

SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
WEDNESDAY, DECEMBER 2, 2015



CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:06 P.M. on Wednesday, December 2, 2015, in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane
Vice Mayor David N. Smith
Councilmembers Suzanne Klapp, Virginia Korte, Kathleen S. Littlefield,
Linda Milhaven, and Guy Phillips

Also Present: Acting City Manager Brian Biesemeyer
City Attorney Bruce Washburn
City Treasurer Jeff Nichols
City Auditor Sharron Walker
City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Girl Scout Troop 124; Leaders Erin Quill, Melissa Jones, and Tamara Rinck

INVOCATION – Pastor Rustin Rossello, Scottsdale Bible Church

MAYOR'S REPORT – None

PRESENTATION/INFORMATION UPDATES – None

PUBLIC COMMENT – None

ADDED ITEMS

A1. Added Items

The supporting materials for Item Nos. 22, 31, and 32 will be added to the agenda less than ten days prior to the meeting and will require a separate vote to remain on the agenda.

Request: Vote to accept the agenda as presented or to continue the added item(s) to the January 11, 2016 Council meeting.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

MOTION AND VOTE – ADDED ITEMS

Councilmember Korte made a motion to accept the agenda as presented. Councilwoman Klapp seconded the motion, which carried 7/0.

CONSENT AGENDA

- 1. B&R Wine – Food Liquor License (101-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7366 E. Shea Boulevard, Suite 112
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. Z'Tejas Grill Liquor License (102-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7014 E. Camelback Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. Grape Wine Bistro Liquor License (103-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.
Location: 23335 N. Scottsdale Road, Suite D105
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 4. New York's Best Italian Bistro Liquor License (104-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 13901 N. 73rd Street, Suite 215-217
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 5. Voila Liquor License (105-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 10135 E. Via Linda, Suite C120
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. Sel Liquor License (106-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.
Location: 7044 E. Main Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 7. Classic Cooking Liquor License (107-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person transfer of a Series 7 (beer and wine bar) State liquor license for an existing location with a new owner.
Location: 10411 E. McDowell Mountain Ranch Road, Suite 110 and 120
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 8. New York Pizza Department Liquor License (108-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an acquisition of control change for an existing Series 12 (restaurant) State liquor license.
Location: 10433 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 9. New York Pizza Department Liquor License (109-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an acquisition of control change for an existing Series 12 (restaurant) State liquor license.
Location: 14884 N. Pima Road, Suite 107
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 10. Pinnacle Grille Liquor License (110-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 10428 E. Jomax Road, Suite 101
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 11. Decantur Winery Liquor License (111-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location and owner.
Location: 18221 N. Pima Road, Suite 100 and 105
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 12. Eddie Merlot's Prime Aged Beef and Seafood Liquor License (112-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.
Location: 23207 N. Scottsdale Road, Suite B115
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 13. Sienna Hills Abandonment (8-AB-2014)**
Request: Adopt **Resolution No. 10273** extending the time to fulfill the conditions for abandoning approximately 322 feet of the north 25 feet of E. Sahuaro Drive right-of-way located approximately 215 feet west of N. 124th Street, and the abandonment of approximately 465 feet of the 33-foot-wide Government Land Office easement located along the E. Sahuaro Drive alignment approximately 537 feet west of N. 124th Street.
Location: E. Sahuaro Drive alignment, west of N. 124th Street
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 14. Mountainside Plaza Rezoning (19-ZN-1987#4)**
Request: Adopt **Ordinance No. 4232** approving a request by the owner for a zoning district map amendment from Highway Commercial – Planned Community District (C-3 PCD), Multiple-Family Residential – Planned Community District (R-5 PCD) and Service Residential (S-R) zoning districts to Highway Commercial (C-3) and Service Residential (S-R) zoning districts on approximately 1.9 acres of land located within Mountainside Plaza.
Location: 10683 and 10687 N. 116th Street and 11612 E. Shea Boulevard
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 15. Drainage and Flood Control Easement**
Request: Adopt **Resolution No. 10259** authorizing the acceptance of a drainage and flood control easement to construct drainage improvements.
Location: 8525 E. Pinnacle Peak Road
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 16. Drainage and Flood Control Easement**
Request: Adopt **Resolution No. 10260** authorizing the acceptance of a drainage and flood control easement to construct drainage improvements.
Location: 6702 E. Paradise Drive
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 17. Surplus Property Conveyance**
Request: Adopt **Resolution No. 10271** authorizing the sale of a City-owned vacant residential lot in the DC Ranch master planned community to Scott Moore for \$706,000.
Location: 9786 E. Kemper Way
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 18. Creation of Five Capital Projects from General Obligation Bond Proceeds**
Request: Adopt **Resolution No. 10283** authorizing the creation of five capital projects and transferring budget appropriation in the amount of \$21,361,290 from the FY 2015/16 General Fund Capital Contingency Budget to each of the projects in the amounts specified, with \$20,850,000 to be funded by Bond 2015 proceeds and \$511,290 to be funded by the General Fund and the Transportation Sales Tax.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

19. Construction Phase Services Contract for Booster Pump Station Improvements

Request: Adopt **Resolution No. 10272** to authorize:

1. CM@Risk Contract No. 2015-010-COS-A1 with MGC Contractors, Inc., in the amount of \$3,371,080 for booster pump station improvements at Water Booster Pump Station 42B.
2. A FY 2015/16 budget appropriation transfer in the amount of \$300,000 from the Chaparral Water Treatment Plant Membrane Communications System Upgrades CIP project (WB68) to the Booster Pump Station 42B Infrastructure Improvements CIP project (WB67).

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555,
dworth@scottsdaleaz.gov

20. Solid Waste Disposal Facilities Agreement Amendment

Request: Adopt **Resolution No. 10306** authorizing Agreement No. 1994-041-COS-A7 with the Salt River Pima-Maricopa Indian Community, and its division, the Salt River Commercial Landfill Company, to extend the term of the agreement from December 31, 2015, to March 4, 2016.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555,
dworth@scottsdaleaz.gov

21. Community Health and Wellness Programs Collaboration Agreement

Request: Adopt **Resolution No. 10267** authorizing Contract No. 2015-236-COS with HonorHealth to collaborate on community health and wellness programs and activities.

