPORT, ALSO IN YOUR STIPULATIONS. THIS SITE PLAN, AFTER WORKING VERY CLOSELY WITH THE NEIGHBORS, AND THANK YOU TO JACK STEIN AND OTHER NEIGHBORS FOR WORKING WITH US. WE ARE NOW DOWN TO 218 UNITS, WE'VE PUT IN 2-STORY UNITS ALONG GRANITE REEF, THERE'S 40% MORE OPEN SPACE THAN REQUIRED, AND WE HAVE INCREASED SETBACKS ALONG THE STREETS. WHAT ABOUT TRAFFIC? ALWAYS AN ISSUE AND A CONDITION IN THE CASES WE BRING FORWARD. KEEP IN MIND THIS IS A DOWNZONING. WE'RE GOING FROM THE MORE INTENSE, RETAIL COMMERCIAL USES TO THE LESS INTENSE RESIDENTIAL USES. HERE'S A COMPARISON OF TRIP GENERATIONS. THIS IS AS THE SHOPPING CENTER IS OCCUPIED AS IT IS TODAY. HERE IS WHAT OUR PROPOSAL IS. IF YOU LOOK AT THE TRAFFIC IMPACTS DURING THE WEEK, ON SATURDAY AND SUNDAY, THESE ARE THE PERCENTAGE REDUCTIONS IN TRAFFIC IMPACTS GENERATED BY THE LESS INTENSE RESIDENTIAL USE WITH THIS DOWNZONING, FROM THE MORE INTENSE COMMERCIAL TO THE LESS INTENSE RESIDENTIAL.

IN CONCLUSION, THIS IS A DOWNZONING AND IT DOES IMPLEMENT THE GOALS AND POLICIES OF THE SOUTH SCOTTSDALE CHARACTER AREA PLAN. THAT CHARACTER AREA PLAN WAS TWO YEARS IN THE MAKING. IT DID NOT SPRING FULLY-FORMED FROM THE COMPUTERS OF THE IVORY TOWER

PLANNING ELITE. IT WAS A COMMUNITY VISION THAT WAS IMPLEMENTED. IT MEETS THE DEMAND FOR MULTI FAMILY IN THE AREA. IT'S SENSITIVE TO THE EXISTING NEIGHBORHOOD. WE'VE WORKED WITH THE AREA NEIGHBORS. IS THERE GOING TO BE OPPOSITION? YES. BUT WE'VE TRIED TO WORK CLOSELY WITH THE MOST IMMEDIATELY IMPACTED NEIGHBORS. WE HAVE MORE OPEN SPACE THAN IS REQUIRED AND IT IS A \$35 MILLION NEW INVESTMENT IN THIS AREA THAT WILL HELP THE AREA BUSINESSES, SUSTAIN THEM AND BRING NEW VITALITY AND SUSTAINABILITY TO THIS PARTICULAR PART OF SCOTTSDALE. I'D BE HAPPY TO ANSWER YOUR QUESTIONS.

Mayor Lane: THANK YOU MR. BERRY. WE APPRECIATE THAT AND STAND BY FOR ANY QUESTIONS. WE DO HAVE A NUMBER OF CARDS AND REQUESTS TO SPEAK ON THIS SUBJECT. WE WILL START WITH SUSAN CURTIN WHO IS SPEAKING FOR SOME OTHER FOLKS AS WELL. SUSAN I'LL GIVE YOU FIVE MINUTES PLEASE.

Susan Curtin: I THINK I HAVE IT TIMED TO LIKE FIVE AND A HALF.

Mayor Lane: WE'LL GO WITH FIVE AND A HALF THEN.

[Time: 03:37:17]

Susan Curtin: WE'RE SPEAKING AGAINST THIS BECAUSE WE THINK IT'S A BAD IDEA BECAUSE OF TRAFFIC, BUILDING HEIGHT, IT'S AGAINST THE GENERAL PLAN AND THE SOUTHERN SCOTTSDALE CHARACTER PLAN, IT WORKS AGAINST FAMILY NEIGHBORHOOD AND THERE'S NO NEED. LET'S TAKE A LOOK AT THE TRAFFIC DATA. THIS DATA CAME FROM THE CITY OF SCOTTSDALE'S WEB SITE. I WOULD HAVE INCLUDED 2012 BUT THE DATA WASN'T THERE. AS YOU CAN SEE LOOKING AT THE INTERSECTIONS THE INTERSECTION AT GRANITE REEF AND INDIAN SCHOOL IS ON AN UPPER TREND WITH A LITTLE DIP BECAUSE OF THE ECONOMY, SAME WITH INDIAN SCHOOL AND HAYDEN AND INDIAN SCHOOL AND THE 101. THE STREET SEGMENTS KIND OF SHOW THE SAME THING. THE GRANITE REEF STREET SEGMENT WHICH IS NORTH OF INDIAN SCHOOL AND I FORGET IF IT'S TO CHAPARRAL OR CAMELBACK, THAT DOES SHOW A DOWNWARD TREND EVEN THOUGH RURAL METRO WAS OPERATING AT THAT TIME. TO PUT IN A 218-UNIT BUILDING IS CERTAINLY GOING TO INCREASE TRAFFIC ON THAT STRETCH, NOT DECREASE IT. THOSE 218 UNITS, 1.5 WHICH IS THE CODE REQUIRES 327 SPACES. THEY HAVE CALCULATED FOR 218 BECAUSE THEY'RE SAYING TWO WILL BE MODELS BUT IF SOMEONE ELSE BUYS IT OR CONVERTS IT TO CONDOS THOSE TWO UNITS DO NEED SPACES. THIS IS MORE CARS THAN RURAL METRO. IT ALSO CREATES PROBLEMS ACCESSING BASHAS' FOR EXAMPLE. AND IF WE JUST LOOK REAL QUICK THERE'S A LITTLE TINY STRETCH THAT PEOPLE ARE HAVING TROUBLE DOING WITH NOW GETTING INTO AND OUT OF BASHAS' AND WALGREENS. THE BOTTOM SCREEN SHOWS WHAT IT LOOKS LIKE WHEN YOU'RE DRIVING IT.

NOW REGARDING ALTA SCOTTSDALE ITSELF THE BUILDING HEIGHT IS TOO HIGH, IT DOESN'T FIT THE CHARACTER OF THE NEIGHBORHOOD. IF YOU GO TO THE WOOD PARTNERS WEBSITE, ALTA RAVENWOOD IS IN TEMPE, SURROUNDED BY SHOPPING AND TWO-STORY STRUCTURES. NICE ENTRANCE. LOOK TO THE WEST SEE TWO STORY AND ONE, ACROSS THE STREET TWO STORIES, DOWN THE STREET ONE AND TWO STORIES. PIETRA IS THE ONLY ONE THAT HAS ANY KIND OF RESIDENTIAL. THAT'S A THREE-STORY STRUCTURE. IF YOU'RE IN THE NEIGHBORHOOD YOU CAN SEE THE THREE STORIES ABOVE THE HOUSES. IN OUR NEIGHBORHOOD THAT WOULD BE FOUR STORIES. IF YOU'RE AT THE APARTMENT THAT'S WHAT YOU'D SEE, PHOENIX LOFTS, NO RESIDENTIAL, ALTA PARK WEST, NO

SINGLE FAMILY. AND THE LAS VEGAS UNIT CAME UP UNDER PHOENIX. AGAIN, NO SINGLE FAMILY ON INDIAN SCHOOL AT THE INTERSECTION IF YOU LOOK TO THE WEST AND TO THE EAST YOU SEE ONE AND TWO STORY STRUCTURES. IF YOU'RE ON GRANITE REEF YOU SEE A NICE NEIGHBORHOOD, SEE KIDS WALKING. SO WE HAVE TO ASK OURSELVES, AND THIS IS THE LAS VEGAS ONE IT'S THE FOUR-STORY, DOES THIS REALLY BELONG? IF YOU'RE NOT CONVINCED OF THAT, THEN NORTHWEST THE CLOSEST BUILDING THAT'S MORE THAN TWO STORIES IS UP BY CAMELBACK, JUST SOUTH. IT'S AN APARTMENT COMPLEX, TWO AND HALF STORIES. TO THE SOUTHWEST IS A THREE-STORY OFFICE COMPLEX, TOTALLY SURROUNDED GOLF COURSE, THEN COMMERCIAL NO RESIDENTIAL. IN ANY OF THIS THERE'S NO FOUR-STORY BUILDINGS. IS THIS PROJECT NEEDED? WHO BENEFITS? NOT THE NEIGHBORHOOD, NOT THE COMMUTERS, NOT THE TAX-PAYING, VOTING PUBLIC, ONLY THE DEVELOPER. THERE ARE TOO MANY RENTALS RIGHT NOW. THERE'S PLENTY OF CONDOS IN THE AREA WITH BIG SIGNS FOR LEASE OR SALE. WE ALL PAY A PREMIUM TO LIVE IN SCOTTSDALE. WE ALL WANT TO BENEFIT FROM THE SCOTTSDALE BRAND. IT'S A FAMILY NEIGHBORHOOD AND AGAIN I'M EMPHASIZING THERE'S TOO MANY RENTALS. I GOT THIS FROM THEIR WEBSITE. THEIR INCENTIVES FOR THEIR RENTERS ATO BRING IN MORE RENTERS. AT THE BOTTOM OF THE RIGHT COLUMN THERE'S ONE GUY THAT COMMENTS ABOUT HOW IF THERE'S THREE GUYS RENTING THEN IT ALL BECOMES AFFORDABLE. THIS IS A BIG FEAR OF HAVING RENTAL UNITS BECAUSE THEN YOU GET A SINGLE PEOPLE LIVING TOGETHER AND THEY DEFINITELY NEED CARS. WE'VE HAD A SEVERE PROBLEM WITH THAT AT OUR HOA UNTIL WE INSTITUTED TOWING. OUR RECOMMENDATIONS ARE FIRST AND FOREMOST JUST VOTE AGAINST THIS. FIND SUSTAINABLE BUSINESSES THAT ADD VALUE TO SCOTTSDALE BOTH ON A SHORT AND LONG TERM BASIS. IF YOU DON'T WANT TO DO THAT MAYBE YOU CAN VOTE TO CONTINUE THE PROJECT UNTIL MORE STUDIES CAN BE DONE TO DECIDE WHETHER THIS REALLY IS SOMETHING WORTHWHILE. IF YOU DO DECIDE TO GO AHEAD WITH IT...

Mayor Lane: MS. CURTIN, IF YOU COULD WRAP IT UP.

Susan Curtin: YES, LAST SENTENCE. IF YOU DO DECIDE, THERE'S PROMISES MADE FOR THE FOUR HOMEOWNERS ALONG GRANITE REEF TO BUILD A WALL. I THINK THERE'S SOME PROBLEMS WITH THAT, THAT THEY PERHAPS HAVE NOT ALL CONSIDERED. I THINK THEY NEED TO GO BACK WITH THOSE FOUR HOMEOWNERS AND GET SOME KIND OF SIGNED AGREEMENT. BUT THAT'S ONLY IF YOU DECIDE TO GO FOR IT. THANK YOU FOR YOUR TIME.

Mayor Lane: NEXT IS PAT CRUSE.

[Time: 03:45:26]

Pat Cruse: I'M RIGHT ACROSS THE STREET FROM THE PROPOSED SITE. I'VE GOT TO SAY THAT I STARTED OUT WHEN I FIRST MET WITH THE PLANNING COMMITTEE HERE BACK IN NOVEMBER I WAS 100% AGAINST, NOT GOING TO HAPPEN, NOT IN MY BACK YARD. SINCE THAT TIME I'VE ATTENDED ALL THE DIFFERENT MEETINGS WE HAD BETWEEN THE NEIGHBORHOOD AND THE DEVELOPER. THE DEVELOPER I'VE COME TO FIND OUT HAS MADE MANY CONCESSIONS, WILLING TO WORK WITH US. AND THAT'S BEEN THE WHOLE THING ALL THE WAY THROUGHOUT. THEY'RE WILLING TO DO ALL THE CHANGES. THEY'VE BROUGHT FOUR STORIES IN GRANITE REEF DOWN TO TWO. THEY'VE AGREED TO PUT IN LEFT TURN SIGNALS ON INDIAN SCHOOL AND GRANITE REEF TO MAKE TRAFFIC GO A LOT BETTER. THEY'VE AGREED TO DO THE MAINTAINING OF THE TREES AND THE LANDSCAPING ON THAT FOR GOOD. THEY'RE WILLING TO WORK WITH ALL THE DIFFERENT STREETS, MONTEROSA,

DEVONSHIRE AND MACKENZIE. IF WE WANT TO PUT SPEED BUMPS IN, WE'RE WAITING ON THE CITY OF SCOTTSDALE TO COMPLETE THEIR STUDY ON WHAT WE NEED. BUT THE DEVELOPERS AGREED TO DO WHATEVER WE NEED TO DO THERE, WHICH I THINK IS EXCELLENT. I WAS ONE OF THE PEOPLE WHO WENT OUT TO SIGN THE PETITIONS AGAINST THIS WHOLE THING. SO I WANT TO LET YOU KNOW THAT I'M THE GUY WHO STARTED MOST OF THIS. AND I'M ALSO THE GUY WHO'S GONE THROUGH, GOT THE LEGAL PROTEST LATER SIGNED, AND I'VE GOT THE LEGAL PROTEST LETTERS RESCINDED. SO WHETHER OR NOT WE'VE GOT THAT ALL DONE OR NOT, I'M PUSHING TO GET THESE THROUGH BECAUSE THE ONE THING THAT CONCERNS ME IS THE ZONING RIGHT NOW IS THE PLANNED NEIGHBORHOOD CENTER. IF YOU CHANGE THE ZONING AND THEY CAN BUILD HERE, IF THEY DON'T GET IT WE DON'T KNOW WHAT'S GOING TO COME IN IN 2-3-4 YEARS, IF THE GENERAL PLAN IS CHANGED BY THE CITY COUNCIL. I'M ASKING EVERYONE TO LET THE DEVELOPER KNOW WHAT YOU WANT BECAUSE THE DEVELOPER HAS BEEN MORE THAN WILLING TO TALK WITH US, THEY'VE HELD MEETINGS, THEY'VE ALLOWED US TO USE RURAL METRO AS A MEETING PLACE. I'M JUST HERE TO SAY I'VE TAKEN BACK 100% MY IT AIN'T GONNA HAPPEN TO I'M IN FAVOR OF IT. I'M ONLY THREE HOUSES IN SO I'M NOT AFFECTED BY THE 150 FOOT RANGE, BUT I LIKE THE WAY THE DEVELOPER HAS BEEN THERE TO MEET WITH US. THANK YOU VERY MUCH.

Mayor Lane: THANK YOU MR. CRUSE. NEXT IS ELIZABETH SHOEMAKER, FOLLOWED BY JACK STEIN.

[Time: 03:48:53]

Elizabeth Shoemaker: I AM SPEAKING BECAUSE IT AFFECTS MY QUALITY OF LIFE, THE TRAFFIC GOING DOWN INDIAN SCHOOL ROAD AND MORE TRAFFIC IN SIGHT. ALSO THE QUALITY OF OUR TOWN CONCERNS ME GREATLY AND ITS REPUTATION OF BEING A NICE LITTLE WESTERN TOWN IS FAST DISAPPEARING. IN THESE TRYING TIMES WHEN OUR NATIONAL GOVERNMENT IS NOT INTERESTED IN THE VOICES OF THE PEOPLE, I HOPE OUR LOCAL GOVERNMENT WILL HAVE A DIFFERENT FOCUS AS STATED IN THE PRAYER THIS EVENING. GOVERNMENTS SHOULD REPRESENT THE VOICE OF THE PEOPLE. PLEASE CONSIDER MY VOICE AND THOSE OF MANY FAMILIES WHO DO NOT WANT THEIR NEIGHBORHOOD IMPACTED BY THE ADDITIONAL TRAFFIC AND NOISE THAT AN APARTMENT COMPLEX ADJACENT TO THE STREET WOULD BRING. AS YOU KNOW, THE CITY OF SCOTTSDALE EAST OF HAYDEN IS IMPACTED A LOT ALREADY BY THE NIGHTLIFE, THE BAR SCENE, AND PEOPLE ARE DRIVING THROUGH THE NEIGHBORHOODS LATE AT NIGHT TRYING TO GET TO THE 101, OF COURSE THEY'RE INEBRIATED, SO THEY CAN'T REALIZE THAT THEY CAN'T GET THROUGH GOING DOWN CAMELBACK, SO THEY'RE TAKING THE ADJACENT STREETS. WELL, WE DID HAVE A MEETING ABOUT THAT PREVIOUSLY. I'M A PRECINCT COMMITTEE PERSON MEMBER MYSELF. I BROUGHT UP A PROPOSAL FOR A TURNABOUT AT 86th AND CAMELBACK BECAUSE OF THE TRAFFIC. AND THE NEIGHBORS WERE FULLY AGAINST THAT. THIS IS THE BASIC PROBLEM. IT WILL DIVERT TRAFFIC FROM THE BUSY AREA INTO OUR NEIGHBORHOOD AND IT'S ALREADY BAD DOWN INDIAN SCHOOL ROAD.

THE MAIN FOCUS OF MOST OF THE PEOPLE I'VE SPOKEN TO IS THE TRAFFIC PROBLEM AND SOMEBODY BROUGHT UP THE IMPACT IN THE SCHOOL AREA. PEOPLE HAVE CHILDREN, AND NAVAJO SCHOOL IS ALREADY PRETTY FULL. I THINK IT'S GETTING SO CONGESTED HERE IN SCOTTSDALE, MOST PEOPLE WHO HAVE BEEN HERE 30 YEARS, THEY CAME HERE BECAUSE IT WAS A NICE QUIET TOWN, AND THEY WANTED A PLACE TO GET AWAY FROM BIG CITY LIFE. MY BROTHER FROM NEW JERSEY VISITED OUT HERE RECENTLY. I DON'T KNOW IF ANY OF YOU KNOW HOW HECTIC THE TRAFFIC IS THERE. BUT HE

DIDN'T CHOOSE SCOTTSDALE BECAUSE HE SAID THAT THE TRAFFIC HERE WAS MIRRORING THAT OF NEW JERSEY AND HE MOVED TO NORTHERN FLORIDA INSTEAD.