Staff Contact(s): William Murphy, Community Services Director, 480-312-7954,
bmurphy@scottsdaleaz.gov

22. Use of Stadium Facilities Capital Improvement Funds for Scottsdale Stadium Masterplan

Request: Authorize the use of \$250,000 from the Stadium Facilities Capital Improvement Fund for a Masterplan of Scottsdale Stadium and baseball training facilities. The masterplan will help develop a long-term vision and a detailed evaluation process of the entire stadium and training facilities to improve the overall fan experience and expansion to meet long-term baseball operations.

Staff Contact(s): William Murphy, Community Services Director, 480-312-7954,
bmurphy@scottsdaleaz.gov

23. Police Department Property and Evidence Unit Staffing

Request: Adopt **Resolution No. 10294** authorizing the addition of 0.5 Full-Time Equivalent (FTE) position to the Police Department Property and Evidence Unit to be combined with an existing 0.5 FTE position to create a 1.0 FTE position.

Staff Contact(s): Alan Rodbell, Chief of Police, 480-312-1900,
arodbell@scottsdaleaz.gov

24. Aviation Real Estate Brokerage Consulting Services Contract

Request: Adopt **Resolution No. 10253** authorizing Contract No. 2015-230-COS with DMD Real Estate Group, LLC, for aviation real estate brokerage consulting services.

Staff Contact(s): Gary Mascaro, Aviation Director, 480-312-7735,
gmascaro@scottsdaleaz.gov

25. Airport Code Amendments

Requests:

1. Adopt **Ordinance No. 4204** repealing Appendix A, Airport Zoning, of the Scottsdale Revised Code.
2. Adopt **Ordinance No. 4228** amending Chapter 5, Aviation, Section 5-101, Definitions, and Section 5-354, General Requirements, of the Scottsdale Revised Code.

Staff Contact(s): Gary Mascaro, Aviation Director, 480-312-7735, gmascaro@scottsdaleaz.gov

26. Procurement Code Amendments

Requests:

1. Adopt **Resolution No. 10269** declaring the document entitled "Amendments to Chapter 2, Article IV, Division 4 of the Scottsdale Revised Code" to be a public record.
2. Adopt **Ordinance No. 4227** amending Chapter 2, Article IV, Division 4, of the Scottsdale Revised Code pertaining to the procurement code.

Staff Contact(s): James Flanagan, Purchasing Director, 480-312-5706, jflanagan@scottsdaleaz.gov

27. Independent Cost Estimating for Water Resources Engineering Services Contract

Request: Adopt **Resolution No. 10284** authorizing Contract No. 2015-242-COS with Atkins North America, Inc., in an amount not to exceed \$90,000, for professional independent cost estimating services on select water and water reclamation projects.

Staff Contact(s): Brian Biesemeyer, Water Resources Director, 480-312-5683, bbiesemeyer@scottsdaleaz.gov

28. 2015 Maricopa County Multi-Jurisdictional Hazard Mitigation Plan

Request: Adopt **Resolution No. 10286** approving the 2015 Maricopa County Multi-Jurisdictional Hazard Mitigation Plan.

Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288, bstockwell@scottsdaleaz.gov

29. Scottsdale Cultural Council Facility Improvements Budget Transfer

Request: Adopt **Resolution No. 10305** authorizing: (1) A budget appropriation transfer in the amount of \$550,000 from the adopted FY 2015/16 General Fund Capital Contingency to newly created projects within the Tourism and Events operating budget, to be funded with General Fund Operating Unreserved Fund Balance; and (2) a match payment no later than June 30, 2016, to the Scottsdale Cultural Council in the amount of the lesser of \$100,000 or the amount of third party donations to the Scottsdale Cultural Council dedicated to the Canal Convergence event.

Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288, bstockwell@scottsdaleaz.gov

30. Monthly Financial Report

Request: Accept the FY 2014/15 Monthly Financial Report as of June 2015 (fiscal year-end).

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 30. Vice Mayor Smith seconded the motion, which carried 7/0.

REGULAR AGENDA

31. Gallery Non-Major General Plan Amendment and Rezoning (3-GP-2015 and 12-ZN-2015)

Requests:

1. Adopt **Resolution No. 10287** authorizing Development Agreement No. 2015-243-COS with Mike Vinson Automotive, Inc., outlining specific development standards for the property located at 7123 E. Earll Drive.
2. Adopt **Resolution No. 10308** authorizing Development Agreement No. 2015-246-COS with Pearl D. Pegler Trust outlining specific development standards for the property located at 3034 N. Scottsdale Road.
3. Adopt **Resolution No. 10279** approving a Non-Major General Plan Amendment to the Scottsdale General Plan 2001 Conceptual Land Use Map from the Mixed-Use Neighborhoods land use designation to the Urban Neighborhoods land use designation on a 1.2±-acre site located at 3126 N. 71st Street.
4. Adopt **Ordinance No. 4230** approving a zoning district map amendment from Highway Commercial (C-3) zoning to Multiple-Family Residential (R-5) zoning, and determining that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan for a 1.2±-acre site located at 3126 N. 71st Street.

Presenter(s): Brad Carr, Sr. Planner

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

Senior Planner Brad Carr gave a PowerPoint presentation (attached) on the non-major general plan amendment and rezoning requests.

Applicant Jordon Rose made a presentation on the non-major general plan amendment and rezoning requests.

Mayor Lane opened public testimony.

The following spoke in support of the non-major plan amendment and rezoning requests:

Austin Jack, Scottsdale Gateway Alliance
Brian Krob, Scottsdale Gateway Alliance

Mayor Lane closed public testimony.

MOTION AND VOTE NO. 1 – ITEM 31

Councilman Phillips made a motion to adopt Resolution No. 10287 authorizing Development Agreement No. 2015-243-COS with Mike Vinson Automotive, Inc. Councilwoman Klapp seconded the motion, which carried 7/0.

MOTION AND VOTE NO. 2 – ITEM 31

Councilmember Korte made a motion to adopt Resolution No. 10308 authorizing Development Agreement No. 2015-246-COS with Pearl D. Pegler Trust. Councilwoman Klapp seconded the motion, which carried 7/0.