Mayor Lane: MRS. SHOEMAKER, COULD YOU PLEASE WRAP IT UP? YOU'RE OUT OF TIME RIGHT NOW. YOU DID A GREAT JOB.

Elizabeth Shoemaker: ANYHOW, WE NEED LESS TRAFFIC, NOT MORE TRAFFIC BECAUSE MOST PEOPLE ARE EVEN AFRAID TO TRY AND GET OUT ON INDIAN SCHOOL FROM THE ADJACENT STREETS. WE HAD AN ACCIDENT RECENTLY ON 87TH, BROADSIDED BY A TRUCK. AND I WISH THAT EVERYONE WOULD STUDY THAT AND GO AND VIEW IT FOR YOURSELVES, BECAUSE IT'S NOT GOOD.

Mayor Lane: THANK YOU, MS. SHOEMAKER. NEXT WILL BE JACK STEIN FOLLOWED BY TOM RE.

[Time: 03:53:00]

Jack Stein: WHAT IF WE SPEAK FOR MORE THAN THREE MINUTES? YOU HAVE LET OTHER PEOPLE SPEAK FOR LONGER PERIODS OF TIME.

Mayor Lane: I'M TRYING TO KEEP IT SO THAT EVERYBODY GETS THEIR TIME, BUT YOU KNOW, CERTAINLY IF YOU'RE MID- SENTENCE I'LL TRY TO BE...

Jack Stein: WELL, YOU LET SUSAN SPEAK FOR FIVE MINUTES AND SUSAN'S NOT PART OF OUR GROUP. SO I DON'T KNOW WHY I WOULDN'T GET FIVE MINUTES TO SPEAK. THAT'S FAIR, RIGHT?

Mayor Lane: SHE SPECIFICALLY HAD SOME DONATED TIME FROM SOME OTHER CARDS.

Jack Stein: OKAY. WELL, EIGHT WEEKS AGO, WE WERE HERE FOR THE PLANNING AND DEVELOPMENT GROUP. MYSELF AND TWO OTHER NEIGHBORS SHOWED UP AND SPOKE. WE FOUND OUT ABOUT THE PROJECT. WE WERE ALL PRETTY UPSET AND PAT CRUSE DIDN'T WANT THE PROJECT, I THINK ALL OF US FELT THAT WAY. I STARTED A WEB ADDRESS, AND AN EMAIL ADDRESS CALLED GRANITE REEF NEIGHBORS. WE FORMED A GROUP. WE PASSED OUT 750 FLIERS. WE PELTED EVERY HOME NORTH OF INDIAN SCHOOL, SOUTH OF INDIAN SCHOOL, EAST OF 82ND STREET, YOU KNOW, EAST OF GRANITE REEF. AND SO WE STARTED TO HAVE A SERIES OF MEETINGS AND THE FIRST THING WE DID WAS ADDRESS THE PROJECT. EVERYBODY FELT THAT THERE WERE ISSUES WITH THE PROJECT. SO SUBSEQUENTLY THROUGH PAT'S EFFORTS WE WERE ABLE TO FILE A LEGAL PROTEST. AT THAT POINT TODD THE DEVELOPER AND JOHN BERRY DECIDED TO MEET WITH US AND WE TOLD THEM WHAT OUR CONCERNS WERE. WE HAD MANY MEETINGS WITHOUT THEM, WE HAD MEETINGS WITH THEM. WE DECIDED IT WOULD BE BETTER IF WE HELD THE LEGAL PROTEST BUT NEGOTIATED WITH THEM. WE'RE NOT REALLY PLAYING OFFENSE HERE. SUSAN MAKES SOME VERY GOOD POINTS AND THE OTHERS THAT SPOKE MADE GOOD POINTS. THE REALITY IS WE HAVE TO DEAL WITH THAT SITE AND THE GENERAL PLAN IN SCOTTSDALE CAN CHANGE. THAT COULD BECOME PUDS ONLY. IF THAT BECOMES PUDS ONLY THEN NONE OF US HAVE ANY SAY IN WHAT GOES THERE.

MAYOR LANE, YOU'VE OFFERED THE OPPORTUNITY TO SPEAK IN FRONT OF THE GROUP, YOU'VE MET WITH US, BUT THE CITY COUNCIL AND THE DEVELOPMENT REVIEW BOARDS WE'VE SEEN ARE VERY PRO-DEVELOPMENT. WHEN WE WENT IN FRONT OF THE DEVELOPMENT REVIEW BOARD ON THIS

CASE THEY VOTED 7-0 IN FAVOR ON THIS PROJECT AND NOT ONE PERSON ASKED A QUESTION. NOBODY EVEN CARED ENOUGH TO ASK A QUESTION. YES THERE IS A PROCESS BUT WE HAVE TO DEAL WITH REALITY AND THE REALITY IS THAT THE CITY IS PRO-DEVELOPMENT. IF THIS SITE CHANGES TO PUD WE COULD END UP GETTING THE SHORTS ON THIS DEAL. THERE ARE TWO GROUPS OF PEOPLE HERE. THERE'S SUSAN AND OTHER SPEAKERS WHO LIVE IN THE GENERAL AREA, AND THEN THERE'S PEOPLE LIKE ME AND PAT AND JAY THAT LIVE CLOSE ENOUGH THAT YOU CAN ACTUALLY SEE THE BUILDING FROM WHERE OUR FRONT DOORS ARE. OUR FEELINGS ARE, THAT IF IT CHANGES TO PUD, WE COULD END UP IN A REALLY DIFFICULT SITUATION WITH NO SAY IN THE MATTER. THANK GOD THAT TODD WAS WILLING TO MODIFY HIS PROJECT. WE DID A POLL OF EVERYBODY. WE HAD A LOT OF PEOPLE RESPOND TO OUR EMAIL ADDRESS. WE DID A POLL AND THREE THINGS CAME UP THAT PEOPLE WERE CONCERNED WITH. FOUR STORIES LOOKED INTO THEIR BACK YARDS, TRAFFIC MEANING THAT THERE IS AN INCREASE IN THE AREA, AND PROPERTY VALUES. THAT MEANS A COUPLE OF DIFFERENT THINGS. THE DEVELOPER HAS AGREED TO ADDRESS EACH OF THOSE. THEY'VE BROUGHT DOWN THE UNITS ON GRANITE REEF TO TWO STORIES AND THEY'RE THE UNITS THAT WOULD LOOK INTO BACK YARDS OF THE HOMES. THEY'VE ALSO AGREED TO BLANK OUT THE WINDOWS OF THE FOUR-STORY BUILDINGS TO FACE WEST SO THEY'LL BE FACADES, THEY WON'T BE REAL WINDOWS. THAT SOLVES THE VISIBILITY INTO PEOPLES' BACK YARDS.

THE NEXT ISSUE WAS THE TRAFFIC. WE MET WITH YOU LAST WEEK AND TRAFFIC ARROWS, TURNING ON AND OFF OF GRANITE REEF WERE SOMETHING WE ASKED FOR. THE CITY HAS SAID THEY'D BE WILLING TO DO THAT AND TODD THE DEVELOPER HAS AGREED TO PAY FOR IT.

[Time: 03:57:00]

Mayor Lane: MR. STEIN I'M LETTING YOU GO OVER A LITTLE BIT. BUT I WOULD APPRECIATE IT IF YOU COULD WRAP IT UP.

Jack Stein: GIVE ME A MINUTE AND I'LL WRAP IT UP. PROPERTY VALUES WERE THE OTHER CONCERN. FOR ME PERSONALLY THEY HAVE AGREED TO RESTRICT THE SITE AGAINST LOW-INCOME HOUSING. THEY'RE GOING TO PUT A DEED RESTRICTION ON THE SITE THAT REQUIRES THEM TO BUILD THE PROJECT THAT THEY'VE AGREED TO SO NOTHING ELSE GETS BUILT BUT THE PROJECT. IT MITIGATES OUR CONCERNS RESTRICTED AGAINST LOW-INCOME HOUSING WHICH FOR ME IS HUGE. I DON'T WANT LOW-INCOME HOUSING NEXT DOOR TO MY HOUSE. AS MUCH AS I DON'T WANT APARTMENTS I DON'T WANT LOW-INCOME HOUSING MORE. THE THIRD THING IS THEY'VE AGREED TO LANDSCAPE THE WEST SIDE OF GRANITE REEF AND BUILD WALLS ALONG THOSE HOUSES THAT MATCH THE FRONT OF THEIR PROJECT. WHEN YOU PULL NORTH OF INDIAN SCHOOL ONTO GRANITE REEF YOU'VE GOT MATCHING WALLS AND MATCHING LANDSCAPES ON BOTH SIDES OF THE STREET WHICH IN MY OPINION WILL HELP PROPERTY VALUES BE A LITTLE BIT HIGHER. THIS IS JUST A SITUATION WHERE THERE'S DIFFERENT OPINIONS HERE BUT IF YOU TALK TO THE PEOPLE WHO ACTUALLY SEE THE BUILDING FROM THEIR FRONT DOORS I THINK YOU'LL FIND THAT THE PRESENT MEMORANDUM OF UNDERSTANDING THAT WE'VE NEGOTIATED WITH THE DEVELOPER MEETS OUR NEEDS. WE'RE NOT SATISFIED WITH WHAT'S GOING TO BE BUILT THERE BUT WE'RE IN A BETTER SITUATION TO GO WITH WHAT WE HAVE THAN TO NOT.

Mayor Lane: THANK YOU MR. STEIN. NEXT WOULD BE THOMAS RE FOLLOWED BY TAWNY FRANS.

[Time: 03:58:41]

Thomas Re: I LIVE AT 8337 E. MONTEROSA, WHICH IS ABOUT 150 FEET AWAY FROM THE DEVELOPMENT GOING UP. I URGE THE CITY COUNCIL TO APPROVE THE ALTA PROOJECT AT THIS TIME. THANK YOU VERY MUCH.

Mayor Lane: THANK YOU MR. RE. NEXT IS TAWNY FRANS FOLLOWED BY TOM FRANKEL.

[Time: 03:59:25]

Tawny Frans: I live at 8515 E. MACKENZIE DRIVE SO I AM ONE BLOCK NORTH FROM WHERE THEIR BUILDING PLANS ARE, BEHIND THE ORANGETREE APARTMENTS. I'M NOT A FAN OF THOSE SO AT FIRST WHEN THERE WAS TALK OF APARTMENT BUILDINGS BEING PRESENT IN THE NEIGHBORHOOD I WAS AGAINST IT THINKING THEY WOULD BE LIKE THE ONES BEHIND MY HOUSE. WENT TO SOME MEETINGS, FOUND OUT MORE ABOUT THE PROJECT, MET WITH BUILDERS, WHAT THEY'RE WILLING TO DO FOR US. I REMOVED MY NAME FROM THE LIST AGAINST IT AND AM FOR IT. WITH THEM WILLING TO WORK WITH US AND PUT THAT MUCH INTO OUR NEIGHBORHOOD IT'S NOT GOING TO BE A PROJECT THAT'S GOING TO TURN INTO SOMETHING THAT'S NOT GOOD FOR OUR NEIGHBORHOOD. THANK YOU.

[Time: 04:00:22]

Mayor Lane: THANK YOU MS. FRANS. TOM FRANKEL? IS MR. FRANKEL IN THE BUILDING? NEXT WOULD BE KIP MERRITT FOLLOWED BY JOLIE DONAHUE.

[Time: 04:01:02]

Kip Merritt: I LIVE AT 4020 N. 85TH STREET ON THE CORNER OF 85TH STREET AND INDIAN SCHOOL, IMMEDIATELY ACROSS THE STREET FROM THE PROJECT. I BELIEVE THAT OVERALL THE PROJECT IS A GOOD PROJECT. I UNDERSTAND THAT THE OLD RURAL METRO USE OF THE PROPERTY AS IT IS NOW IS GOING TO GO AWAY, THAT RURAL METRO IS LEAVING. THAT PROPERTY WILL BE REDEVELOPED. IT'S A MATTER OF COMMON SENSE THAT IT WILL BE REDEVELOPED. I'M IN FAVOR OF EVERYTHING WITH THIS PROJECT EXCEPT ONE POINT. THAT IS THE FOUR-STORY HEIGHT. I BELIEVE THAT FOUR STORIES IS UNPRECEDENTED IN OUR IMMEDIATE AREA. THERE ARE NO OTHER FOUR-STORY APARTMENT COMPLEXES IN THE NEARBY AREA. PEOPLE SEEM TO THINK THAT TWELVE FEET IS NOT A BIG DIFFERENCE. I BELIEVE THAT GOING FROM 38 FEET TO 50 FEET HIGH IS QUITE A DIFFERENCE. I BELIEVE THAT IT IS AN AESTHEIC IMPACT ON SOUTH SCOTTSDALE PARTICULARLY ON THE ENTRANCE TO OLD TOWN THAT I BELIEVE WILL BE OBJECTIONABLE. IT WILL BE QUITE NOTICEABLE TO BE FOUR STORIES HIGH. I JUST WANT TO REITERATE I'M IN FAVOR OF THE PROJECT ON ALL COUNTS EXCEPT THE BULDING HEIGHT. THANK YOU.

Mayor Lane: THANK YOU MR. MERRITT. NEXT IS JOLIE DONAHUE.

[Time: 04:02:54]

Jolie Donahue: I AM ON THE WEST END OF DEVONSHIRE FROM THE PROJECT. CURRENTLY THE PROJECT ADVERTISES THAT THE AVERAGE UNIT IS 830 SQUARE FEET. IT'S NOT VERY BIG, THAT'S ONE, TWO AND THREE BEDROOMS, AND THAT'S THE AVERAGE. I DON'T KNOW HOW MANY FAMILIES ARE GOING TO LIVE IN SOMETHING THAT SMALL. MY EXPERIENCE IN THE NEIGHBORHOOD IS THAT THE APARTMENTS ARE LIVED IN BY YOUNGER PEOPLE WHO ARE NOT INTERESTED IN RESIDING IN SCOTTSDALE LONGER THAN FOUR OR SIX YEARS. THERE'S A LOT OF PEOPLE WHO LIVE IN THE NEIGHBORHOOD THAT RENT HOUSES, SO I DON'T THINK THEY CONSIDERED THAT BECAUSE THEY ONLY LOOKED AT APARTMENTS. THERE'S PLENTY OF RENTALS IN THE AREA. THERE'S APARTMENTS, HOUSES, CONDOS. THERE'S CONDOS RIGHT NEXT DOOR, TWO SETS BETWEEN GRANITE REEF AND THE 101, ACTUALLY THREE WHOLE APARTMENT AND CONDOS. THERE'S APARTMENTS THAT TURNED INTO CONDOS BUT THEY SPLIT IT. MY CONCERN PRIMARILY IS THERE'S A FOUR-STORY BUILDING. THERE'S NOTHING FOUR STORIES FOR MILES IN THAT AREA. IF YOU RIDE ON THE 101 NORTH OR SOUTH THE LANDSCAPE GOES OUT FOR ONE AND MAYBE TWO-STORY BUILDINGS, EVEN COMMERCIAL. THERE'S A FEW THREE-STORY COMMERCIAL ONES. THERE'S NO FOUR-STORY FOR MILES. THAT IS ONE OF MY BIGGEST CONCERNS. THE OTHER IS THAT THERE'S A LIGHT AT THE CORNER OF GRANITE REEF AND INDIAN SCHOOL THAT HAS SUCH A LONG DELAY THAT IT TAKES TWO AND THREE AND FOUR CARS FOR IT TO SIGNAL, INDIAN SCHOOL, SO YOU CAN'T GET ON OR OFF INDIAN SCHOOL AND IF YOU DO YOU CAN ONLY GET TWO, MAYBE IF THEY RUN THE LIGHT, THREE CARS THROUGH. THAT IS A HUGE ISSUE AND IT HAS BEEN FOR A LONG TIME. WHAT PEOPLE DO IS THEY RUN DOWN EITHER MY STREET OR THE ADJACENT STREETS DOWN TO 82ND WHERE THERE'S A CIRCLE K AND THAT CIRCLE K HAS AT LEAST SEVEN OR EIGHT CARS IN THERE AT ANY ONE TIME. PEOPLE ARE TRYING TO TURN ONTO 82ND. IT'S JUST A NIGHTMARE. TRAFFIC IN THAT AREA, I DON'T KNOW IF THEY'VE LOOKED AT IT IN THE TRAFFIC DIVISION OR NOT BUT IT'S HORRIBLE. RIGHT NOW ESPECIALLY WITH SPRING TRAINING GOING ON, IT'S BACKED UP FROM THE 101 ALL THE WAY DOWN TO MILLER STEADY, AND PEOPLE BECOME JERKS ON SATURDAY. I HAVE TO TRAVEL NORTH TO GET OUT OF MY AREA. THOSE ARE SOME OF MY MAJOR CONCERNS. I'M NOT OPPOSED TO SOMETHING GOING IN THAT IS AESTHETIC, THAT IS NICE, MAYBE A GATED COMMUNITY, SOMETHING THAT HAS LARGER SQUARE FOOTAGE THAT WILL BE BRINGING FAMILIES THAT HAD SOME PLAY AREA. I DIDN'T SEE ANY PLAY AREA OR ANY PLACES FOR DOGS TO WALK. THANK YOU.

Mayor Lane: NEXT AND FINAL IS JAY SADOW.

[Time: 04:06:49]

Jay Sadow: I LIVE AT 8314 E. MONTEROSA. I ALSO OWN SCOTTSDALE PEN ON STETSON DRIVE. SOME OF YOU KNOW ME AS NEIGHBORS SOME OF YOU KNOW ME THROUGH MY BUSINESS. I WANT TO MAKE THIS PERSONAL BECAUSE I HAVE EMAILED ALL OF YOU ON THIS ISSUE EXACTLY ONE MONTH AGO AND ONE MONTH AGO I WAS OPPOSED TO THIS PROJECT. MY CONCERNS WERE MUCH OF WHAT YOU'VE ALREADY HEARD ABOUT HEIGHT AND DENSITY AND TRAFFIC, PRIVACY ISSUES. DURING THE MONTH HAS GONE BY WHERE I HAD SENT YOU THAT EMAIL, WE'VE MET NUMEROUS TIMES WITH THE BUILDER, OUR COMMUNITY CAME TOGETHER. WE'VE HAD A MEETING WITH THE MAYOR ALSO JUST RECENTLY. BASED ON ALL THE COMPROMISES THE BUILDER WAS ABLE TO PROVIDE, I FEEL THAT THE PROJECT SHOULD GO FORWARD. I RESPECT THE OPINIONS OF SUSAN AND THE OTHERS THE HEIGHT, I CERTAINLY GET THAT. OBVIOUSLY BASED ON CURRENT REAL ESTATE PRICES THERE HAS TO BE A CERTAIN AMOUNT OF DENSITY FOR THESE PROJECTS TO WORK. BASED UPON THE COOPERATION OF WOOD PARTNERS I AM NOW IN FAVOR OF WHAT WE HAVE AGREED UPON. THE TRAFFIC ISSUE

WHICH WAS JUST BROUGHT UP, WOOD PARTNERS HAS AGREED TO PAY FOR TRAFFIC LIGHTS AT GRANITE REEF AND INDIAN SCHOOL FOR TURN SIGNALS WHICH WILL ELIMINATE SOME OF OUR PROBLEMS THERE. IN THAT ORIGINAL EMAIL TO YOU I DIDN'T FEEL THAT THIS PROJECT WAS RESPONSIBLE AND RESPONSIVE TO THE CITIZENS SURROUNDING IT. I HAVE TO COMPLETELY REVERSE MY OPINION ON THAT NOW THAT WE'VE HAD A CHANCE TO WORK WITH TODD. THEY HAVE BEEN VERY RESPONSIVE AND THEY DID COME TO THE TABLE PREPARED TO TALK. THERE WAS NEVER A DOG FIGHT. WE SAT COMFORTABLY, DISCUSSED OUR ISSUES, AND I THINK WE HAVE REACHED REASONABLE TERMS SO WE CAN GO FORWARD WITH THIS. THANK YOU FOR YOUR TIME.

Mayor Lane: THANK YOU MR. SADOW. THAT COMPLETES THE PUBLIC TESTIMONY ON ITEM 17. MR. BERRY IF THERE ARE SPECIFIC QUESTIONS THAT YOU FEEL THAT YOU WANT TO RESPOND TO PLEASE DO SO AND THEN WE ALSO BE READY FOR ANY QUESTIONS FROM THE COUNCIL.

[Time: 04:09:51]

John Berry: A COUPLE OF QUICK THINGS. YOU HEARD FROM THE PEOPLE WHO LIVE THE MOST PROXIMATE TO THE PROPOSED PROJECT THAT THEY SUPPORT IT. THEY STARTED OUT OPPOSED AND I WOULD LIKE TO NOTE THANKS TO PEOPLE LIKE JACK, JAY, PAT AND OTHERS, THE PROCESS CAN WORK. SO MANY TIMES WE'RE HERE AND THERE'S PEOPLE BANGING HEADS. THIS IS ONE WHERE THE PROCESS WORKED, WHERE THE NEIGHBORS AND THE DEVELOPER SAT DOWN AND WORKED OUT A COMPROMISE. I WANT TO CONGRATULATE MY CLIENT AND ALSO THE NEIGHBORS FOR THEIR WILLINGNESS TO DO THAT. I WOULD SPECIFICALLY NOTE ON THE COMMENTS THIS EVENING THAT HERE'S THE SITE RIGHT HERE, HERE'S THE FREEWAY AND HERE'S THE INDIAN COMMUNITY. SANDS EAST TWO IS HERE AT THE INTERSECTION OF PIMA AND INDIAN SCHOOL. THEIR CONCERNS WERE REALLY ABOUT TRAFFIC HERE AT THE BASHAS' CENTER WHICH IS IN THIS AREA. ONE OF THE SPEAKERS SAID IT WOULD BE GOOD IF WE COULD PUT RETAIL IN THIS RETAIL CENTER. AT THE SAME TIME THEY WERE CONCERNED ABOUT THE BASHAS' CENTER. WHAT WE KNOW IS THAT BY TAKING OUT STRUGGLING RETAIL AND REMOVING IT AND BRINGING IN ROOFTOPS, WHAT WE DO IS HELP SUPPORT THESE SMALL AND LARGE BUSINESSES IN THE AREA. WHEN I FINISH HERE I'LL SUBMIT 118 LETTERS FROM AREA BUSINESSES AND RESIDENTS THAT SUPPORT THIS PROPOSAL. BY TAKING THIS OUT WE HELP AREA BUSINESSES.

THERE WAS A DISCUSSION ABOUT TRAFFIC. I PUT UP DURING MY ALL TOO BRIEF PRESENTATION THESE NUMBERS THAT TALKED ABOUT REDUCTIONS AND TRAFFIC IMPACTS AND THIS IS WITH THE EXISTING BUILDINGS AND SIMPLY BEING REUSED. IF YOU LOOK AT THE EXISTING ZONING WHICH IS COMMERCIAL AND YOU RECOGNIZE THAT IF THIS PROPERTY IS REDEVELOPED AS COMMERCIAL IT'S UNLIKELY THEY'RE GOING TO USE THE EXISTING BUILDING. THEY'RE LIKELY GOING TO TEAR IT DOWN AND DO SOMETHING ELSE. IF YOU WERE TO BUILD THE PROPERTY OUT TO WHAT THE PLANNED NEIGHBORHOOD CENTER COMMERCIAL ZONING ALLOWS INSTEAD OF WHAT'S THERE TODAY, THE DIFFERENCES IN TRAFFIC IMPACTS BETWEEN WHAT WE'RE PROPOSING AND WHAT CAN GO THERE ARE EVEN MORE DRAMATIC. THAT ASSUMES THAT THERE WILL BE ANY RETAILERS THAT WANT TO GO IN THERE. I'M NOT SURE THAT WOULD BE THE CASE. ONE OF THE SPEAKERS SAID THAT THIS WAS AGAINST THE SOUTHERN SCOTTSDALE CHARACTER AREA PLAN AND PLEASE NOTE THAT CITY STAFF RECOGNIZES THAT THIS IS IN CONFORMANCE WITH THAT PLAN.

ONE OF THE OTHER SPEAKERS SPOKE ABOUT HEIGHT. KEEP IN MIND THAT THE EXISTING ZONING, COMMERCIAL ZONING THAT'S THERE TODAY, ALLOWS 36 FEET IN HEIGHT PLUS THE MECHANICAL EQUIPMENT WHICH CAN COVER UP TO 50% OF THE ROOF. I BELIEVE IN THE PNC THE MAXIMUM HEIGHT FOR MECHANICALS IS 18 FEET. THEORETICALLY YOU CAN HAVE A 36 FOOT TALL BUILDING WITH 18 FEET OF MECHANICAL ON TOP OF IT. THAT'S 54 FEET. IN THIS PROPOSAL WE'RE AT 48 FEET PLUS MECHANICAL. THE MECHANICAL ON TOP OF MULTIFAMILY IS MUCH SMALLER THAN ANY NEEDS FOR MECHANICAL ON ANY OFFICE OR RETAIL BUILDING. IN TERMS OF POTENTIAL FOR ADDITIONAL HEIGHT, PLEASE KEEP IN MIND THAT THE SALT RIVER PIMA INDIAN COMMUNITY WHICH IS LOCATED AT THE INTERSECTION OF INDIAN SCHOOL ROAD AND THE LOOP 101, IN THEIR GENERAL PLAN THEY'VE IDENTIFIED THAT THE INTERSECTIONS OF MAJOR STREETS LIKE INDIAN BEND AND INDIAN SCHOOL FOR EXAMPLE IS WHERE THE MOST INTENSE COMMERCIAL ACTIVITIES WILL TAKE PLACE. MY RECOLLECTION IS THAT THEY HAVE MAXIMUM HEIGHTS THAT GO 80 FEET AND TALLER IMMEDIATELY ADJACENT TO OUR COMMUNITY. MAYOR AND MEMBERS OF COUNCIL, WITH ALL DUE RESPECT, I WOULD BE HAPPY TO ANSWER ANY QUESTIONS, BUT I WOULD NOTE THAT THOSE THAT LIVE CLOSEST TO THIS PROPOSAL STARTED IN OPPOSITION. YOU HEARD THEM COME BEFORE YOU THIS EVENING IN SUPPORT. I THINK WE AS A COMMUNITY NEED TO ACKNOWLEDGE THAT THERE ARE DEVELOPERS THAT ARE WILLING TO TAKE THOSE STEPS TO WORK WITH THE COMMUNITY TO CREATE THAT WIN-WIN. I'M HAPPY TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.

[Time: 04:14:08]

Mayor Lane: THANK YOU MR. BERRY. I DON'T SEE THAT WE HAVE ANY QUESTIONS HERE FROM COUNCIL. WHAT WE HAVE IN FRONT OF US IS A QUESTION OF THE ADOPTION OF RESOLUTION No. 9324 APPROVING A NON-MAJOR GENERAL PLAN AMENDMENT TO THE SCOTTSDALE GENERAL PLAN LAND USE MAP FROM COMMERCIAL TO MIXED-USE NEIGHBORHOODS ON A 6.5 ACRE SITE FOR CASE NO. 6-GP-2012 AND ADOPT RESOLUTION NO. 9329 DECLARING ALTA SCOTTSDALE DEVELOPMENT PLAN AS A PUBLIC RECORD. IN ADDITION TO THAT ADOPT ORDINANCE NO. 4070 APPROVING A ZONING DISTRICT MAP AMENDMENT FROM PLANNED NEIGHBORHOOD CENTER (PNC) ZONING TO PLANNED UNIT DEVELOPMENT (PUD) ZONING, INCLUDING AMENDED DEVELOPMENT STANDARDS FOR BUILDING SETBACKS. WE DO NOW HAVE SOME COMMENTS OR QUESTIONS OR A MOTION. COUNCILWOMAN MILHAVEN.

[Time: 04:15:16]

Councilwoman Milhaven: THANK YOU MAYOR. THIS HAS BEEN ONE OF THE MORE DIFFICULT DECISIONS I HAVE HAD TO MAKE SINCE I'VE BEEN ON COUNCIL BECAUSE I COMPLETELY AGREE WITH THE PEOPLE WHO SAY THAT 48 FEET IS TOO MUCH FOR THIS LOCATION. TO THE NEIGHBORHS, I APOLOGIZE FOR CAUSING YOU MORE TRAFFIC BECAUSE I DRIVE UP AND DOWN INDIAN SCHOOL ROAD SEVERAL TIMES A DAY. SO I'M VERY FAMILIAR WITH THIS CORNER. BUT IN THINKING THROUGH THIS ISSUE, AND I HEAR THE CONCERNS ABOUT TRAFFIC AND YES THERE'S LOTS OF TRAFFIC ON INDIAN SCHOOL, BUT WHAT OUR EXPERTS ARE TELLING US IS THAT THE WAY IT'S CURRENTLY ZONED WITH THE EXISTING BUILDINGS, AND THE CURRENT ZONING AS IT MIGHT BE REDEVELOPED, CREATE A LOT MORE TRAFFIC THAN THE CURRENT PROJECT. WITH ALL DUE RESPECT WE NEED TO DEFER TO THE EXPERTS WHO SAY THE CURRENT PROPOSAL WILL CREATE LESS TRAFFIC OVER TIME THAN WHAT COULD ULTIMATELY BE BUILT HERE. THE OTHER THING IS THIS PROJECT HAS 40% MORE OPEN SPACE THAN CURRENTLY REQUIRED SO FOLKS CONCERNED ABOUT DENSITY THE BUILDING IS ACTUALLY

GOING TO BE SMALLER THAN WHAT COULD CURRENTLY BE REDEVELOPED HERE. THE SETBACKS FROM INDIAN SCHOOL AND GRANITE REEF ARE MUCH GREATER. AS I GO THROUGH THE WHAT'S GOING ON HERE I CAN GET AROUND THE TRAFFIC AND THE SETBACKS AND THE OPEN SPACE GIVING BENEFITS BUT I DO STRUGGLE WITH 48 FEET SEEMS A BIT MUCH ON THIS CORNER. WE'VE HEARD THE CURRENT ZONING HERE IS 36 FEET PLUS 18 FOR MECHANICAL WHICH IS 54 FEET. THIS REQUEST IS FOR 48 FEET PLUS MECHANICAL WHICH WOULD BE FOUR FEET IF I'M RIGHT WITH MECHANICAL INCLUDING THE PARAPET WHICH WOULD BE 52 FEET, RIGHT? SO WE'RE TALKING ABOUT A THREE-STORY BUILDING AT 54 FEET POTENTIAL HEIGHT VERSUS A FOUR-STORY BUILDING AT 52 FEET. IS THAT RIGHT?

[Time: 04:17:19]

Brad Carr: YOU ARE CORRECT. THE APPLICANT'S PROPOSAL FOR ADDITIONAL MECHANICAL ON TOP OF THE BUILDING DOES EXCEED THE 48 FEET. I BELIEVE IT'S GOING TO BE ABOUT 4-6 FEET THERE IN TOTAL HEIGHT.

Councilwoman Milhaven: GIVEN THAT THERE'S MORE OPEN SPACE IN THIS PROJECT, GIVEN THAT THE SETBACKS ARE GREATER THAN REQUIRED I'M WONDERING IF WE CAN'T STRIKE A COMPROMISE AND SAY RATHER THAN GOING FROM 48 FEET PLUS MECHANICAL CAN WE SPLIT THE DIFFERENCE AND SAY WE'RE GOING TO DO EVERYTHING WITHIN 46 FEET.

John Berry: WOULD YOU GIVE ME A MOMENT TO CHECK WITH MY CLIENT. IT DOES CAUSE SOME CONSTRUCTION HARDSHIPS BUT WE WILL MAKE IT WORK. IF THE STIPULATION IS THAT THE MAXIMUM HEIGHT TO THE TOP OF THE PARAPET IS 46 FEET WHICH IS BASICALLY SPLITTING THE DIFFERENCE WE'LL MAKE THAT WORK.

Councilwoman Milhaven: THANK YOU. IN THAT CASE MAYOR I'D LIKE TO MAKE A MOTION THAT WE ADOPT RESOLUTION 9324 ADOPTING A NON-MAJOR PLAN AMENDMENT, ADOPT RESOLUTION 9329 DECLARING ALTA SCOTTSDALE DEVELOPMENT PLAN A PUBLIC RECORD, AND ADOPT ORDINANCE 4070 APPROVING A ZONING DISTRICT MAP AMENDMENT FROM PNC TO PUD INCLUDING THE AMENDED DEVELOPMENT STANDARDS FOR BUILDING SETBACKS AND ENVELOPE, APPROVING THE DEVELOPMENT PLAN, FINDING THE PLANNED UNIT DEVELOPMENT CRITERIA HAVE BEEN MET, DETERMINING THE ZONING MAP AMENDMENT IS CONSISTENT AND CONFORMS WITH THE ADOPTED GENERAL PLAN ON A 6.5 ACRE SITE, AND AMENDED BASED ON THE STIPULATION CHANGES WE WERE HANDED THIS AFTERNOON AND REDUCING THE TOTAL MAXIMUM HEIGHT OF THE BUILDING INCLUDING MECHANICAL TO THE TOP OF THE PARAPET TO 46 FEET.

Mayor Lane: MOTION AS HAS BEEN OUTLINED, I'LL SECOND IT. I THINK IT'S A VERY INTERESTING DEVELOPMENT HERE, INTERESTING CONCESSION ON THE PART OF THE BUILDER, SINCE THE OVERALL HEIGHT HAS BEEN A CONTINUING ISSUE IN THE AREA. NOT ONLY IN THE SECONDING I CERTAINLY SUPPORT THE PROJECT AS IT'S BEEN DEVELOPED AND I WANT TO GIVE ACCOLADES TO THE DEVELOPER FOR WORKING WITH THE NEIGHBORHOOD, ACCOLADES ALSO TO THE NEIGHBORS WHO RECOGNIZED WHAT WAS ADVANTAGEOUS TO THEM IN THE CHANGE IN THIS PROPERTY. I THINK THIS IS A VERY GOOD COMPROMISE AND IT'S A WORKING SITUATION THAT REALLY DEVELOPED WELL. I WANT TO GIVE ACCOLADES TO BOTH SIDES. THERE ARE SOME ADDITIONAL COMMENTS.
COUNCILMAN PHILLIPS.

[Time: 04:20:53]

Councilmember Phillips: THANK YOU MAYOR. I KNOW THE WAY THIS IS GOING TO GO BUT I'M GOING TO SPEAK ANYWAY. I THINK MOST OF YOU KNOW HOW I FEEL ABOUT TOO MANY APARTMENTS IN SCOTTSDALE. TO MR. BERRY, YOU HAVE THE REIS APARTMENT REPORT, BUT I HAVE JUST AS MANY REPORTS DISPUTING BUILDING APARTMENTS ANYMORE. I THINK THE APARTMENT BOOM IS OVER. THAT'S BEEN PRETTY MUCH PROVEN AT THIS POINT. WHEN SOMEONE COMES IN WITH AN APARTMENT PROJECT LIKE THIS AND THEY'RE CHANGING THE REZONING AND THEY GET PEOPLE TO GO ALONG WITH IT, IT SOUNDS LIKE A GREAT PROJECT, EVERYONE'S HAPPY AND WE ALL VOTE FOR IT, MONTHS LATER, HOW COME IT WASN'T BUILT? ONE, YOU COULD PUT IT UP FOR SALE WITH THIS NEW ZONING. NUMBER TWO, YOU CAN COME BACK TO US AND SAY, YOU KNOW IT'S NOT REALLY WORKING OUT THE WAY WE WANT IT TO SO I'D LIKE TO ASK FOR AN AMENDED DEVELOPMENT STANDARDS AND I'D LIKE TO SEE IF I CAN'T GET SIX STORIES OUT OF THIS INSTEAD. WE CAN SEE THAT WITH OPTIMA CAMELVIEW WHICH CAME TO COUNCIL AT SEVEN STORIES. AFTER IT WAS APPROVED IT CAME BACK AND GOT ELEVEN STORIES. THIS KIND OF THING HAPPENS ALL THE TIME. IN FACT THE NEXT ITEM ON THE AGENDA IS ANOTHER APPLICANT COMING BACK TO ASK FOR AMENDED STANDARDS TO RAISE THE HEIGHT OF HIS PROJECT. THIS IS A KIND OF A GAME THEY PLAY AND FRANKLY I'M GETTING TIRED OF IT.