MOTION AND VOTE NO. 3 – ITEM 31

Councilman Phillips made a motion to adopt Resolution No. 10279 approving a Non-Major General Plan Amendment to the Scottsdale General Plan 2001 Conceptual Land Use Map from the Mixed-Use Neighborhoods land use designation to the Urban Neighborhoods land use designation on a 1.2±-acre site located at 3126 N. 71st Street. Councilwoman Klapp seconded the motion, which carried 7/0.

MOTION AND VOTE NO. 4 – ITEM 32

Councilman Phillips made a motion to adopt Ordinance No. 4230 approving a zoning district map amendment from Highway Commercial (C-3) zoning to Multiple-Family Residential (R-5) zoning, and determining that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan for a 1.2±-acre site located at 3126 N. 71st Street. Councilwoman Klapp seconded the motion, which carried 7/0.

32. Bahia Work Live Play Rezoning (14-ZN-2014#2)

Requests:

1. Adopt **Ordinance No. 4231** approving a zoning district map amendment to amend the Planned Airpark Core Development, Airpark Mixed Use – Residential (PCP AMU-R PCD) zoning, zoning case stipulations, and development plan for the Bahia Work/Live/Play project, previously approved with Case No. 14-ZN-2014, to change the special improvements commitment required as a condition of zoning approval for up to 15 feet of bonus building height and up to 0.1 of bonus Floor Area Ratio. The special improvements commitment is proposed to be changed from a payment toward off-site improvements to project compliance with the International Green Construction Code and payment toward the Cultural Improvement (Public Art) Program (including public access easements), pursuant to Zoning Ordinance Section 5.4008.F, for property located at 16576 N. 92nd Street.
2. Adopt **Resolution No. 10277** declaring the document entitled “Bahia Work Live Play Project” as a public record.
3. Adopt **Resolution No. 10278** authorizing Development Agreement No. 2014-188-COS-A1 with Bahia Live/Work Lofts and Townhomes, LLC, for property located at 16597 N. 92nd Street.

Presenter(s): Greg Bloemberg, Sr. Planner

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

Senior Planner Greg Bloemberg gave a PowerPoint presentation (attached) on the rezoning request.

Applicant Irene Clary gave a presentation on the rezoning request.

MOTION AND VOTE – ITEM 32

Councilmember Korte made a motion to approve Option 1 to adopt Ordinance 4231 and Resolutions 10277 and 10278. Councilwoman Milhaven seconded the motion, which carried 5/2, with Councilmembers Littlefield and Phillips dissenting.

33. 2016 State Legislative Agenda

Request: Consider the approval of the City of Scottsdale's 2016 State Legislative Agenda.

Presenter(s): Brad Lundahl, Government Relations Director

Staff Contact(s): Brad Lundahl, Government Relations Director, 480-312-2683, blundahl@scottsdaleaz.gov

Government Relations Director Brad Lundahl gave a PowerPoint presentation (attached) on the proposed 2016 State Legislative Agenda.

MOTION AND VOTE – ITEM 32

Councilmember Korte made a motion to approve the City's 2016 State Legislative Agenda. Councilwoman Klapp seconded the motion, which carried 7/0.

34. Fiscal Year 2014/15 Annual Financial Audit

Request: Accept the FY 2014/15 annual financial audit reports submitted by the City's external auditors, Heinfeld, Meech & Co., P.C.

Presenter(s): Sharron Walker, City Auditor

Staff Contact(s): Sharron Walker, City Auditor, 480-312-7867, swalker@scottsdaleaz.gov

City Auditor Sharron Walker gave a PowerPoint presentation (attached) on the FY 2014/15 annual financial audit reports.

MOTION AND VOTE – ITEM 34

Councilwoman Klapp made a motion to accept the FY 2014/15 annual financial audit reports as submitted. Councilmember Korte seconded the motion, which carried 7/0.

35. Comprehensive Financial Policies and Governing Guidance

Request: Adopt **Resolution No. 10299** relating to Comprehensive Financial Policies and Governing Guidance as the formal guidelines for the City of Scottsdale's FY 2016/17 financial planning and management.

Presenter(s): Jeff Nichols, City Treasurer

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the comprehensive financial policies and governing guidance.

MOTION AND VOTE – ITEM 35

Councilmember Korte made a motion to adopt Resolution No. 10299 relating to Comprehensive Financial Policies and Governing Guidance as the formal guidelines for the City of Scottsdale's FY 2016/17 financial planning and management. Councilwoman Milhaven seconded the motion, which carried 7/0.

36. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of October 2015.

Presenter(s): Jeff Nichols, City Treasurer

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of October 2015.

PUBLIC COMMENT – Randall Young advised the Council about concerns for his life.

CITIZEN PETITIONS

37. Receipt of Citizen Petitions

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

Staff Contact(s): Carolyn Jagger, City Clerk, 480-312-2411, cjagger@scottsdaleaz.gov

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS

MOTION AND VOTE NO. 1 – MAYOR AND COUNCIL ITEMS

Mayor Lane made a motion to direct the City Manager to agendize for discussion and possible action analysis of the material and data that were provided in a previous transportation study on downtown parking, as well as any staff recommendations and/or options for Council consideration. Councilmember Korte seconded the motion, which carried 7/0.

MOTION AND VOTE NO. 2 – MAYOR AND COUNCIL ITEMS

Councilman Phillips made a motion to direct staff to agendize a discussion, sometime in the near future, on the City's one-percent (1%) public art allocation as it relates to special improvements commitments and the eleven different areas it can go to. Vice Mayor Smith seconded the motion, which carried 5/2, with Councilmembers Korte and Milhaven dissenting.

ADJOURNMENT

The Regular City Council Meeting adjourned at 6:44 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

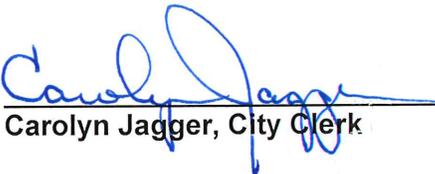
Officially approved by the City Council on January 11, 2016

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 2nd day of December 2015.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 11th day of January 2016.