I'M NOT AGAINST APARTMENTS PER SE. I AM AGAINST REZONING FOR APARTMENTS. IF YOU WANT TO BUILD APARTMENTS FIND AN AREA THAT'S ZONED FOR THAT AND GO AHEAD AND BUILD. WE WON'T SAY ANYTHING ABOUT THAT. SCOTTSDALE RIGHT NOW HAS THE GREATEST CONCENTRATION OF BARS IN THE COUNTY, NOTHING TO BE PROUD ABOUT. ARE WE GOING TO HAVE THE GREATEST CONCENTRATION OF APARTMENTS ALSO? WHEN ARE WE GOING TO HAVE A DISCUSSION ON THIS? WHEN ARE WE GOING TO SAY WHAT'S GOOD. RIGHT NOW SCOTTSDALE HAS A RATIO OF TWO SINGLE FAMILY FOR EVERY MULTIFAMILY. I THINK THAT'S A HEALTHY RATIO. I DON'T WANT TO SEE IT FLIP TO THE OTHER WAY. I DON'T WANT TO SEE SCOTTSDALE BECOME THE APARTMENT CAPITAL OF THE STATE. I'M GOING TO CONTINUE TO VOTE NO ON APARTMENT APPLICATIONS FOR REZONING UNTIL COUNCIL AND STAFF CAN HAVE A DISCUSSION ON WHERE WE'RE GOING TO GO WITH THIS IN THE FUTURE.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN LITTLEFIELD?

Councilman Littlefield: I DON'T WANT TO BEAT THIS TO DEATH. GUY HIT MOST OF THE REASONS I'M OPPOSED TO IT. IT'S TOO TALL, IT'S STILL TOO CROWDED, TOO MANY APARTMENTS, TOO LOW RENT. THERE ARE TWO THINGS THAT THAT CAME UP HERE THAT I HEAR OVER AND OVER AGAIN FOR THE LAST DECADE WHICH DRIVES ME CRAZY. ONE OF THEM IS THE DEVELOPER NEEDS MORE HEIGHT AND DENSITY TO MAKE A PROFIT. EXCUSE ME, IF YOU BOUGHT A PIECE OF LAND IN SCOTTSDALE AND YOU COULDN'T PROFITABLY BUILD ON IT IN ITS CURRENT ZONING, THAT'S YOUR MISTAKE. IT'S YOUR SCREWUP AND THE CITIZENS OF SCOTTSDALE ARE NOT REQUIRED TO MAKE THE NEIGHBORS UNHAPPY TO MAKE UP FOR YOUR BAD REAL ESTATE DECISION. SO THAT'S COMPLETELY SOMETHING THAT I DON'T THINK MAKES ANY SENSE AND THAT WE SHOULDN'T BE CONSIDERING. THE OTHER THING IS, I HEAR THIS OVER AND OVER AGAIN. IF YOU DON'T LIKE THIS PROJECT, WE'RE GOING TO BUILD SOMETHING WORSE. WHAT, A NUCLEAR WASTE DUMP? WE'RE SUPPOSED TO PROTECT PEOPLE FROM THAT SORT OF STUFF. SO TO SAY WE DON'T LIKE THIS BUT THE DEVELOPMENT MIGHT

BE SOMETHING OR WE WILL GET SOMETHING WORSE, WELL YOU KNOW WHAT, WE'RE SUPPOSE TO PROTECT YOU FROM HAVING HAT HAPPEN. SO, OBVIOUSLY I'M OPPOSED TO THIS AND I THOUGHT THOSE POINTS WERE WORTH MAKING.

Mayor Lane: THANK YOU COUNCILMAN LITTLEFIELD, COUNCILMEMBER KORTE.

[Time: 04:24:53]

Councilmember Korte: THANK YOU MAYOR. I HAVE SPENT A LOT OF TIME ON THIS ONE AND IT HAS BEEN A DIFFICULT DECISION FOR ME. AS JACK AND MANY NEIGHBORS KNOW I HAVE SPENT SOME TIME WITH YOU AT THE BASHAS' ON A SUNDAY NIGHT AND THEN FOLLOW UP PHONE CALLS AND EMAILS. AND I HAVE HAD A LOT OF HEARTBURN ON THIS AND I THINK WHAT HAS REALLY BROUGHT CLARITY SPECIFICALLY, THE HEARTBURN WAS AROUND THE HEIGHT, IS THAT APPROPRIATE USE, IS FOUR STORIES APPROPRIATE FOR THAT SIX AND A HALF ACRES? THE FACT THAT THE CURRENT ZONING ALLOWS FOR 36 FEET PLUS ANOTHER EIGHTEEN WHICH TAKES IT TO FIFTY FOUR AND THE ADDRESSMENT IN THE ACCOMMODATIONS IS JUST REALIZED AND BRINGS THE HEIGHT TO FORTY SIX, I GUESS SATISFIES THAT HEARTBURN THAT I HAD FOR THE HEIGHT. I KNOW THAT THE IMPACT TO THE NEIGHBORHOOD IF THAT SITE WAS FULLY UTILIZED FOR A COMMERCIAL USE WITH THIRTY SIX FEET OF COMMERCIAL USE WOULD HAVE GREATER IMPACT THAN THESE MULTI-FAMILY COMPLEX. SO I WILL BE SUPPORTING IT, I BELIEVE THAT IT WILL BE GOOD FOR THE BUSINESSES IN THE NEIGHBORHOOD. I ALSO BELIEVE THAT IT IS PROVIDING ALL AROUND HOUSING OPTIONS FOR THE WORKFORCE SO THAT THEY CAN LIVE AND WORK AND LEARN AND PLAY IN SCOTTSDALE. THANK YOU.

Mayor Lane: THANK YOU COUNCILWOMAN. THERE ARE NO FURTHER COMMENTS ON THIS. I WOULD JUST ADD ONE ADDITIONAL POINT AND I THINK THAT IT IS A VERY PERTINENT AND RELEVANT POINT FOR EVERYONE THAT HAS WORKED ON THIS AND THAT IS THAT THE BASIC IDEA HERE IS TECHNICALLY AND THE REALITY IS THAT THIS IS A DOWNZONE AND THE APPLICATION USE FOR THIS LAND COULD BE WORSE THAN THE SITUATION OF A RESIDENTIAL PROPERTY. IT IS NOT A MATTER OF COMPATIBILITY TO A NUCLEAR WASTE DUMP OR ANYTHING LIKE THAT BUT AT THE SAME TIME YOU ARE TALKING ABOUT A MUCH MORE INTENT, AND HAS BEEN GENERALLY DEMONSTRATED SOMETHING THAT WOULD HAVE GREATER IMPACT ON THE NEIGHBORS IN THE AREAS THAT HAVE BEEN EXPRESSED AS CONCERNS. SO I DO THINK AND AGAIN I WILL SAY THAT THE NEIGHBORS WORKING WITH THE DEVELOPER AND THE ABILITY AND DESIRES OF THE DEVELOPER TO WORK WITH THE NEIGHBORS HAS WORKED OUT WELL HERE. I THINK WITH THE ACCOMMODATIONS ON THE HEIGHT HERE THAT JUST DEVELOPMENT IS ANOTHER INDICATION OF WORKING TOGETHER COOPERATIVELY. I THINK WE HAVE A GOOD PROJECT FOR EVERYBODY. SO WITH THAT I THINK WE ARE READY TO VOTE. ALL IN FAVOR OF THE MOTION AS HAS BEEN STATED INDICATE BY AYE THOSE OPPOSED BY NAY, THE MOTION PASSES 5/2 WITH COUNCILMEMBERS LITTLEFIELD AND PHILLIPS OPPOSING. THANK YOU TO EVERYONE WHO CONTRIBUTED TO THE TESTIMONY AND CONVERSATION. THE NEXT ITEM ON THE AGENDA IS THE HEWSON INVESTMENTS REZONING AND INFILL INCENTIVE DISTRICT (16-ZN-2006#2 AND 5-II-2012)

ITEM 18 HEWSON INVESTMENTS REZONING AND INFILL INCENTIVE DISTRICT (16-ZN-2006#2 AND 5-II-2012)

Mayor Lane: AND WE HAVE MR. BLOEMBERG.

[Time: 04:29:22]

Planner Greg Bloemberg: IN THE INTEREST OF TIME, I'LL TRY TO BE AS BRIEF AS POSSIBLE WITH MY PRESENTATION. THE CASES BEFORE YOU ARE HEWSON INVESTMENTS AS PREVIOUSLY MENTIONED. 16-ZN-2006#2 IS AN AMENDMENT TO A PREVIOUSLY APPROVED ZONING CASE, AND 5-II-2012 IS A REQUEST FOR AN INFILL INCENTIVE DISTRICT. THE SITE IS LOCATED ON 75TH STREET SOUTH OF CAMELBACK ROAD. THIS IS CAMELBACK ROAD HERE, CHARLIE'S RESTAURANT HERE, TO THE WEST IS HOTEL INDIGO, AND TO THE SOUTH IS A SITE THAT WAS PREVIOUSLY APPROVED FOR THE INDUSTRY EAST PROJECT, WHICH IS ALSO A RESIDENTIAL PROJECT. A CLOSE-UP LOOK AT THE SITE, CURRENTLY OCCUPIED BY THE LODGE RESTAURANT AND THERE IS SOME SHARED PARKING ON THE SITE FOR INDIGO TO THE WEST. THE DOWNTOWN PLAN IDENTIFIES THIS AREA AS A MULTIPLE USE TYPE 2 AREA. THE ZONING IS DOWNTOWN OFFICE RESIDENTIAL TYPE 2 WITH A DOWNTOWN OVERLAY. THE PURPOSE OF THE DOWNTOWN INFILL INCENTIVE DISTRICT IS TO PROVIDE SOME FLEXIBILITY IN THE APPLICATION OF SITE DEVELOPMENT STANDARDS WHILE ALSO PROVIDING A TOOL FOR NEW DEVELOPMENT, REDEVELOPMENT AND INFILL DEVELOPMENT. PROCESS-WISE, THIS APPLICATION HAS BEEN TO THE DRB TWICE. ONCE FOR NON-ACTION FOR SOME PRELIMINARY FEEDBACK, AND A SECOND TIME FOR RECOMMENDATION ON THE DEVELOPMENT STANDARDS. PLANNING COMMISSION OF COURSE, AND NOW CITY COUNCIL, AND DEVELOPMENT REVIEW BOARD WOULD FOLLOW. THERE ARE A TOTAL OF SIX DEVELOPMENT STANDARDS THE APPLICANT IS PROPOSING TO AMEND. THE MOST SIGNIFICANT OF THOSE ARE THE FIRST ONE THERE, TOTAL MAXIMUM F.A.R., THE ORDINANCE CURRENTLY ALLOWS UP TO 1.8. I GUESS I SHOULD POINT OUT THAT THIS PARTICULAR APPLICATION, THERE IS AN ANALYSIS IN THE REPORT THAT COMPARES THEIR REQUEST TO THE NEW DOWNTOWN ORDINANCE THAT WAS RECENTLY ADOPTED. THIS PARTICULAR APPLICATION WAS BEING PROCESSED UNDER THE PREVIOUS DOWNTOWN ORDINANCE BECAUSE THIS CASE BECAUSE THIS CASE CAME IN BEFORE THE NEW DOWNTOWN ORDINANCE WAS APPROVED. SO THE PREVIOUS DOWNTOWN ORDINANCE, THE PREVIOUS F.A.R. WAS 1.8 AND THE APPLICANT IS SEEKING 3.73, MAXIMUM BUILDING HEIGHT FOR RESIDENTIAL IS 50 FEET, NO MORE THAN FIVE LEVELS, AND THE APPLICANT IS SEEKING 90 FEET, NOT MORE THAN EIGHT LEVELS, WHICH WOULD BE INCLUSIVE OF MECHANICAL. AND AT THE BOTTOM, DENSITY, THE STANDARD IN THE OLD ORDINANCE WAS, ACTUALLY THE NEW ORDINANCE AS WELL, 50 UNITS PER GROSS ACRE, AND THE APPLICANT IS SEEKING 115 UNITS PER GROSS ACRE. THE MAXIMUM PUBLIC BENEFIT CONTRIBUTION BASED ON PROPOSED HEIGHT AND DENSITY AND ALSO BASED ON F.A.R. THAT WERE RECOMMENDED AND APPROVED BY THE PLANNING COMMISSION. THERE IS A PRETTY COMPREHENSIVE BREAKDOWN ON WHAT THEY'RE PROPOSING IN YOUR REPORT. TO SUM UP, THE POTENTIAL CONTRIBUTIONS AND IMPROVEMENTS MADE MAY INCLUDE F.A.R., UPGRADES TO WATER AND SEWER INFRASTRUCTURE, PEDESTRIAN AND STREETScape IMPROVEMENTS IN THE PUBLIC REALM, INCLUDING A MINIMUM 8-FOOT SIDEWALK, AND ALSO POSSIBLE MONETARY CONTRIBUTION TO FUTURE IMPROVEMENTS IN THE DRINKWATER URBAN NEIGHBORHOOD AREA, WHICH COULD INCLUDE CULTURAL IMPROVEMENTS, PUBLIC ART, UTILITIES AND INDOOR INFRASTRUCTURE. THIS IS THE SITE PLAN HERE. THIS IS THE BUILDING FOOTPRINT RIGHT HERE, AND THIS IS THE PRIMARY ACCESS FOR THE SITE OFF OF 75TH STREET, WHICH LEADS TO A RAMP THAT GOES TO UNDERGROUND PARKING. AND THIS IS THE PUBLIC IMPROVEMENTS THAT THEY'RE PROPOSING IN THE PEDESTRIAN AREA WHICH THE LIGHTED SIDEWALK, LANDSCAPING AND SOME SEEDING. THESE ARE THE ELEVATIONS THAT THEY ARE PROPOSING, AND A PERSPECTIVE OF WHAT THEY'RE PROPOSING. TO THE EAST AT THIS LOCATION RIGHT HERE IS THE HOTEL INDIGO, AT THIS LOCATION RIGHT ABOUT HERE WILL BE INDUSTRY EAST IF IT GETS BUILT. THE DEVELOPMENT REVIEW BOARD DID RECOMMEND APPROVAL OF THE PROPOSED

DEVELOPMENT STANDARDS BY A VOTE OF 4 TO 1, AND THE PLANNING COMMISSION RECOMMENDED APPROVAL OF THE DEVELOPMENT AND ZONING AMENDMENT BY A VOTE OF 6-0. THAT CONCLUDES STAFF'S PRESENTATION. I BELIEVE THERE IS A BRIEF PRESENTATION BY THE APPLICANT AS WELL.

[Time: 04:33:48]

Vice Mayor Klapp: MR. BERRY, IF YOU'D LIKE TO MAKE YOUR PRESENTATION.

Applicant John Berry: VICE MAYOR, MEMBERS OF COUNCIL, I DON'T BELIEVE THERE WERE ANY SPEAKER CARDS ON THIS. SO GIVEN THE FACT THAT THERE ARE NO SPEAKER CARDS, IT'S TWENTY TO NINE, THIS IS A CASE THAT'S IN CONFORMANCE WITH EVERY CONCEIVABLE ASPECT OF EVERY PUBLISHED AND APPROVED PLAN BY THE CITY COUNCIL FOR DOWNTOWN. I'M HAPPY TO ANSWER ANY QUESTIONS THAT THE COUNCIL HAS.

Mayor Lane: THANK YOU MR. BERRY. WE DO HAVE EITHER A COMMENT OR QUESTION STARTING WITH COUNCILWOMAN MILHAVEN.

[Time: 04:34:26]

Councilwoman Milhaven: I'D LIKE TO MAKE THE MOTION TO ADOPT RESOLUTION 9332 DECLARING HEWSON DEVELOPMENT PLAN PUBLIC RECORD AND ADOPT ORDINANCE 4072 APPROVING A DOWNTOWN INFILL INCENTIVE DISTRICT APPLICATION AND AMENDMENT TO THE CURRENT ZONING BY AMENDING THE PRIOR ZONING CASE STIPULATIONS AND SITE PLAN FROM CASE 16-ZN-2006; DO WE NEED TO KEEP GOING, CITY ATTORNEY? IS THAT ENOUGH?

Mayor Lane: AS IS INDICATED.

Councilwoman Milhaven: AS INDICATED. THANK YOU.

Mayor Lane: MOTION'S BEEN MADE AND SECONDED BY COUNCILMAN ROBBINS. DO YOU WISH TO SPEAK TOWARDS IT? WE DO HAVE SOME ADDITIONAL COMMENTS. WE'LL START WITH COUNCILMAN LITTLEFIELD.

Councilman Littlefield: THIS PROJECT IS JUST ANOTHER EXAMPLE OF WHAT'S WRONG WITH THE INFILL INCENTIVE DISTRICT WHICH HAS REALLY TURNED INTO THE DEVELOPER'S INCENTIVE DISTRICT, A BLANKET REZONING. IT'S INTERESTING, WE'RE GOING TO GIVE THIS GUY TWICE THE FLOOR AREA RATIO, A FIFTY PERCENT INCREASE IN HEIGHT, AND IT LOOKS LIKE THREE OR FOUR TIMES THE NUMBER OF DWELLING UNITS. WHAT ARE WE GETTING IN RETURN? POTENTIAL THIS, POSSIBLE THAT, AND STREETScape IMPROVEMENTS WHICH WE USED TO REQUIRE WHEN I FIRST GOT ON HERE TEN YEARS AGO JUST AS PART OF GETTING A PROJECT BUILT. THERE'S NO INCENTIVE FOR THE CITY HERE. THE ONLY INCENTIVE IS FOR THE DEVELOPER. THIS IS WHAT'S WRONG WITH THE INFILL INCENTIVE DISTRICT, THIS PROJECT IS EXACTLY WHAT'S WRONG WITH IT, GETTING A HUGE INCREASE IN HEIGHT AND DENSITY, AND WE'RE GETTING NOTHING IN RETURN EXCEPT MORE CROWDING. IT'S A BAD PROJECT, THE WHOLE INFILL INCENTIVE DISTRICT IS BAD, AND THIS IS A CLASSIC EXAMPLE OF WHY THIS IS. THE CITIZENS OF SCOTTSDALE ARE GETTING NOTHING IN RETURN FOR THESE INCREASES IN HEIGHT AND DENSITY.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN PHILLIPS.