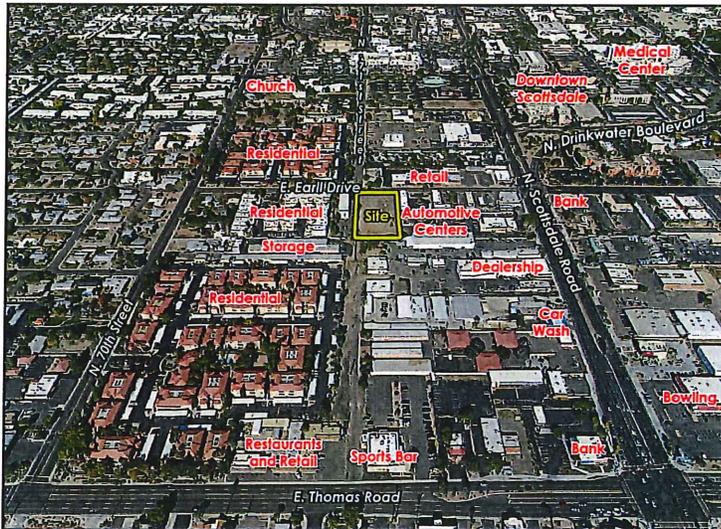
Carolyn Jagger, City Clerk

Item 31

Gallery 3-GP-2015 12-ZN-2015

Coordinator: Brad Carr, AICP, LEED AP
December 2, 2015

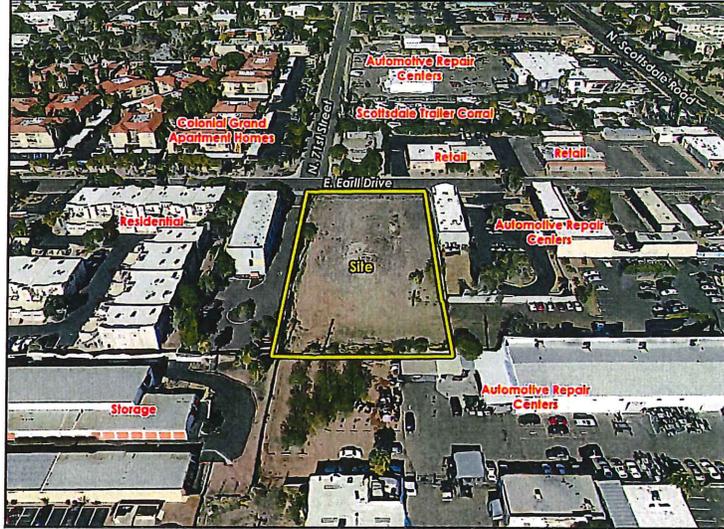
Gallery



OBLIQUE CONTEXT AERIAL

3-GP-2015 & 12-ZN-2015

Gallery



OBLIQUE DETAIL AERIAL

3-GP-2015 & 12-ZN-2015

Gallery



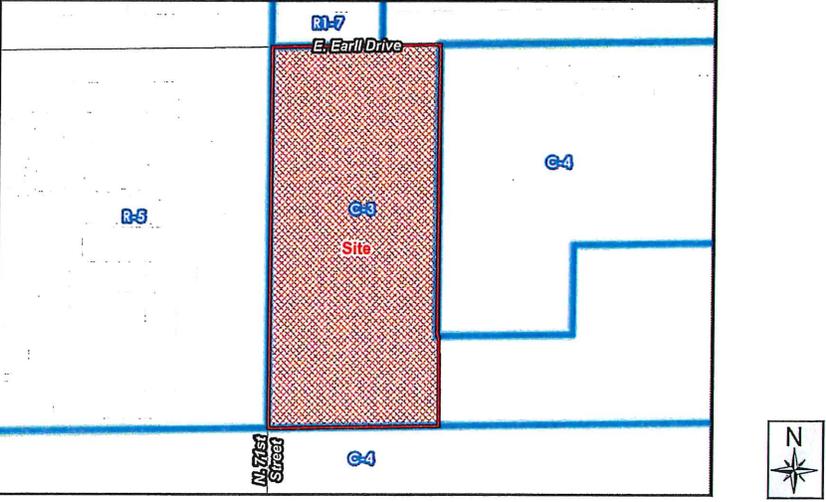
GENERAL PLAN – EXISTING

3-GP-2015

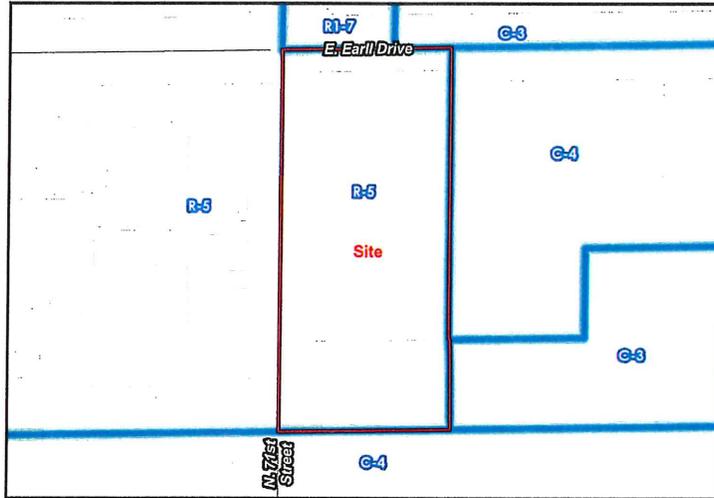
Gallery



Gallery



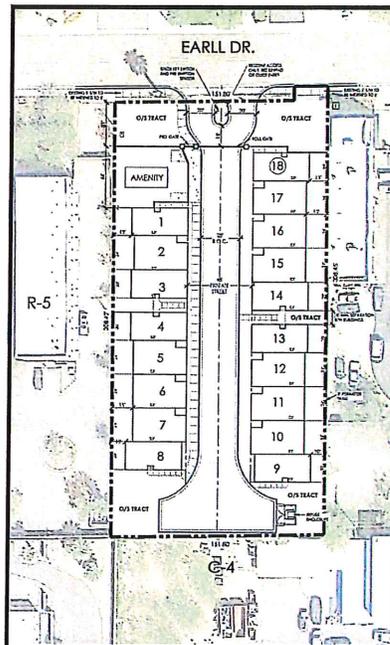
Gallery



PROPOSED ZONING

12-ZN-2015

Gallery



PROPOSED SITE PLAN

12-ZN-2015

Gallery



25-FOOT SETBACK

Gallery



LEGAL PROTESTS FILED

12-ZN-2015

Gallery

October 28, 2015 Planning Commission Hearing:

- Supported providing the new housing option and reinvestment
- Concerned with the new 25-foot setback imposition on adjacent commercial property
- Advised applicant to find a solution
- Continued case to November 18th hearing with a vote of 5-1.

November 18, 2015 Planning Commission Hearing:

- Applicant mentioned possible solution (Development Agreement)
- Planning Commission recommended approval of the General Plan and Rezoning with a vote of 6-0.

PLANNING COMMISSION DIRECTION

3-GP-2015 & 12-ZN-2015

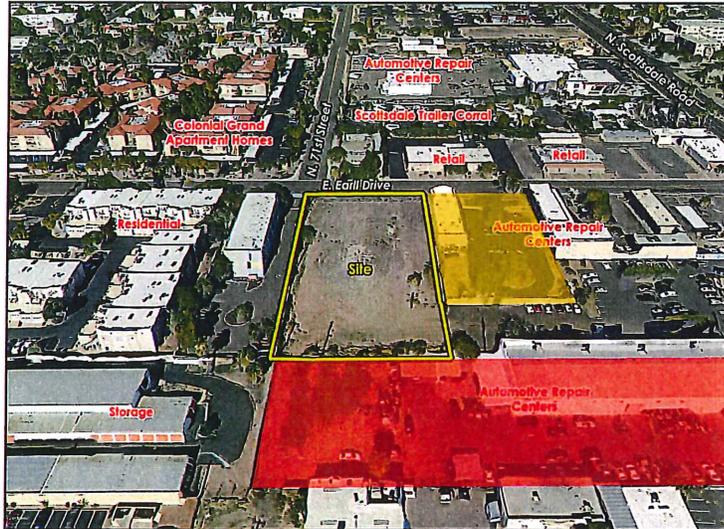
Gallery

POLICY IMPLICATIONS

- Development Agreements to resolve conflicts present long term city-wide implications
- Agreements are long-term and create inconsistent application and treatment of zoning standards
- Agreements proposed are not limited in term, but are perpetual
- In the future, the issues needing to be resolved could be substantially significant and impactful
- Development Agreements of special zoning standards make zoning difficult to manage and administer
- Agreements as a tool to resolve conflicts may provide additional incentive for other property owners to file legal protests to leverage special zoning standards or other items from the City
- Other alternative solutions

12-ZN-2015

Gallery



LEGAL PROTESTS FILED

12-ZN-2015

Gallery

3-GP-2015

12-ZN-2015

Coordinator: Brad Carr, AICP, LEED AP

December 2, 2015

Gallery

Existing Use:	Vacant, non-developed
Proposed Use:	Residential
Buildings/Description:	18 single-family townhomes
Parcel Size:	1.2 +/- acres (gross)
Building Height Allowed:	36 feet
Building Height Proposed:	Maximum of 36 feet
Parking Required:	36 spaces
Parking Provided:	36 spaces
Open Space Required:	10,296 sq. ft. / 0.24 acres
Open Space Provided:	14,677 sq. ft. / 0.34 acres
Density Allowed:	Maximum of 23 du/acre
Density Proposed:	15 du/acre

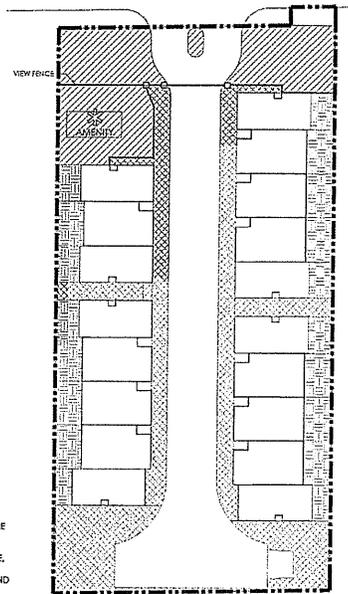
DEVELOPMENT INFORMATION

12-ZN-2015

Gallery

THEMATIC LANDSCAPE ZONES

-  **FRONTAGE LANDSCAPE ZONE:** CHARACTERIZED BY A GROVE OF LUSH TREES AT THE ENTRY AND BUILDING A SENSE OF ANTICIPATION BY INCORPORATING A CRESCENDO OF LOW WALLS THAT CULMINATE IN A SENSE OF COMFORT AND SECURITY.
-  **COMMON LANDSCAPE ZONE:** CHARACTERIZED BY LUSH PLANT MATERIAL AND THE SENSE OF AN OASIS IN THE MIDSOT OF AN URBAN SETTING. PLANTINGS FRAME THE PROJECT & ARCHITECTURE CREATING A SENSE OF CONNECTION BETWEEN THE OUTDOORS AND THE URBAN FORM.
-  **PRIVATE LANDSCAPE ZONE:** CHARACTERIZED BY ONE'S UNIQUE PERSONAL STYLE, PRIVATE SPACES SERVE AS OPPORTUNITIES TO SUPPORT A VARIATION OF INDIVIDUAL LANDSCAPE & HARDSCAPE EXPRESSIONS WITH A PRIVATE AREA, AND SERVE AS A BUFFER TO ADJACENT PROPERTIES THROUGH MATURE TREE PLANTINGS.



PROPOSED LANDSCAPE PLAN

12-ZN-2015

Vibrant Downtown Location

Modern Elegance

Ownership

Added Stipulations of Approval:

3) DISCLOSURE OF ADJACENT USES AND ZONING. The owner shall be required to disclose the adjacent uses and zoning of properties in the area of the site, including the automotive repair businesses located to the east and south of the site, to any prospective buyer. Disclosure shall include notification in the Subdivision Disclosure Report (public report) filed for the subdivision of the site, the covenants, conditions and restrictions (CC&Rs) for the development, and an aerial image locating the uses and zoning of properties in the area of the site. With the improvement plans submittal for the subdivision of the site, the owner shall provide copies of the three documents listed above for review and approval by final plan review staff.

4) NOISE ATTENUATION BUILDING MATERIALS. Minimum building requirements for noise level reduction of walls parallel and adjacent to the eastern property line.