[Time: 04:36:16]

Councilmember Phillips: THANK YOU MAYOR. LOOKING OVER THIS, WHEN YOU LOOK AT THE CITY COUNCIL REPORT, TYPE 2 DEVELOPMENT STANDARDS, TOTAL MAXIMUM FLOOR AREA, ARE REQUIRED UP TO 1.8, PREVIOUSLY APPROVED 1.74, PROPOSED WITH THE INFILL REQUEST, 3.73. THEY'RE ASKING FOR TWICE AS MUCH. BONUS HEIGHT, 50 FEET. PREVIOUSLY APPROVED, NO CHANGE. PROPOSED, 90 FEET. LARGE VERTICAL DIMENSIONS, 38 FEET WITH ADDITIONAL SETBACKS, PREVIOUSLY APPROVED WAS THE SAME THING, THIS PROPOSAL WILL ELIMINATE THE SETBACK. BUILDING ENVELOPE INCLINE STEPBACK FOR IT, THE REQUIRED ALLOWED WAS 1 FOOT UP TO 38 FEET, PREVIOUSLY APPROVED WAS THE SAME THING, THIS ONE ASKED FOR NO STEPBACK AFTER THE 38 FEET. ENCROACHMENTS BEYOND THE INCLINED STEPBACK, THE MAXIMUM VERTICAL ENCROACHMENT WAS 15 FEET, PREVIOUSLY APPROVED WAS THE SAME THING, THIS ONE WANTS TO ELIMINATE IT. AND ADDITIONAL REGULATIONS, MAXIMUM DENSITY 50 DWELLINGS, MAXIMUM ALLOWED, PREVIOUSLY APPROVED WAS 38, AND THIS ONE'S ASKING FOR 115. I THINK THEY'RE ASKING FOR WAY TOO MUCH AND I WOULD NOT APPROVE THIS. THANK YOU.

Mayor Lane: THANK YOU, COUNCILMAN. SEEING THAT WE HAVE NO FURTHER COMMENTS AS INDICATED HERE, ONE THING WE DID MISS I SUPPOSE, SO THINK WE ARE READY TO VOTE ON THE MOTION THAT'S ON THE TABLE. ALL THOSE IN FAVOR PLEASE INDICATE BY AYE AND REGISTER YOUR VOTE, THOSE OPPOSED WITH A NAY. MOTION PASSED 5-2 WITH COUNCILMAN LITTLEFIELD AND COUNCILMAN PHILLIPS OPPOSING. THAT COMPLETES ITEM 18.

Item 19 MILLER PLAZA REDEVELOPMENT (17-ZN-2012)

[Time: 04:38:31]

Mayor Lane: THAT MOVES US ON TO ITEM 19, THE MILLER PLAZA REDEVELOPMENT, 17-ZN-2012, AND MR. CARR AGAIN.

Planner Brad Carr: THANK YOU AGAIN, MR. MAYOR AND MEMBERS OF THE COUNCIL. AS YOU MENTIONED, THIS IS ITEM 19 ON YOUR AGENDA, THE MILLER PLAZA REDEVELOPMENT PROJECT. MILLER PLAZA IS A SHOPPING CENTER LOCATED NOT TOO FAR FROM HERE, AT THE NORTHEAST CORNER OF INDIAN SCHOOL AND MILLER ROAD. AS YOU CAN SEE ON THIS AERIAL, THE SITE IS GENERALLY SOME RESIDENTIAL, MULTI-FAMILY RESIDENTIAL TO THE NORTH AND TO THE EAST. TO THE SOUTH ON THE OTHER SIDE OF INDIAN SCHOOL ROAD YOU HAVE THE MESSINGER MORTUARY AND SOME OTHER RETAIL AND RESTAURANT USES. TO THE WEST A CHURCH AND THE CVS LOCATED AT THAT CORNER OF MILLER AND INDIAN SCHOOL. AS YOU CAN SEE FROM THIS CLOSE-UP AERIAL, THE SITE IS GENERALLY AN L-SHAPE CONFIGURATION WITH THE BUILDINGS. THE LARGE MAIN ACRE BUILDING BEING THE FRY'S GROCERY LOCATED PRIMARILY ON THE SOUTHEAST PORTION OF THE SITE. THE APPLICANT IS SEEKING TODAY TO MODIFY THE ZONING ON THE SITE. THAT ZONING IS IN CONFORMANCE WITH THE COMMERCIAL GENERAL PLAN DESIGNATION FOR THE SITE AS YOU CAN SEE HERE. THE SITE IS CURRENTLY A PNC ZONING DISTRICT, PLANNED NEIGHBORHOOD CENTER. AGAIN, WITH THE APPLICANT SEEKING TO RE-ZONE TO C-2. THE RECOMMENDATION TO CITY COUNCIL

REGARDING THIS FROM THE PLANNING COMMISSION WAS FOR APPROVAL WITH A VOTE OF 7-0. THAT AMENDMENT AGAIN IS FROM PNC TO CENTRAL BUSINESS DISTRICT C-2 ZONING. THE SITE AS PROPOSED WITH RETAIN THAT PRIMARY L-SHAPE CONFIGURATION AS YOU CAN SEE HERE ON THE SCREEN. THE LARGE ACRE WILL REMAIN FRY'S WITH A REPLACEMENT STORE AT THAT SOUTHEAST CORNER OF THE SITE. THE APPLICANT IS PROPOSING TO DEMOLISH AND REPLACE THAT FRY'S STORE WITH A LARGER STORE THAT WILL ALSO INCLUDE ROOFTOP PARKING TO ALLOW FOR ADDITIONAL PARKING ON THE SITE FOR EMPLOYEES AND PATRONS OF THE SHOPPING CENTER. THE EXISTING BUILDINGS ON THE NORTHERN PORTION OF THE SITE WILL REMAIN IN THEIR BASIC CONFIGURATION BUT WILL BE RENOVATED TO MATCH THE PROPOSAL FOR THE FRY'S RENOVATIONS.

[Time: 04:40:52]

THESE ARE A COUPLE OF PERSPECTIVES, CONCEPTUAL AT THIS POINT, FOR THE FRY'S RENOVATION. THE APPLICANT WANTED TO SHOW THESE AS THEIR COMMITMENT TO THE AREA AND THE RENOVATION THEY'RE PLANNING TO DO FOR THE CENTER. AND ANOTHER ELEVATION FROM A DIFFERENT DIRECTION. THIS IS ABOUT 8.1 NET ACRES. THE APPLICANT IS GOING TO HAVE ABOUT 32 FEET OF BUILDING HEIGHT PLUS SOME MECHANICAL SCREENING. AGAIN, WITH THAT ROOFTOP PARKING, THE APPLICANT WILL BE PROPOSING MORE THAN ADEQUATE PARKING FOR THE SITE AND OPEN SPACE WILL EXCEED THE REQUIREMENTS. THAT CONCLUDES MY PRESENTATION, I'D BE HAPPY TO ANSWER ANY QUESTIONS. AGAIN, THE APPLICANT IS ALSO HERE TO GIVE A PRESENTATION AND ANSWER SOME QUESTIONS FOR YOU AS WELL.

Mayor Lane: THANK YOU MR. CARR FOR THAT PRESENTATION. WOULD THE APPLICANT LIKE TO MAKE A PRESENTATION? SORRY, I DIDN'T KNOW WE WERE TRANSITIONING.

Applicant Jack Jakoski: MEMBERS OF THE COUNCIL, MY NAME IS JACK JAKOSKI AND I'M THE OWNER OF THE SHOPPING CENTER. WE'RE THRILLED TO BE HERE TONIGHT TO HAVE YOU CONSIDER OUR REQUEST FOR THE ZONE CHANGE. WE THINK THAT IT'S EXTREMELY EXCITING. WE'VE OWNED THE PROPERTY FOR TEN YEARS AND ANXIOUSLY WAITING FOR THE DAY WHEN FRY'S WAS PREPARED TO INITIALLY RENOVATE THEIR STORE AND THEY CAME TO THE CONCLUSION THAT WHAT THEY'D REALLY LIKE TO DO IS DEMOLISH IT AND BUILD AN ENTIRELY NEW STORE. SO IN CONJUNCTION WITH THAT WE WILL BE REMODELING THE SHOPS TO THE NORTH AS WAS PREVIOUSLY STATED AND I'M HERE TO ANSWER ANY QUESTIONS YOU MIGHT HAVE. THE FIRST THING I'D LIKE TO DO IS TURN IT OVER TO BILL FINCH FROM FRY'S TO SHARE WITH YOU A LITTLE BIT ABOUT THEIR PLANS SINCE IT'S THE MAJOR COMPONENT IN TERMS OF RECONSTRUCTION.

Applicant Bill Finch: THANK YOU MAYOR, COUNCIL, MY NAME IS BILL FINCH REPRESENTING FRY'S FOOD STORES, 500 S. 99TH AVENUE, TOLLESON ARIZONA. AS JACK MENTIONED, OUR LANDLORD, WE WOULD LIKE TO THANK THE CITY AND THE COUNCIL FOR ALL THE EFFORT THAT'S GONE INTO THE PROJECT IN THE PLANNING STAGES. WE'VE SPENT A GREAT DEAL OF TIME, NOT ONLY WITH THE CITY STAFF, BUT WITH THE SURROUNDING NEIGHBORHOOD TO PROPOSE AND DELIVER A PROJECT THAT WE FEEL IS A GREAT BENEFIT TO ALL PARTIES INVOLVED. WE'RE SEEKING THE REZONING MAINLY DUE TO SETBACK ISSUES. ALL OF OUR OTHER COVERAGE AND HEIGHT RELATED WITH THE PROJECT REDEVELOPMENT ARE UNDER THE CURRENT GUIDELINES AND UNDERNEATH THE CURRENT RATIOS THAT THEY'RE ALLOWED. AGAIN WE THINK THAT THIS PROJECT IN TERMS OF THE FRY'S REPLACEMENT IS GOING TO ALLOW US TO OFFER A BETTER, MORE MODERN STORE FOR THE

SURROUNDING AREA. THE REDESIGN OF THE SHOPPING CENTER IS GEARED TO INCREASE PEDESTRIAN CONNECTIVITY BETWEEN OUR STORE AND THE ADJACENT SHOPS' FACE AND UPDATE THE ARCHITECTURE TO MATCH THE CHARACTER OF THE AREA A LITTLE BIT BETTER. WE HAVE A BRIEF POWERPOINT PRESENTATION THAT UNLESS YOU WANT US TO GO THROUGH WE REALLY DON'T NEED TO. I BELIEVE YOU'RE ALL FAMILIAR WITH THE PROJECT AND JACK AND I CAN BE HERE TO ANSWER QUESTIONS.

[Time: 04:44:20]

Mayor Lane: THANK YOU VERY MUCH MR. FINCH. WE DO HAVE ONE REQUEST TO SPEAK TOWARD IT SO WE MIGHT JUST GO AHEAD AND DO THAT. IT'S SONNIE KIRTLEY.

Sonnie Kirtley: GOOD EVENING MAYOR AND COUNCILMEMBERS. MY NAME IS SONNIE KIRTLEY REPRESENTING COGS. OUR ADDRESS IS 3370 N. HAYDEN ROAD, SUITE 123, SCOTTSDALE ARIZONA 85251. IT IS A PLEASURE TO BE ABLE TO WORK WITH THIS TEAM. THEY HAVE BEEN OUTSTANDING IN MEETING WITH THE PUBLIC IN GROUPS, THEY'VE MET INDIVIDUALLY WITH CONCERNED RESIDENTS IN THE AREA, THEY'VE BEEN EXTREMELY RESPONSIVE. WE'D LIKE TO CLONE THEM AND BRING THEM TO EVERY COUNCIL MEETING. SO COGS, COALITION OF GREATER SCOTTSDALE, FULLY SUPPORTS THIS PROJECT. THANK YOU.

Mayor Lane: THANK YOU MS. KIRTLEY. I'D HAVE TO ADD TOO THAT I'M IMPRESSED WITH THE GROUP AND CERTAINLY THE RECEPTION THAT THE NEIGHBORS HAVE DEMONSTRATED TO THIS PROJECT HAS BEEN VERY, VERY POSITIVE. I CAN UNDERSTAND WHY IT WOULD BE FOR A LOT OF REASONS. THE STRATEGIES AND THE TACTICS EMPLOYED IN GETTING WITH THEM AND DISCUSSING THOSE ISSUES. IF THERE WERE THAT NEEDED TO BE EXPLAINED OR CLARIFIED IT SEEMED LIKE IT TOOK PLACE IN FINE ORDER. I WOULD ONLY JUST WANT TO SAY AGAIN ACCOLADES TO THE PROCESS THAT YOU EMPLOYED IN PUTTING THIS THROUGH, AND ANOTHER IS THAT THIS REDESIGN WHAT IT WILL MEAN, WITH ALL DUE RESPECT JACK, TO SOMEWHAT OF A TIRED CENTER. IT'S GOING TO BE MOVING UP, IT SOUNDS TO ME, WITH THIS INITIATION, WITH THE BANK ON THE CORNER, IT'S GOING TO BE MOVING INTO A NICE PLACE AS FAR AS SCOTTSDALE'S CONCERNED AND WE APPRECIATE YOUR EFFORTS IN THAT REGARD AS WELL AS FRY'S IN WHAT THEY'RE DOING, HERE AND FRANKLY DOWN ON MCDOWELL ROAD AS FAR AS THE EXPANSION AND REFURB OF THE UNIT DOWN THERE. AND NICE RESPONSE TO THE NEIGHBORHOOD AS WELL. CERTAINLY I'M GOING TO BE IN FAVOR OF THIS PROJECT. I THINK IT'S A DELIGHTFUL ONE TO BE VOTING ON. VICE MAYOR KLAPP.

Vice Mayor Klapp: I ALSO THANK YOU FOR RENOVATING THE FRY'S AND THE ENTIRE CENTER. IT'S GOING TO BE A BIG PLUS FOR THE ENTIRE AREA SO I APPRECIATE IT. I DON'T NEED TO ADD ON TO WHAT THE MAYOR HAS SAID, SO I'D LIKE TO MAKE A MOTION TO ADOPT ORDINANCE NUMBER 4073 APPROVING A ZONING DISTRICT MAP AMENDMENT FROM THE PLANNED NEIGHBORHOOD CENTER PNC ZONING TO BUSINESS C-2 ZONING AND FINDING THAT THE PROPOSED DISTRICT MAP AMENDMENT IS CONSISTENT AND CONFORMS WITH THE ADOPTED GENERAL PLAN 9.6 ACRE SITE.

[Time: 04:47:18]

Mayor Lane: MOTION'S BEEN MADE.

Councilmember Korte: SECOND.

Mayor Lane: AND SECONDED. WOULD THE SECOND LIKE TO SPEAK TO IT AT ALL?

Councilmember Korte: YES, SINCE I'M ON YOUR LIST I MIGHT AS WELL TAKE THE OPPORTUNITY TO SAY I'M REALLY EXCITED ABOUT THIS PROJECT. THE WILLINGNESS FOR FRY'S TO REINVEST IN OUR DOWNTOWN NEIGHBORHOOD IS A TELLTALE OF WHAT'S TO COME FOR DOWNTOWN SCOTTSDALE. I BELIEVE IT'S ONE OF THOSE IMPORTANT LINKS THAT THINGS ARE GOING TO BE BETTER. SO THANK YOU.

Mayor Lane: THANK YOU COUNCILWOMAN. SEEING WE HAVE NO FURTHER COMMENTS AND NO OTHER TESTIMONIES, WE ARE READY TO VOTE ON THIS. THOSE IN FAVOR INDICATE BY AYE, THOSE OPPOSED WITH A NAY, AND REGISTER YOUR VOTE. UNANIMOUSLY APPROVED. THANK YOU VERY MUCH.

ITEM 7 PLANNED REGIONAL CENTER TEXT AMENDMENT (7-TA-2012)

[Time: 04:48:34]

Mayor Lane: OK, WE NOW MOVE TO ITEM 7 THAT WAS MOVED FROM CONSENT TO THE REGULAR AGENDA, THAT'S THE PLANNED REGIONAL CENTER TEXT AMENDMENT. BRYAN CLUFF?

Planner Bryan Cluff: GOOD EVENING MAYOR LANE, MEMBERS OF THE COUNCIL. MY NAME IS BRYAN CLUFF, I'M A PLANNER WITH THE CITY'S PLANNING DEPARTMENT. THIS IS CASE 7-TA-2012, PLANNED REGIONAL CENTER TEXT AMENDMENT. GLIMSHIRE REALTY TRUST, AS OWNER OF SCOTTSDALE CORRIDOR HAS SUBMITTED THIS REQUEST FOR A TEXT AMENDMENT TO THE PLANNED REGIONAL DISTRICT OF THE ZONING ORDINANCE TO ALLOW THE CITY COUNCIL TO GRANT INCREASED BUILDING HEIGHT AND FLOOR AREA RATIO THROUGH THE USE OF AMENDED DEVELOPMENT STANDARDS. THIS TABLE HERE SHOWS A BRIEF SUMMARY OF THE STANDARDS THAT ARE PROPOSED TO BE AMENDED WITH THE AMENDED DEVELOPMENT STANDARDS, FIRST BEING FLOOR AREA RATIO, THE CURRENT PRC DISTRICT ALLOWS A FLOOR AREA RATIO OF .8 TIMES THE NET LOT AREA, PROPOSED WITH THE AMENDED DEVELOPMENT STANDARDS GIVE THE ABILITY FOR 1.0 TIMES THE NET LOT AREA. BUILDING HEIGHT, WHICH IS CURRENTLY LIMITED TO 60 FEET EXCLUSIVE OF ROOFTOP APPURTENANCES, COULD POTENTIALLY GO UP TO 90 FEET INCLUSIVE OF ROOFTOP APPURTENANCES WITH AMENDED DEVELOPMENT STANDARDS. THIS IS INSERTED INTO THE PRC DISTRICT AS A MECHANISM FOR AMENDED DEVELOPMENT STANDARDS UNDER A NEW SECTION THAT YOU'LL FIND UNDER 5.2604I. IT'S WRITTEN TO REQUIRE A CASE BY CASE APPROVAL BY CITY COUNCIL AFTER RECOMMENDATIONS FROM THE DEVELOPMENT REVIEW BOARD AND PLANNING COMMISSION BASED ON SPECIFIC FINDINGS AND CRITERIA THAT ARE BEING ADDED TO THE ZONING ORDINANCE.