Exterior Walls:

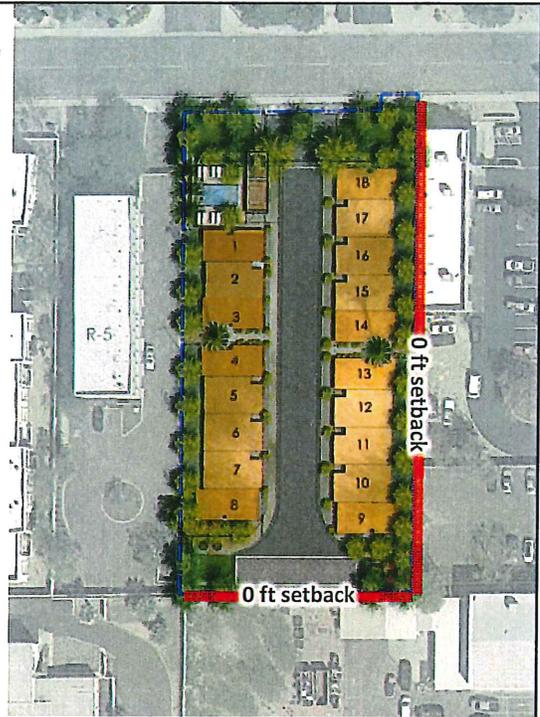
- Stud walls shall be at least four inches in nominal depth and shall be finished on the exterior side with stucco, siding, or veneer.
- Interior surface of the exterior walls shall be minimum ½" gypsum, installed on the studs.
- Sheathing panels, where applicable, shall be butted tightly and covered on the exterior with overlapping building paper.
- Insulation material at least 3" thick shall be installed throughout and between wall studs.

Windows:

- Windows shall have a sound transmission class rating of STC-30 or lower.
- All glazing shall be dual paned with overall thickness of ¾".
- All operable window glazing shall be weather-stripped and airtight.

Auto Repair Shops just want to preserve existing right to develop at zero setback

- Currently have zero ft setback



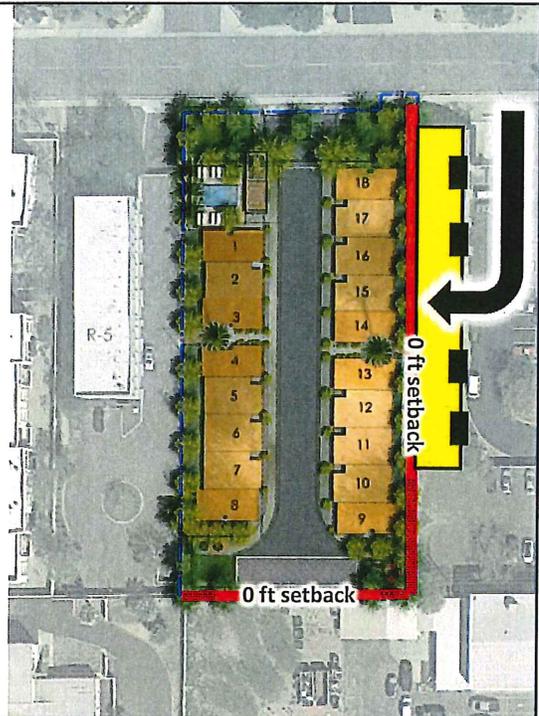
Auto Repair Shops just want to preserve existing right to develop at zero setback

- Currently have zero ft setback
- Rezoning adjacent residential will create a 25 ft setback for future development



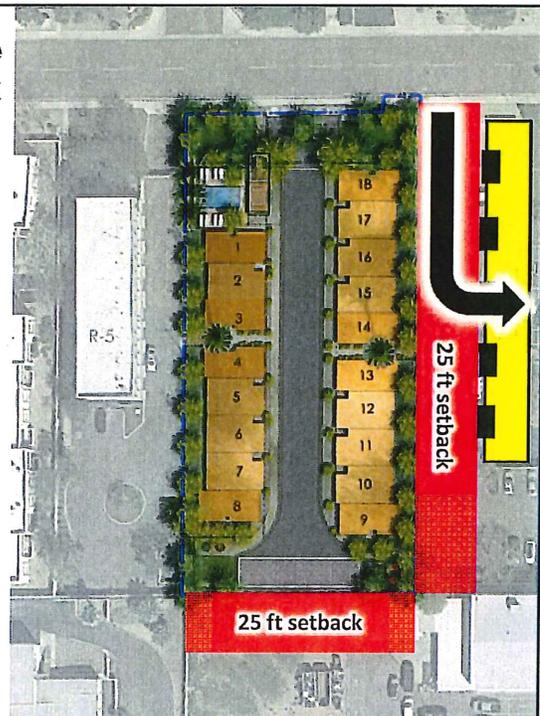
Auto Repair Shops just want to preserve existing right to develop at zero setback

- Currently have zero ft setback
- Rezoning adjacent residential will create a 25 ft setback for future development
- Makes planning sense (bays currently do not face residential)



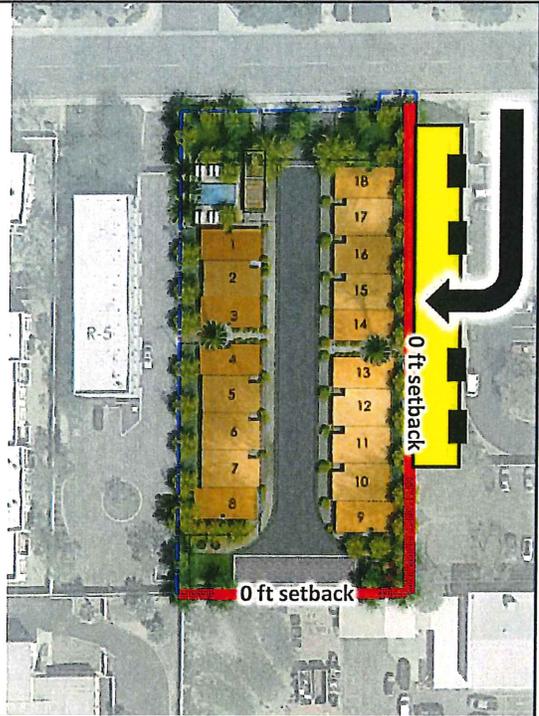
Auto Repair Shops just want to preserve existing right to develop at zero setback

- Currently have zero ft setback
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Auto Repair Shops just want to preserve existing right to develop at zero setback

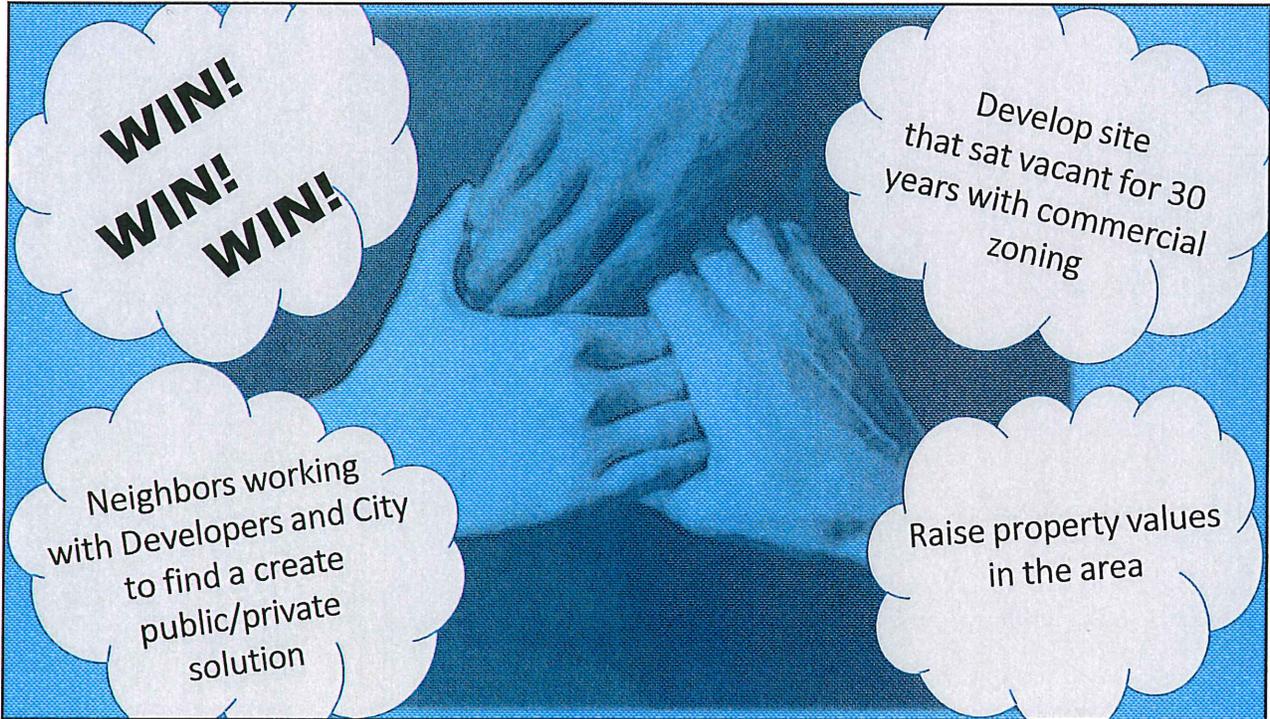
- Currently have zero ft setback
- Rezoning adjacent residential will create a 25 ft setback for future development
- Makes planning sense (bays currently do not face residential)
- KHOV's site is only 1.2 acres so not possible to productively develop it and set back/deed 25 ft
- Property owners do not want compensation
- Property owners just want to preserve current property rights
- City is ONLY party who can preserve those rights (as it is a City regulation)



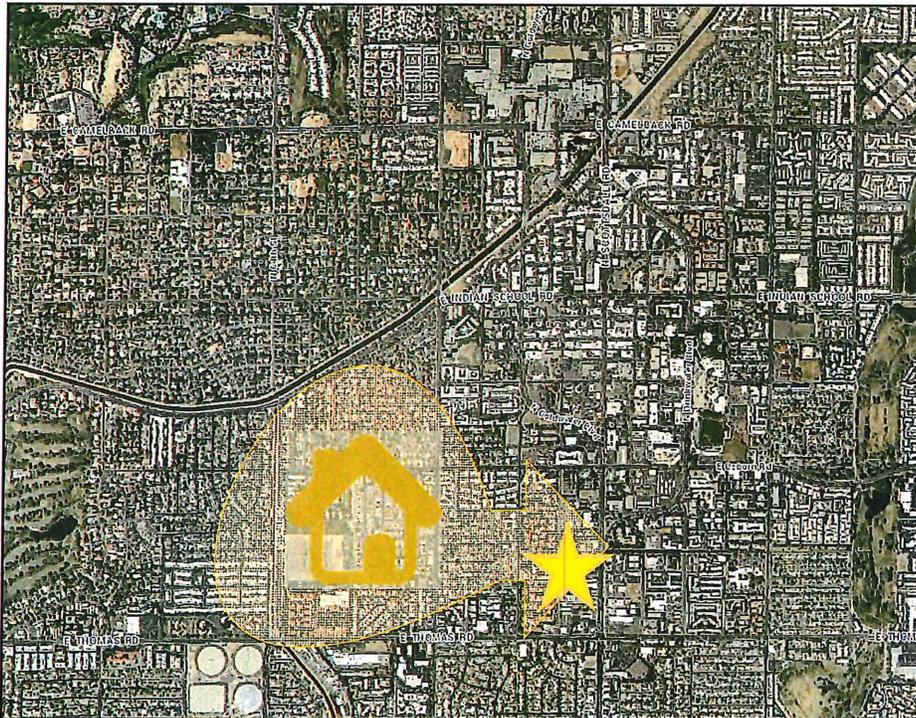
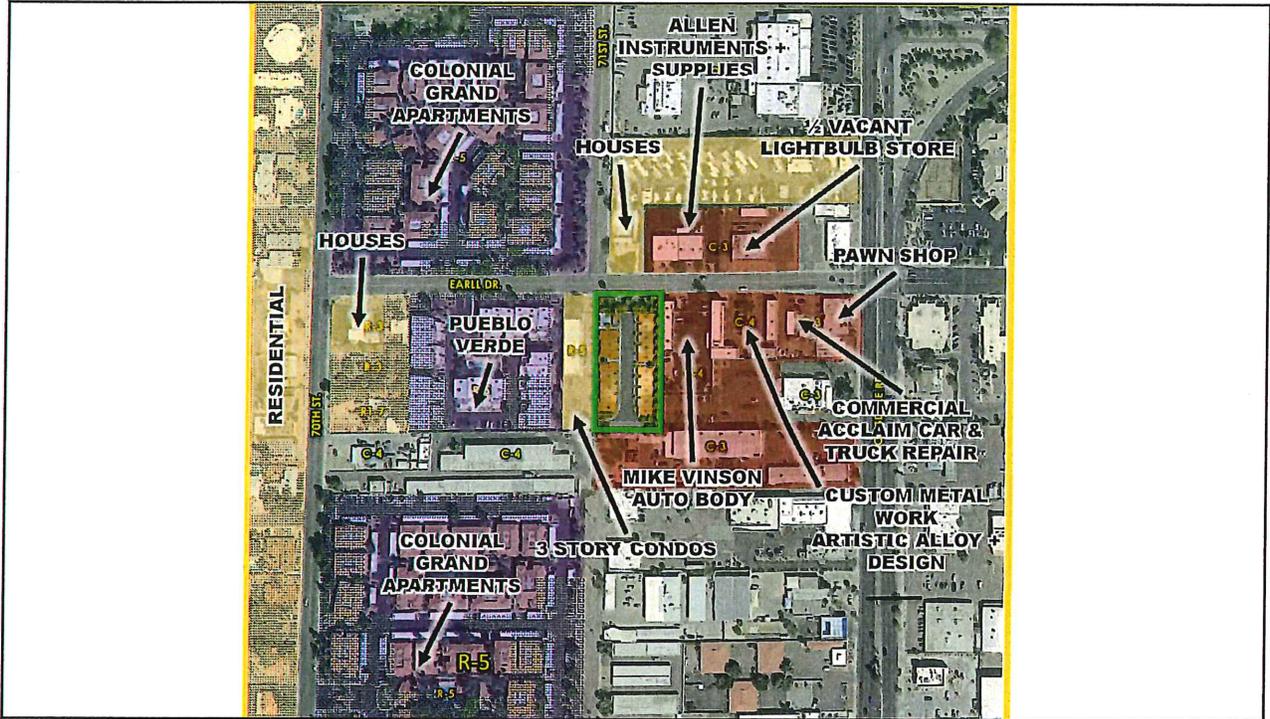
Single Subject Development Agreement