[Time: 04:50:37]

THIS BEING TEXT AMENDMENT TO THE ZONING ORDINANCE IT DOES HAVE CITY-WIDE APPLICABILITY TO ALL PROPERTIES THAT ARE ALREADY ZONED PLANNED REGIONAL CENTER. THIS MAP HIGHLIGHTS THE AREAS THAT ARE CURRENTLY ZONED PRC. THERE ARE SEVEN PROPERTIES WITHIN THE CITY THAT ARE OUTLINED IN MORE DETAIL ON YOUR STAFF REPORT. THIS IS A QUICK SUMMARY OF THE

CRITERIA THAT'S PROPOSED WITHIN THE TEXT. ALL OF THIS CRITERIA WOULD NEED TO BE MET IN ORDER TO GRANT THE AMENDED DEVELOPMENT STANDARDS. TO RUN THROUGH THEM REALLY QUICK, HEIGHT NEEDS TO BE INCLUSIVE OF ROOFTOP APPURTENANCES, THE FLOOR AREA RATIO CANNOT EXCEED 1.0, THE DEVELOPMENT SITE NEEDS TO BE A VERTICALLY INTEGRATED MIXED-USE DEVELOPMENT WITH A MINIMUM OF 5% OF THE GROSS FLOOR AREA OF THE BUILDING BEING COMMERCIAL ON THE GROUND FLOOR. AT LEAST 20% OF THE FLOOR AREA WOULD NEED TO BE RESIDENTIAL OR GUEST OCCUPANCY USE. THE PROJECT WOULD NEED TO INCLUDE UNDERGROUND PARKING AS WELL AS INTEGRATION OF ANY STRUCTURED PARKING INTO THE BUILDING ARCHITECTURE. IT WOULD NEED TO BE COMPLIANT WITH THE SCOTTSDALE GREEN BUILDING PROGRAM, AND AS PART OF THE APPLICATION THE APPLICANT WOULD SUBMIT A SHADE STUDY TO ANALYZE THE SOLAR IMPACT THAT THE ADDITIONAL HEIGHT MAY HAVE ON SURROUNDING USES. FIVE PERCENT ADDITIONAL OPEN SPACE MUST BE PROVIDED ON THE DEVELOPMENT SITE AND THERE ARE ADDITIONAL STEPBACK AND FAÇADE DESIGN REQUIREMENTS THAT ARE INCLUDED WITHIN THE TEXT. THAT CONCLUDES STAFF'S PRESENTATION AND THE APPLICANT IS ALSO HERE TO MAKE A PRESENTATION.

Mayor Lane: THANK YOU MR. CLUFF. I DON'T KNOW IF THE APPLICANT WOULD LIKE TO MAKE A PRESENTATION OR NOT. WE DO NOT HAVE ANY QUESTIONS AT THIS POINT IN TIME.

[Time: 04:52:50]

Applicant Paul Gilbert: I CAN TAKE A HINT. FOR THE RECORD, MY NAME IS Paul GILBERT. 701 N. 44TH STREET. IF THERE ARE NO QUESTIONS, I WILL WAIVE MY LENGTHY PRESENTATION IN THE NAÏVE BUT FERVENT HOPE THAT BREVITY WILL BE REWARDED.

Mayor Lane: DON'T COUNT ON IT, BUT WE DO APPRECIATE IT.

Paul Gilbert: I DO WISH TO RESERVE AT LEAST A REBUTTAL IF WE RUN INTO SOME PROBLEMS. OTHER THAN THAT I'LL WAIVE THE PRESENTATION.

Mayor Lane: I UNDERSTAND. OKAY, WE DO HAVE A COMMENT OR QUESTION FROM COUNCILMAN PHILLIPS AND IT MAY BE DIRECTED TO YOU, SO IF YOU WANT TO STAND PAT, WE'LL GO TO COUNCILMAN PHILLIPS.

Councilmember Phillips: THANK YOU MAYOR. I DON'T HAVE A QUESTION PER SE, BUT YOU MIGHT WANT TO ANSWER WHAT I DO HAVE TO SAY. WHAT I'M AGAINST HERE, AND I'M NOT AGAINST THE APARTMENTS ON THIS ONE, TILL LATER, THIS IS ABOUT A TEXT AMENDMENT. IF YOU GO THROUGH IT, AS YOU USUALLY SEE MOST OF THEM SAY PLANNING APPROVED, AND DRB APPROVED. I WANT YOU TO KNOW THAT WE DID NOT APPROVE, WHAT WE APPROVED WAS THIS PROJECT IF COUNCIL APPROVES THIS NEW CRITERIA. COUNCIL HAS NOT APPROVED THIS CRITERIA AND DRB HAS NOT APPROVED THIS DESIGN YET. ONE OF THE THINGS THAT I NOTICED ON HERE THIS BUILDING PROJECT IS GOING TO GO 200 FOOT WALL WITHOUT A BREAK IN THE PLANE. TWO HUNDRED FEET LONG AND 90 FEET HIGH SOUNDS LIKE A GIANT PARKING GARAGE TO ME. I CAN'T IMAGINE THAT KIND OF BUILDING WITHOUT A BREAK. I DID ASK STAFF AT ONE POINT WHAT THE OLD ONE WAS AND I DIDN'T GET AN ANSWER BACK ON THAT. I'M GUESSING IT WAS PROBABLY 100 FEET. THE PROBLEM WITH THIS IS, BECAUSE IT'S A TEXT AMENDMENT, IT'S GOING TO AFFECT SIX OTHER PRCS IN THE CITY RIGHT

NOW. BY DOING SO, IF WE APPROVE THIS, THAT MEANS THAT THE 6 OTHERS WILL ALLOW THE SAME THING. RIGHT NOW, THE APPLICANT HAS TO COME WITH US ON A CASE BY CASE BASIS. IF THIS GETS APPROVED, THEY NO LONGER WILL HAVE TO. STAFF WILL SAY YOU STILL HAVE TO COME TO COUNCIL. BUT THE FACT THAT IT'S APPROVED MEANS IT COMES ON CONSENT BECAUSE WE CAN'T SAY NO TO IT, IT'S ALREADY BEEN APPROVED, IT'S PART OF THE STANDARDS. I'M NOT WILLING TO MAKE THIS A STANDARD ESPECIALLY IN 6 OTHER AREAS. I WANT TO BE ABLE TO KEEP THE TEXT AMENDMENT THE WAY IT IS NOW AND CONTINUE TO HAVE THIS ON A CASE BY CASE BASIS AND LET US DECIDE WHEN A PARTICULAR BUILDING IN A PARTICULAR AREA IS GOOD FOR THAT PROJECT. WITH THAT I MOVE THAT WE DO NOT APPROVE PLANNED REGIONAL TEXT AMENDMENT 7-TA-012.

[Time: 04:55:49]

Councilman Littlefield: SECOND.

Paul Gilbert: I'M HOPING I WOULD GET AN OPPORTUNITY TO RESPOND.

Councilmember Phillips: YES. JUST TRYING TO SAVE AN EXTRA BUTTON PUSH.

Mayor Lane: LET ME GO AHEAD AND HAVE THE SECOND SPEAK TO IT.

Councilman Littlefield: SOMETIMES IF YOU DON'T LAUGH YOU'LL CRY AROUND HERE. IN THE LAST THREE YEARS WE'VE ONLY TURNED DOWN ONE DEVELOPER WHO'S EVER ASKED FOR ANYTHING. SO THE IDEA THAT WE HAVE TO DO ANYTHING TO MAKE IT EASIER TO GIVE PEOPLE MORE HEIGHT AND DENSITY.... IT'S BEYOND FUNNY, IT'S JUST SHOCKING. THAT'S WHY I SECONDED IT. IT'S JUST BIZARRE THAT WE WOULD FIND A WAY TO MAKE IT EVEN EASIER TO GIVE AWAY HEIGHT AND DENSITY, IT'S CRAZY.

Mayor Lane: MR. GILBERT, IF YOU WANT TO GO AHEAD AND AT LEAST RESPOND AS YOU'D ASKED. WE DO HAVE A COUPLE OF OTHERS.

Paul Gilbert: VERY BRIEFLY, MAYOR AND COUNCILMAN PHILLIPS, WE DIDN'T SAY THAT THE DEVELOPMENT REVIEW BOARD HAD APPROVED THIS CASE. WE BOTH KNOW THAT'S NOT THE CASE, WE WERE BOTH AT THE HEARING TOGETHER. SECONDLY, WITH ALL DUE RESPECT, I DON'T BELIEVE YOU ARE CONSTRUING THE ORDINANCE EXACTLY. FIRST OF ALL, WE MADE NO BONES ABOUT THE FACT THAT THE PROJECT THAT'S REALLY MOTIVATING THIS ORDINANCE CHANGE IS SCOTTSDALE QUARTER. WE NEED THAT HEIGHT FOR VERY HIGH QUALITY APARTMENT COMPLEX WHICH ISN'T THE SUBJECT OF TONIGHT'S HEARING ADMITTEDLY, AND WE NEED IT ALSO FOR WHAT WE'RE HOPING WILL BE A NEW DEPARTMENT STORE AT THIS LOCATION. SO WE NEED THE HEIGHT. NOW, WE DON'T HAVE AN OPPORTUNITY BECAUSE WE'RE ZONED PRC TO GET THE ADDITIONAL HEIGHT. THIS ISN'T THE DOWNTOWN INFILL DISTRICT. WE DON'T HAVE THAT OPPORTUNITY. AFTER WORKING CAREFULLY WITH THE STAFF, AND WE'VE WORKED ON IT FOR A YEAR AND A HALF, WE'VE COME UP WITH THIS ORDINANCE AMENDMENT. BUT YOU WERE CORRECT WHEN YOU SAID IT'S A CASE BY CASE BASIS.

[Time: 04:58:01]

I THINK YOU MAY BE OPERATING UNDER THE ERRONEOUS PREDICATE THAT ONCE THIS IS AN ORDINANCE AMENDMENT, THAT YOU GET THIS HEIGHT AS A MATTER OF RIGHT. YOU DON'T. YOU RETAIN FULL, 100% CONTROL, OVER WHETHER YOU GRANT THE HEIGHT OR NOT ON A CASE BY CASE BASIS. IT JUST MEANS THAT SOMEONE THAT HAS PRC ZONING HAS AN OPPORTUNITY TO COME IN AND PRESENT TO YOU THEIR CASE FOR INCREASED HEIGHT. IF YOU DON'T LIKE THE HEIGHT AND THE CRITERIA AREN'T BEING MET, YOU CAN TURN IT DOWN. SO IT IS STRICTLY ON A CASE BY CASE BASIS. IT DOESN'T MEAN THAT ANY OF THE OTHER PRC SITES CAN HAVE THIS HEIGHT. THEY'VE GOT TO COME IN AND EARN IT AND THEY'VE GOT TO GO THROUGH AND SHOW THAT THEY MEET ALL THIS CRITERIA AND IF THEY DON'T YOU DON'T HAVE TO APPROVE IT. SO TO COME BACK TO YOUR BASIC PREMISE, ADOPTING THIS ORDINANCE AMENDMENT TONIGHT GIVES YOU THE VERY AUTHORITY YOU WERE CONCERNED YOU DIDN'T HAVE AND THAT IS TO ADOPT THIS ON A CASE BY CASE BASIS. KIND OF A LONG-WINDED ANSWER, I'M DOING MY BEST.

Mayor Lane: THANK YOU MR. GILBERT. WE DO HAVE A COMMENT OR QUESTION FROM COUNCILMAN Robbins.

Councilman Robbins: MAYOR, I WAS GOING TO MAKE AN ALTERNATE MOTION BUT WE CAN DO THIS HOWEVER YOU LIKE.

Mayor Lane: THERE IS A MOTION ON THE TABLE, YEAH. SO IF YOU WANTED TO PROVIDE AN ALTERNATE MOTION, YOU CAN DO THAT.

Councilman Robbins: OKAY, THEN I MAKE A MOTION THAT WE APPROVE, ADOPT ORDINANCE 4074.

Mayor Lane: MOTION'S BEEN MADE FOR APPROVAL AND SECONDED. WOULD THE SECOND LIKE TO SPEAK TOWARD IT. OKAY, IN THE ORDER OF DIRECTION THAT WE CAN VOTE ON THAT FIRST. WE DO HAVE SPEAKERS THAT WANT TO SPEAK TOWARD THAT ALTERNATE MOTION? I BELIEVE THAT'S THE CASE, BUT ANYWAY, COUNCILMAN PHILLIPS?

Councilmember Phillips: YES, THAT WAS ACTUALLY FROM EARLIER, AND IT WAS KIND OF COUNCILMAN LITTLEFIELD'S COMMENT THAT WE'RE GIVING THIS TO EVERYBODY AND I'M NOT SAYING THAT LET'S NOT ALLOW THIS TO THIS GUY, WE CAN STILL DO THAT. WHAT I'M SAYING IS, I DON'T WANT TO MAKE THIS PART OF OUR PRC, I DON'T WANT IT MAKE A TEXT AMENDMENT. IF YOU WANT TO I GUESS YOU CAN GO HEAD AND DO IT. AND THE OTHER ISSUE WAS THE 200 FOOT WALL WITHOUT A BREAK IN THE PLANE. I JUST DON'T THINK THAT'S VERY GOOD DEVELOPMENT STANDARDS. I DON'T THINK THAT WE SHOULD MAKE THIS A BLANKET PRC WHICH IS THE REASON I BROUGHT IT UP. NOW THAT YOU HAVE A MOTION TO APPROVE I GUESS THAT SUPERSEDES MY MOTION.

[Time: 05:01:24]

Mayor Lane: NO, ALTERNATE MOTION IS VOTED FIRST.

Councilmember Phillips: WHICH IS VOTING TO APPROVE.

Mayor Lane: WELL, OK. WHO KNOWS, IF IT FAILS. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: I'D JUST LIKE TO POINT OUT THAT IF WE APPROVE EVERYBODY, THEN IT IS A BLANKET REZONING. IN FACT, AS I SAID, IN THREE YEARS WE'VE ONLY DUMPED ONE APPLICANT AND THAT GUY MUST BE GOING CRAZY, THINKING WHAT'S WRONG WITH ME? YOU KNOW, HUNDREDS OF CASES WENT THROUGH AND HE GOT DUMPED. SO HE MUST BE CRYING IN HIS BEER SOMEWHERE. THIS IS JUST A BLANKET REZONING. WE'RE BASICALLY JUST GIVING YOU THIS EXTRA HEIGHT. I ALSO DO KIND OF DISLIKE THE FACT THAT WE'RE DOING IT FOR ONE PROJECT AND THEN IT ACTUALLY APPLIES TO A BUNCH OF OTHERS. ALTHOUGH I'M SURE THEY'LL BE HAPPY TO SEE THIS HAPPEN. AND THEY'LL BE RIGHT IN HERE AFTER YOU IF WE APPROVE THIS TONIGHT. THEY'LL BE IN HERE SAYING HEY, US TOO. SCOTTSDALE QUARTER CAN DO IT, WHY NOT US? SO IT'S JUST LIKE THE INFILL INCENTIVE DISTRICT ONLY MOVED A COUPLE OF MILES NORTH. WE APPROVED THE INFILL INCENTIVE DISTRICT AND GUESS WHAT? NOW WE'RE FLOODED WITH ALL THESE REQUESTS FOR HEIGHT AND DENSITY WHICH THIS COUNCIL ROUTINELY APPROVES. NOW THAT WE DO THIS FOR YOU, YOU MIGHT BE THE POINT PERSON BUT ALL THESE OTHER GUYS ARE GOING TO GO IN THERE AND SAY HA! OUR TURN. AND I GUARANTEE YOU WITHIN THE NEXT COUPLE OF MONTHS WE'RE GOING TO BE SEEING THEM COME THROUGH TOO. IT'S A BAD IDEA AND WE SHOULDN'T ALLOW IT.

Paul Gilbert: MAYOR, MAY I RESPOND TO THAT PLEASE? BRIEFLY?

Mayor Lane: YOU KNOW I THINK IT WOULD ONLY ENCOURAGE MORE OF THE SAME. MR. GILBERT I THINK IT WOULD BE BEST TO LEAVE IT STAND. FRANKLY SOME OF THE STATEMENTS THAT HAVE BEEN MADE FRANKLY ARE DIFFERENT THAN THE WAY A NUMBER OF US PERCEIVE IT SO THAT'S THE WAY IT GOES. WE DO HAVE AN ALTERNATIVE MOTION ON THE TABLE RIGHT NOW AND THAT IS TO APPROVE IT. SO THAT HAS BEEN SECONDED AND THE SECOND HAS SPOKEN TOWARD IT AND WE ARE NOW READY TO VOTE ON THAT. ALL THOSE IN FAVOR OF THE ALTERNATIVE MOTION INDICATE BY AYE, REGISTER YOUR VOTE, OR NAY IF YOU DISAPPROVE. MOTION PASSES 5-2 AND THEREFORE WE ARE COMPLETED.

Paul Gilbert: THANK YOU, YOU DID REWARD MY BREVITY.

ITEM 20 GENERAL PLAN 2014 TASK FORCE SELECTION CRITERIA

[Time: 05:03:58]

Mayor Lane: NEXT ITEM IS THE GENERAL PLAN 2014 TASK FORCE SELECTION CRITERIA. ERIN.

Long Range Planning Manager Erin Perreault: MAYOR LANE, MEMBERS OF COUNCIL, I'M HERE TONIGHT TO TALK ABOUT THE CRITERIA THAT WILL BE UTILIZED TO SELECT A GENERAL PLAN 2014 TASK FORCE. IF YOU REMEMBER BACK IN JANUARY OF THIS YEAR, COUNCIL UNANIMOUSLY DIRECTED STAFF TO COME FORWARD WITH AN APPOINTMENT OF A GENERAL PLAN TASK FORCE, AND TO DO SO WE WOULD UTILIZE THE CONTRACT THAT COUNCIL PREVIOUSLY APPROVED LAST DECEMBER TO HAVE ARIZONA TOWN HALL FORWARD NAMES TO YOU BASED ON CRITERIA FROM THE VISIONING TOWN HALL APPLICANT POOL THAT WE ALREADY HAVE. THE PROPOSED TASK FORCE MAIN CHARGE IS TO DELIVER A DRAFT 2014 GENERAL PLAN THAT AT THIS TIME NEXT YEAR CAN GO THROUGH THE PUBLIC HEARING PROCESS AND THEN BE SENT POTENTIALLY TO VOTE IN THE 2014 ELECTION. IN TERMS OF THE TASK FORCE, STAFF IS RECOMMENDING A 25-MEMBER TASK FORCE. THOUGH ARIZONA TOWN

HALL WOULD BE PROPOSING 25 NAMES TO YOU AND IN ADDITION 15-25 ALTERNATE NAMES IN CASE SOME OF THOSE ORIGINAL 25 NOMINATED NAMES DECIDE THAT THEY CAN'T SERVE ON SUCH A TASK FORCE EVEN THOUGH THEY MAY HAVE CHECKED YES ON THEIR ORIGINAL APPLICATION SAYING THAT THEY WOULD BE WILLING TO SERVE ON SUCH A TASK FORCE. WHAT THE APPLICANT POOL LOOKS LIKE, JUST SO COUNCIL KNOWS, WE DID GET 291 APPLICATIONS FOR PARTICIPATION IN THE VISIONING SCOTTSDALE TOWN HALL. OUT OF THOSE 291, 254 SAID YES THEY WOULD BE WILLING TO SERVE ON SUCH A COMMITTEE OR TASK FORCE, AND THEN OUT OF THE ACTUAL PARTICIPANTS THAT WERE THERE FOR THE THREE HALF-DAY EVENT OF THE TOWN HALL, EIGHTY-NINE OUT OF THE HUNDRED CHECKED YES ON THEIR APPLICATION TO FURTHER SERVE ON SUCH A TASK FORCE. THE PROPOSED TASK FORCE SELECTION CRITERIA FOR YOUR CONSIDERATION TONIGHT IS INCLUDED ON THIS SLIDE. IN PARTICULAR, WE WOULD BE LOOKING SIMILAR TO WHAT WE DID WITH THE TOWN HALL FOR A BALANCE OF REPRESENTATION FROM NORTH, CENTRAL AND SOUTH SCOTTSDALE. WE'RE PROPOSING THAT 21 OUT OF THE 25 PARTICIPANTS ACTUALLY BE TOWN HALL PARTICIPANTS, ALLOWING FOR FOUR SPOTS THAT WOULD BE AT-LARGE SPOTS THAT DIDN'T SERVE ON THE TOWN HALL THEMSELVES. WE'D ALSO BE LOOKING FOR A BALANCE OF AFFILIATIONS, GENDER, AGE AS MUCH AS WE CAN COMING OUT OF THE APPLICANT POOL, ETHNICITY, AND THEN FINALLY A SUGGESTION AS WELL THAT THEY BE SOLUTION-ORIENTED BECAUSE THEY DO HAVE TO DELIVER A DRAFT PLAN AND THEY BE CONSIDERATE AND WORK WITH DIFFERENT DIVERSE VIEWPOINTS BECAUSE IT WILL BE A 25-MEMBER COMMITTEE POTENTIALLY.

[Time: 05:07:01]

THE NEXT STEP IS THAT WE THEN HAVE ARIZONA TOWN HALL MAKE THOSE NOMINATIONS BASED ON WHATEVER CRITERIA GUIDANCE YOU GIVE US THIS EVENING AND WE WOULD BE BRINGING BACK A RESOLUTION FOR ESTABLISHING THAT TASK FORCE AND CONSIDERATION OF ACTUAL COMMUNITY MEMBER NAMES IN EARLY MAY. TONIGHT STAFF IS LOOKING FOR DIRECTION, SPECIFICALLY ON THE CRITERIA; ALSO LOOKING FOR SOME DIRECTION ON HOW YOU WOULD LIKE TO SEE THIS TASK FORCE CHAIRED. IN THE PAST WITH SUCH A LARGE MEMBER TASK FORCE ON VISIONING AND GENERAL PLAN COMMITTEES WE'VE ACTUALLY HAD CO-CHAIRS AND STAFF WOULD SUGGEST THE CO-CHAIR MAY BE A GOOD OPTION IN THIS CASE AS WELL FOR SUCH A LARGE TASK FORCE OR COMMITTEE, AND OF COURSE HOW YOU WANT THAT CHAIR/CO-CHAIR APPOINTED WOULD BE SOMETHING WE WOULD BE LOOKING FOR GUIDANCE FROM YOU THIS EVENING. THAT CONCLUDES MY PRESENTATION, I WOULD BE HAPPY TO ANSWER ANY QUESTIONS.

Mayor Lane: THANK YOU ERIN. LET ME JUST START OFF WITH A COUPLE OF QUESTIONS. JUST SO I'M CLEAR ON THIS. THIS WOULD BE A TASK FORCE WITH A TOTAL OF 25 MEMBERS.

Erin Perreault: THAT'S WHAT WE'RE PROPOSING, CORRECT.

Mayor Lane: AND THE SELECTION PROCESS WOULD BE MADE FROM THE LIST THAT WOULD BE SUPPLIED TO THE COUNCIL OR WOULD THERE BE AN ALTERNATE LIST AS WELL?

Erin Perreault: MAYOR LANE, MEMBERS OF COUNCIL, IT WOULD BE A LIST OF 25 NAMES FOR YOUR CONSIDERATION AND ALSO ALTERNATE NAMES THAT FIT SIMILAR CRITERIA IN CASE SOME OF THOSE MEMBERS DROP OFF THE ORIGINAL LIST, NOMINATED TO YOU.

Mayor Lane: AND WHAT WOULD YOU ANTICIPATE WHAT THE ALTERNATE LIST MIGHT, HOW MANY MIGHT THAT ALTERNATIVE LIST.....

Erin Perreault: IT COULD POTENTIALLY BE 15-25 DEPENDING ON WHAT CRITERIA THEY WOULD NEED TO UTILIZE TO HELP REPLACE LIKE CRITERIA.

Mayor Lane: AND ON THIS PROPOSED TASK FORCE SELECTION CRITERIA, ITEM 3, THE TOWN HALL ALTERNATIVES 4, THEY'RE NOT NECESSARILY TOWN HALL PARTICIPANTS IN THE CURRENT PROCESS?

[Time: 05:09:11]

Erin Perreault: THEY DON'T HAVE TO BE PARTICIPANTS IN THE 3 HALF-DAY EVENT THAT WE HELD IN FEBRUARY, BUT THEY DID FILL OUT AN APPLICATION TO PARTICIPATE IN THAT BUT WEREN'T SELECTED AND THEY CHECKED YES TO WANTING TO PARTICIPATE ON A TASK FORCE OR COMMITTEE.

Mayor Lane: OK, SO THEY WOULD BE STILL FROM THE GROUP OF FOLKS THAT ORIGINALLY HAD APPLIED.

Erin Perreault: THAT'S CORRECT.

Mayor Lane: COUNCILMAN LITTLEFIELD.

Councilman Littlefield: I HAVE A COUPLE OF CONCERNS ABOUT WHAT YOU PUT HERE. FIRST OF ALL, NUMBER 8, ABILITY TO BE SOLUTION-ORIENTED AND CONSIDER/WORK WITH DIVERSE VIEWPOINTS. IN THE MEETING EARLIER TODAY YOU POINTED OUT THAT SOUNDS PRETTY VAGUE, BUT THE WAY THAT THAT WOULD BE ENFORCED WOULD BE FOR THE CHAIRMAN OF THE THREE GROUP OR THE CHAIRPERSON TO BE ABLE TO PICK AND SAY WELL I THINK SO-AND-SO HAS THE ABILITY TO BE SOLUTION-ORIENTED. THAT SOUNDS TO ME LIKE A WAY TO ELIMINATE PEOPLE WHO DON'T GO ALONG WITH THE CONVENTIONAL WISDOM. IT SOUNDS TO ME LIKE THAT COULD BE USED TO HOMOGENIZE THIS PROCESS. SO I WOULD OBJECT TO USING THAT AS A CRITERIA BECAUSE YOU WOULD THEN BE TAKING PEOPLE WHO MAYBE DIDN'T LIKE THE WAY THINGS WERE GOING AND PURPOSELY EXCLUDING THAT. SO THAT I BELIEVE NEEDS TO GO. SECOND CRITERIA THAT I THINK NEEDS TO BE ADDED HERE IS IT'S TIME TO NARROW THIS DOWN TO SCOTTSDALE RESIDENTS. IN THE VISIONING PROCESS WE ALLOWED STAKEHOLDERS WHETHER THEY WERE RESIDENTS OR NOT TO BE PART OF THE TASK FORCE. NOW THAT WE'RE GETTING DOWN TO THE SHORTER STRAIGHTS HERE, THE BOTTOM LINE IS WE HAVE TO REALIZE THAT THE GENERAL PLAN IS THE PROPERTY OF SCOTTSDALE VOTERS. ONLY SCOTTSDALE VOTERS GET TO VOTE ON WHETHER OR NOT THE GENERAL PLAN IS APPROVED. SO WE INCLUDED STAKEHOLDERS/NON-RESIDENTS BEFORE, IT'S TIME FOR US NOW TO NARROW THIS DOWN TO SCOTTSDALE RESIDENTS WHO ARE ACTUALLY GOING TO BE ELIGIBLE TO VOTE YES OR NO ON THE PLAN. AND THE THIRD THING IS, YOU HAVE ONE OF THE ALTERNATIVES THERE HOW TO APPOINT PEOPLE TO THE TASK FORCE AS OPPOSED TO HOW TO APPOINT THE CHAIRPERSON? WAS THAT ONE OF THE ITEMS ON THE EARLIER SLIDE?

[Time: 05:11:38]

THERE YOU GO. CRITERIA. COUNCIL TO DIRECT APPOINT. I WOULD LIKE TO SEE THAT BECAUSE IF WE REMEMBER, THIS WAS VERY POLITICAL BEFORE, IT IS POLITICAL IT'S A VOTE. IT'S GOING TO BE AN ELECTION. I THINK IT'S IMPORTANT THAT THE COUNCIL APPOINT THE MEMBERS OF THE TASK FORCE AS OPPOSED TO LETTING THE TOWN HALL DO IT.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN PHILLIPS.

Councilmember Phillips: THANK YOU MAYOR, AND THIS IS MORE FOR COUNCIL DISCUSSION. WHEN YOU HAVE YOUR CRITERIA, THE SLIDE BEFORE THAT. SELECTION CRITERIA, YOU'VE GOT 5. GENDER BALANCE, 6. AGE BALANCE, I DON'T THINK THAT'S REALLY NECESSARY. IF IT'S ALL WOMEN OR ALL MEN I REALLY DON'T CARE, I JUST WANT TO GET THE BEST PEOPLE FOR THE JOB SO I DON'T THINK WE SHOULD MAKE SURE WE HAVE 12 WOMEN AND 12 MEN. AGE THE SAME THING. I TEND TO THINK THAT AS YOU GET OLDER, YOU GET WISER, YOU GAIN SOME WISDOM IN YOUR AGE, TO HAVE A BALANCE IN AGE I DON'T EVEN SEE HOW THAT WORKS. YOU TAKE AN 18 YEAR OLD AND A 50 YEAR OLD AND ADD THEM TOGETHER AND DIVIDE BY TWO, PICK A 3-YEAR-OLD. SO I DON'T GET HOW THAT WORKS. AND I THINK ONE CRITERIA WE SHOULD ADD IS YOUR YEARS IN SCOTTSDALE. SOMEBODY THAT'S LIVED HERE FOR SIX MONTHS DOESN'T KNOW SCOTTSDALE AND THEY REALLY SHOULDN'T BE DECIDING WHICH WAY WE SHOULD GO AS OPPOSED TO SOMEONE WHO'S LIVED HERE FOR 50 YEARS AND REALLY UNDERSTANDS THE CITY. THAT CAN GO TO ANYBODY DEVELOPER OR NOT IF HE LIVED HERE. JOHN BERRY LIVED HERE ALL HIS LIFE, HE UNDERSTANDS. I'M NOT PICKING OUT CERTAIN PEOPLE BUT I THINK YEARS MAKES A DIFFERENCE MORE THAN AGE AND GENDER DOES. THOSE ARE MY TWO COMMENTS FOR NOW.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILMAN ROBBINS.

[Time: 05:13:54]

Councilman Robbins: THANK YOU MAYOR. JUST A FEW COMMENTS. I LIKE NUMBER 8, THE ABILITY FOR THE PERSON TO BE SOLUTION-ORIENTED BECAUSE AT THE END OF THIS WE DEFINITELY HAVE TO HAVE A PRODUCT THAT WE ARE PRODUCING, SO WE NEED PEOPLE THAT ARE FOCUSED ON THAT PRODUCT THAT'S BEING PRODUCED. AND WORKING WITH DIVERSE VIEWPOINTS I THINK IS IMPORTANT SO I LIKE NUMBER 8. WHEN WE MET BEFORE YOU TALKED ABOUT ONE OF THE CRITERIA BEING RESIDENTS VERSUS STAKEHOLDERS AND I NOTICED SOME APPROVED LANGUAGE THAT COUNCIL HAS APPROVED IN THE PAST, RELATIVE TO THAT. CAN YOU EXPLAIN THAT A LITTLE BIT FURTHER?

Erin Perreault: MAYOR LANE, MEMBERS OF COUNCIL, THE CURRENT GENERAL PLAN, WHICH IS COUNCIL ADOPTED AND VOTER RATIFIED ACTUALLY HAS THE DEFINITION OF CITIZEN AS BROADER DEFINITION THAN JUST A VOTING RESIDENT. SO THIS IS WHAT WE CURRENTLY USE WHEN WE DO OUR OUTREACH, THAT'S WHY WE WERE INCLUSIVE FOR THE TOWN HALL PROCESS. AND IT IS THE DEFINITION OF A PERSON WHO LIVES, WORKS OR OWNS PROPERTY IN SCOTTSDALE AND THAT'S WHO WAS INCLUDED THE LAST TIME AROUND. HISTORICALLY THAT'S WHAT WE'VE ALWAYS INCLUDED IN OUR OUTREACH PROCESSES, PREVIOUS VISIONING, SHARED VISION, FUTURE IN FOCUS HAS BEEN ALL-INCLUSIVE BEFORE AS WELL. WE ALSO HAVE IN OUR CURRENT GENERAL PLAN A ENTIRE COMMUNITY INVOLVEMENT ELEMENT, WHERE IT PROVIDES THAT GIVE EQUAL WEIGHT TO FOLKS THAT LIVE, WORK OR OWN PROPERTY IN SCOTTSDALE AS WELL. WE HAVE AN ENTIRE ELEMENT DEVOTED TO

COMMUNITY INVOLVEMENT THAT HAS A BROADER DEFINITION OF WHO SHOULD BE PARTICIPATING IN SCOTTSDALE.

Councilman Robbins: THANK YOU. AND I LIKE THAT BROADER DEFINITION AS WELL BECAUSE OBVIOUSLY THAT'S BEEN VOTER-APPROVED FROM OUR CURRENT GENERAL PLAN AND THAT'S GOING TO BE INCLUDED IN THE NEXT ONE I SUPPOSE AND I WOULD LIKE TO CONTINUE THAT AND USE THAT DEFINITION WHEN WE ARE SELECTING PEOPLE FOR THIS TASK FORCE. AND THEN YOU HAVE PART OF THE DISCUSSION ABOUT CITY COUNCIL APPOINTS TASK FORCE DIRECTLY. EXPLAIN THAT A LITTLE BIT, IS THAT A DIRECT APPOINTMENT, OR WE PUT UP A LIST, HOW DOES THAT WORK?

Erin Perreault: WE PUT THIS UP AS AN OPTION. BACK IN JANUARY COUNCIL UNANIMOUSLY ELECTED TO USE TOWN HALL IN TERMS OF BRINGING NAMES FORWARD FOR YOUR CONSIDERATION, NOMINATION WITH A RESOLUTION IN THE FUTURE. YOU COULD CERTAINLY DECIDE NOT TO DO THAT AT THIS POINT WHERE YOU WOULD BE DIRECTLY APPOINTING MEMBERS RATHER THAN UTILIZING THE TOWN HALL OPTION, ARIZONA TOWN HALL MAKING A RECOMMENDATION TO YOU. SO IT IS AN OPTION THAT YOU COULD UTILIZE. IT WOULD JUST BE DIFFERENT THAN THE DIRECTION WE GOT IN JANUARY FROM THE COUNCIL.

[Time: 05:16:42]

Councilman Robbins: OK. THANK YOU.

Mayor Lane: THANK YOU COUNCILMAN. COUNCILWOMAN KORTE.

Councilmember Korte: THANK YOU MAYOR. I'D LIKE TO MAKE A MOTION THAT WE ADOPT THE PROPOSED CRITERIA AS SET FORTH BY STAFF TO DEFINE THE 2014 TASK FORCE. THAT THE APPOINTMENTS OF THAT TASK FORCE BE DONE BY TOWN HALL, AND THAT THE CHAIR OR CO-CHAIR BE SELECTED BY THE TASK FORCE ONCE FORMED.

Councilwoman Milhaven: SECOND.

Mayor Lane: WOULD THE SECOND LIKE TO SPEAK TOWARD IT? I HAVE A QUESTION ABOUT IT. DID I UNDERSTAND YOU TO SAY THAT THE TASK FORCE WOULD BE SELECTED BY THE TOWN HALL?

Councilmember Korte: YES, THAT WAS THE ORIGINAL DIRECTION WE GAVE WHEN WE STARTED THIS PROCESS AND I WOULD LIKE TO CONTINUE WITH THAT.

[Time: 05:17:55]

Mayor Lane: OK. COUNCILMAN LITTLEFIELD.

Councilman Littlefield: I WOULD LIKE TO MAKE AN ALTERNATE MOTION THAT WE, IT WOULD BE THE SAME AS VIRGINIA'S MOTION, EXCEPT THAT WE REQUIRE TASK FORCE MEMBERS TO BE SCOTTSDALE VOTERS. I UNDERSTAND THAT WE HAD IN THE PAST ALLOWED OTHER STAKEHOLDERS, WELL WE DID THAT IN THE VISIONING PROCESS. THE VISIONING PROCESS HAD A SUBSTANTIAL NUMBER OF NON-RESIDENTS. SO WE DID THAT, BUT NOW THAT WE'RE GETTING DOWN TO SOMETHING THAT IS GOING

TO HAVE TO BE APPROVED BY SCOTTSDALE VOTERS, IT'S TIME FOR US TO NARROW THAT CRITERIA DOWN. I WOULD PROPOSE AN AMENDMENT TO HER MOTION THAT REQUIRES THAT THE MEMBERS OF THE TASK FORCE BE SCOTTSDALE VOTERS.

Councilmember Phillips: SECOND THAT.

Mayor Lane: MOTION'S BEEN MADE AND SECONDED TO ACCEPT THE CRITERIA THAT THE REQUIREMENT FOR PARTICIPATION IS THAT THEY BE DEFINED AS SCOTTSDALE VOTERS.

Councilman Littlefield: YES

Mayor Lane: THAT'S THE ALTERNATIVE MOTION THAT'S ON THE TABLE. COUNCILMAN ROBBINS?

Councilman Robbins: I HAVE A QUESTION ABOUT IT. SO ARE WE, TO PROVE A VOTER DO THEY HAVE TO BRING A CARD OR HOW DOES THAT WORK? THAT JUST SEEMS ODD.

[Time: 05:19:20]

Councilman Littlefield: WE HAVE A VOTER LIST, THE CITY CLERK HAS A LIST OF WHO'S A SCOTTSDALE VOTER.

Councilman Robbins: SO IF THEY LIVE HERE BUT THEY'RE NOT A VOTER, THEY CAN'T BE ON THERE.

Councilman Littlefield: THEY'RE NOT GOING TO GET TO VOTE ON IT ANYWAY, WHEN WE PUT IT ON THE BALLOT.

Councilman Robbins: THEY COULD REGISTER BETWEEN THEN AND NOW.

Mayor Lane: ALTERNATE MOTION, PREPARED TO VOTE ON THE ALTERNATE MOTION. ALL IN FAVOR OF THE ALTERNATE MOTION AS HAS BEEN DECIDED, PLEASE INDICATE BY AYE, REGISTER YOUR VOTE, OR NAY AND REGISTER YOUR VOTE. MOTION FAILS 5-2. WE HAVE THE ORIGINAL MOTION ON THE TABLE AND THAT IS TO APPROVE IT AS IS INDICATED HERE IN ITS ENTIRETY WITHOUT ANY EXCEPTIONS TO IT. I JUST WANT TO MAKE SOMETHING CLEAR. I'M SORRY IF I MISSED THIS EARLIER. WE'RE STILL TALKING ABOUT THE TOWN HALL PRESENTING CANDIDATES WITH US WITH AN ALTERNATE LIST THAT WE WOULD SELECT FROM.

[Time: 05:20:45]

Erin Perreault: THAT'S CORRECT.

Mayor Lane: OK, MAYBE IT'S THE WAY IT WAS STATED BUT I JUST WANTED TO MAKE SURE IT WAS CLEAR. OK. THANK YOU. COUNCILMAN PHILLIPS, YOU HAVE A COMMENT OR QUESTION?

Councilmember Phillips: THANK YOU MAYOR. I DIDN'T HEAR ANY DISCUSSION ON WHAT I SAID EARLIER, LIKE TO MAKE AN AMENDED MOTION ON COUNCILMEMBER KORTE'S, THAT WE REMOVE THE GENDER AND AGE BALANCE AND ADD LET'S SAY 25-YEAR RESIDENCE IN SCOTTSDALE.

Mayor Lane: DID YOU MAKE THAT MOTION? HE'S ASKING FOR AN ALTERNATIVE MOTION, I'M SORRY COUNCILMAN, COULD YOU EXPLAIN EXACTLY WHAT THAT WAS THEN?

Councilmember Phillips: IT'S AN AMENDED MOTION TO COUNCILWOMAN KORTE'S MOTION, BUT WITH THE STIPULATION OR CHANGE TAKING OFF GENDER AND AGE BALANCE, AND ADDING RESIDENT MUST BE 25 YEARS IN SCOTTSDALE.

Mayor Lane: YOU CAN ONLY AMEND IT IF COUNCILWOMAN KORTE DECIDED TO AMEND IT, OTHERWISE IT'S AN ALTERNATE MOTION.

Councilmember Phillips: I'M SORRY, LET'S MAKE IT AN ALTERNATE MOTION. SO ALTERNATE MOTION THAT YOU TAKE OFF THOSE TWO ITEMS GENDER AND AGE BALANCE, 5 AND 6, AND ADD THE 25 YEARS IN SCOTTSDALE RESIDENT AS A PREREQUISITE.

Mayor Lane: HOW MANY YEARS? WAS THAT 25 YEARS?

Councilmember Phillips: WELL, LET'S SAY TEN.

Mayor Lane: I'M SORRY, I JUST WANTED IT CLEAR.

Councilmember Phillips: OBVIOUSLY THAT'S GOING TO GO DOWN. LET'S MAKE IT TEN YEAR RESIDENT THEN. I DON'T WANT A BUNCH OF 6-MONTHS RESIDENTS IS THE POINT I'M TRYING TO GET ACROSS. IF YOU CAN THINK OF A BETTER WAY FOR ME TO SAY IT.

Mayor Lane: THERE'S A LOT OF ROOM BETWEEN 6 MONTHS AND 10 YEARS THOUGH. BUT IN ANY CASE, THAT'S THE MOTION THEN?

Councilmember Phillips: YES. TEN YEARS.

[Time: 05:22:58]

Mayor Lane: THE MOTION DIES FOR LACK OF A SECOND. SO WE HAVE, I DON'T KNOW IF IT'S THE ORIGINAL MOTION ANY LONGER, BUT NEVERTHELESS COUNCILWOMAN KORTE'S MOTION AND A SECOND ON THAT. I JUST HAVE ONE BASIC QUESTION. WHEN WE DO TALK ABOUT GENDER BALANCE, AGE BALANCE, AND ETHNICITY BALANCE, WE'RE NOT TALKING ABOUT QUOTAS IN THESE AREAS, WE'RE JUST TALKING ABOUT AN ATTEMPT TO MAINTAIN SOME RESEMBLANCE TO THE MAKEUP OF THE CITY.

Erin Perreault: MAYOR LANE, MEMBERS OF COUNCIL, WE HAVE A SPECIFIC POOL OF APPLICANTS THAT WE CAN CHOOSE FROM BUT WE KNOW WE'RE NOT GOING TO BE ABLE TO A BALANCE OF THEM. BUT OBVIOUSLY HAVING REPRESENTATION OF MALE AND FEMALE, DIFFERENT AGE GROUPS WITH DIFFERENT PERSPECTIVES IS SOMETHING THAT WE WOULD TRY TO ACHIEVE. IT MAY BE ONE PERSON OUT OF 25 POTENTIALLY, SO IT WON'T BE A QUOTA.

Mayor Lane: BECAUSE I DO AGREE WITH COUNCILMAN PHILLIPS IT BECOMES AN ISSUE SOMETIMES IF YOU'RE SELECTING SOMEONE WHO MAY BE LESS JUST BECAUSE YOU WANT TO FILL SOME KIND OF EITHER GENDER OR AGE OR ETHNICITY. BUT IN ANY CASE I THINK WE'RE READY TO VOTE. IF YOU'RE IN FAVOR OF THE MOTION PLACED BY COUNCILWOMAN KORTE, THEN PLEASE INDICATE BY AYE, IF YOU'RE OPPOSED WITH A NAY AND REGISTER YOUR VOTE. MOTION PASSES 6-1 WITH COUNCILMAN LITTLEFIELD'S NEGATIVE. SINCE IT'S NOT QUITE 10 O'CLOCK YET, AND JOYCE HAS BEEN WAITING PATIENTLY.

ITEM 21 MONTHLY FINANCIAL UPDATE

[Time: 05:25:12]

Mayor Lane: WE'LL GO AHEAD AND MOVE ON TO ITEM 21, THE MONTHLY FINANCIAL UPDATE.

Accounting Director Joyce Gilbride: MAYOR LANE AND MEMBERS OF THE CITY COUNCIL, THIS IS THE MONTHLY FINANCIAL UPDATE AS OF FEBRUARY 28, 2013. BEGINNING WITH GENERAL FUND OPERATING SOURCES, FISCAL YEAR TO DATE, WE'RE SHOWING A POSITIVE 3% VARIANCE, OR \$3.7 MILLION IN OUR GENERAL FUND SOURCES. THE PRIMARY DRIVERS OF THAT POSITIVE VARIANCE ARE MISCELLANEOUS REVENUE, AT \$2.5 MILLION. \$1.3 MILLION OF THAT TOTAL IS RELATED TO THE SETTLEMENT OF THE AGREEMENT WITH THE ARIZONA STATE RETIREMENT SYSTEM, \$.5 MILLION IS THE RESULT OF OUR SALES TAX REFUND WE RECEIVED IN FEBRUARY. ADDITIONALLY, WE HAVE A \$2 MILLION FAVORABLE VARIANCE AT THIS POINT IN OUR BUILDING PERMIT REVENUE. THIS IS UP FROM \$1.7 MILLION THAT WE SAW AT THE END OF JANUARY, AND FOR THE MONTH OF FEBRUARY, WE DID REALIZE A 50% INCREASE OVER OUR BUDGETED REVENUE FOR THE MONTH. SO THAT CONTINUES TO TREND UPWARD. BASICALLY THE EXPLANATION IS JUST INCREASED ACTIVITY, HIGHER VALUATION, SOME OF THE MULTI-FAMILY PROJECT SUCH AS SKYSONG AND BROADSTONE LINCOLN ARE CAUSING THAT INCREASE.

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MOVING ON TO OUR 1% SALES TAX COLLECTIONS BY CATEGORY, FISCAL YEAR TO DATE, WE SHOW A 1% UNFAVORABLE VARIANCE TO BUDGET. HOWEVER, ACTUAL TO ACTUAL FISCAL YEAR TO DATE WE HAVE ACHIEVED A 5% INCREASE OVER OUR PRIOR YEAR REVENUES AND THAT IS WHAT WE HAD BUILT OUR BUDGET ON. SO IN THE EIGHTH MONTH OF ACTIVITY WE HAVE FINALLY ACHIEVED THAT. MOST CATEGORIES AREN'T REFLECTING MUCH OF A CHANGE FROM THE PRIOR MONTH. WE DO STILL SEE THAT THE CONSTRUCTION CATEGORIES DOWN 10%. SOME OF THE CONSUMER SPENDING, THE RETAIL CATEGORIES ARE HELPING TO OFFSET THAT. I DO BELIEVE THAT COUNCILMEMBER KORTE HAD ASKED A QUESTION RELATING TO THE HOTEL LODGING AND MISCELLANEOUS SALES. IN OUR JANUARY REPORT WE DID SHOW THAT WE WERE FLAT WITH THE PRIOR FISCAL YEAR. WE DID HAVE A GOOD MONTH IN FEBRUARY, WE HAD A 30% INCREASE ABOVE OUR FORECASTED AMOUNT, SO WE ARE NOW FLAT WITH OUR FORECAST FOR THE YEAR. WE DO HAVE A COUPLE MORE MONTHS WHERE WE'LL HOPEFULLY SEE THAT CONTINUE TO INCREASE. AND THIS CHART SHOWS THE YEAR OVER YEAR CHANGE IN THE 1% SALES TAX. FOR THE MONTH OF FEBRUARY 2013, WE SAW A 9.7% INCREASE OVER FEBRUARY 2012. SO AGAIN THAT HELPED US ACHIEVE THAT 5% GOAL THAT WE HAD SET.

MOVING TO GENERAL FUND OPERATING USES, TOTAL PERSONNEL SERVICES SHOWS AN UNFAVORABLE VARIANCE OF \$.4 MILLION. THAT'S PRIMARILY OCCURRING IN OUR OVERTIME LINE ITEM. THE MAJORITY OF THAT IS RELATED TO POLICE OVERTIME. ABOUT 97% OF THAT IS POLICE AND THE BALANCE IS FIRE. FOR THE MONTH OF FEBRUARY WE DID SHOW THAT THE POLICE EXCEEDED THEIR OVERTIME BUDGET BY MORE THAN 80%. THEY HAD BUDGETED ABOUT \$275 THOUSAND AND ENDED UP SPENDING SLIGHTLY OVER \$500,000. HOWEVER, IN THE MONTH OF MARCH, THEY HAVE BUDGETED ABOUT \$460,000 SO I'M WONDERING IF MAYBE THERE WAS JUST A TIMING ISSUE THERE WITH THEIR BUDGET. SO WE'LL HAVE TO SEE HOW THE NEXT MONTH TURNS OUT.

CONTRACTUAL COMMODITIES AND CAPITAL OUTLAY, WE'RE CURRENTLY SHOWING AT \$3.2 MILLION POSITIVE VARIANCE. MOST OF THAT IS OCCURRING IN THE CONTRACTUAL LINE ITEMS. WE HAVE SIGNIFICANT SAVINGS IN THE JAIL SERVICES CONTRACT, PHOTO ENFORCEMENT CONTRACT, SOME OF OUR UTILITIES AND IN OTHER CONTRACTUAL AGREEMENTS. SO IN TOTAL OUR OPERATING EXPENSES ARE SHOWING A 2% FAVORABLE VARIANCE OR \$2.8 MILLION. DEBT SERVICING CONTRACTS ARE FLAT WITH A BUDGET OF \$33.9 MILLION AND REFLECT THE NORDSTROM GARAGE LEASE PAYOFF. AND TRANSFERS OUT ARE SLIGHTLY ABOVE BUDGET AT \$3.3 MILLION.

AND LOOKING AT USES BY DIVISION, ALL DIVISIONS ARE SHOWING A SAVINGS AT THIS POINT. IN MAYOR AND COUNCIL AND CHARTER OFFICERS, ABOUT HALF OF THAT \$7 MILLION IS OCCURRING IN THE CITY ATTORNEY'S OFFICE AND THE CITY CLERK'S OFFICE. AND THOSE ARE SAVINGS IN CONTRACTUAL LINE ITEMS. COMMUNITY SERVICES THEIR \$.9 MILLION FAVORABLE VARIANCE IS IN PERSONNEL SERVICES, PRIMARILY PART-TIME HOURS, AND THEN PUBLIC SAFETY POLICE YOU SEE WE ARE NOT SHOWING A VARIANCE. THEY ARE AT THIS TIME STILL ABLE TO OFFSET THE NEGATIVE VARIANCE THEY HAVE IN THEIR OVERTIME OR PERSONNEL SERVICES IN TOTAL WITH THE SAVINGS IN THE JAIL SERVICES CONTRACT, THE PHOTO RADAR CONTRACT, AND ALSO FLEET, MAINTENANCE AND OPERATIONS, ALTHOUGH THOSE MAY NOT HOLD THROUGH THE END OF THE FISCAL YEAR. THE FLEET M&O CHARGES, THE SAVINGS THEY HAVE EXPERIENCED SO FAR ARE RELATED TO FUEL, BUT THOSE COSTS ARE INCREASING SO WE'LL SEE SOME OF THAT SAVINGS GO DOWN. AND THEN FINALLY PUBLIC WORKS HAS A FAVORABLE VARIANCE OF \$.6 MILLION. THAT IS AGAIN OCCURRING PRIMARILY IN UTILITIES, WATER, SEWER, SOLID WASTE AND NATURAL GAS. SO IN TOTAL AGAIN WE HAVE A 2% FAVORABLE VARIANCE OR \$2.8 MILLION.

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AND THEN THIS FINAL SCREEN JUST SUMMARIZES OUR SOURCES AND USES FISCAL YEAR TO DATE. WE ARE IN TOTAL \$6.2 MILLION FAVORABLE CHANGE IN OUR FUND BALANCE. I'D BE HAPPY TO ANSWER ANY QUESTIONS THAT YOU HAVE.

Mayor Lane: THANK YOU JOYCE. NOT ONLY A GREAT PRESENTATION BUT GREAT LOOKING PRESENTATION. A SENSE OF WHERE WE'RE HEADING AND WHAT WE'RE DOING, SO THAT'S NICE TO HEAR. AND CONTINUING TO WORK ON SOME OF THE AREAS WHERE WE ARE LOOKING AT THE OVERTIME SITUATION I PRESUME AND THERE IS SOME MITIGATING OR CIRCUMSTANCES OF SAVINGS. LOOKS GOOD, AND GETTING BACK TO THE 5%, INCIDENTALLY, ARE WE ABOVE THE 5%, I COULDN'T GET IT QUITE FROM THE NUMBERS.

Joyce Gilbride: WE'RE RIGHT ABOUT AT THE 5% BUT THIS IS THE FIRST MONTH THAT WE'VE ACHIEVED THAT ACTUAL TO ACTUAL FISCAL YEAR TO DATE. SO HOPEFULLY WE CAN HOLD THAT THROUGH TO THE END OF THE FISCAL YEAR.

Mayor Lane: EXCELLENT. GOOD. I DON'T SEE THAT WE HAVE ANY QUESTIONS OF YOU, SO THANK YOU VERY MUCH FOR YOUR PRESENTATION.

ADJOURNMENT

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I DIDN'T THINK WE'D GET TO THIS BUT WE DON'T HAVE ANY PETITION ITEMS AND WE DON'T HAVE ANY MAYOR AND COUNCIL ITEMS. WE ARE THEN READY FOR ADJOURNMENT AND IT'S SECONDED. ALL THOSE IN FAVOR OF ADJOURNMENT INDICATE BY AYE. WE ARE ADJOURNED. THANK YOU VERY MUCH.