- Preserves property rights to maintain the 0 ft setback for 25 years with 25 year automatic renewals unless:
- Parties agree to terminate
- City adopts a Zoning Ordinance that provides 0 ft setback
- Auto Repair owners rezone their property

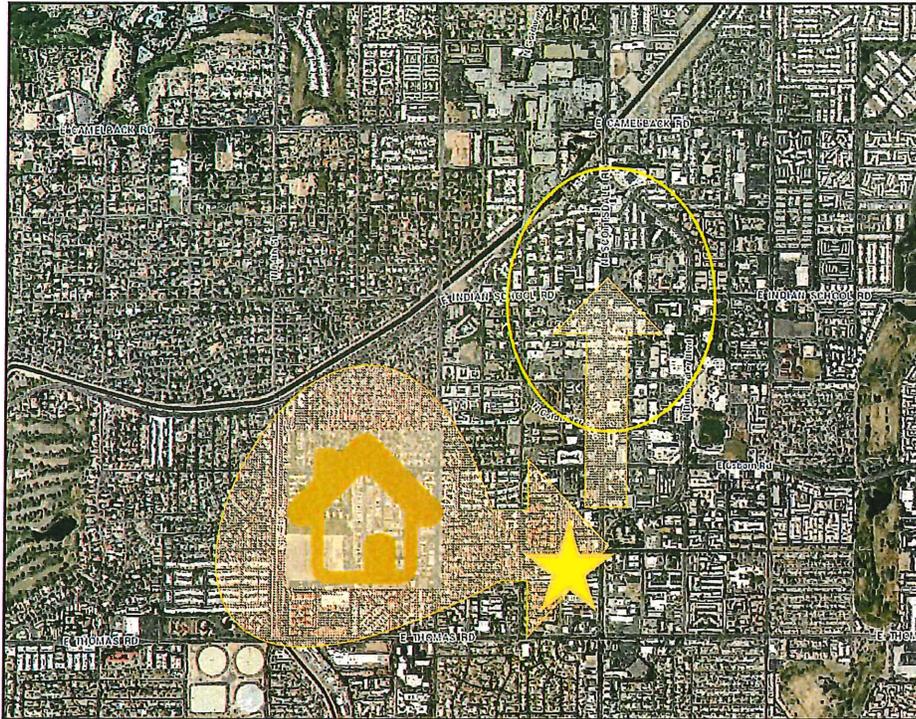




THANK YOU FOR THE OPPORTUNITY
TO FILL THE LUXURY OWNERSHIP
YOUNG SUCCESSFUL PROFESSIONAL
NICHE IN DOWNTOWN SCOTTSDALE



**Area
Transitioning
to
Residential**



**1/2
Mile
to
Downtown
Amenities**

Rezoning and Plan Amendment Needed

Location surrounded on two sides by residential

Area transitioning to residential to support downtown

Site zoned commercial for 30 years and still not viable

Rezoning and Plan Amendment Needed

General Plan request consistent with:

- 1. South Scottsdale Area Plan**
- 2. Goal of buffering between urban neighborhoods and mixed use neighborhoods (auto repair has designation that allows for future transition)**
- 3. 2013 citywide land use assumptions report calls for 166 acres of residential in downtown sub area by 2030.**

K. HOVNANIAN HOMES

- Publicly traded homebuilding company
- In business since 1959
- Been a great partner with Scottsdale (Line K at Boulder Mountain Estates)

LINE K AT BOULDER MOUNTAIN ESTATES



K. HOVNANIAN HOMES

- Publicly traded homebuilding company
- In business since 1959
- Been a great partner with Scottsdale (Line K at Boulder Mountain Estates)
- Very market research focused
- Market research indicates need for young professional high end ownership units in vicinity of downtown

K. HOVNANIAN HOMES

- Gated community
- Specifically designed for this Scottsdale location
- 1,780 – 2,200 square feet homes
- Elegant pool area
- Two car side by side garages
- Open floor plans
- Commitment to glass
- Outdoor/indoor living
- Rear private gardens



K. HOVNANIAN HOMES

- Additional buffer to auto repair added
- 8 foot theme wall and green screen trellis along southern boundary
- Notice our homeowners in ADRE public report of downtown noises and smells and specifically auto repair
- Notice homeowners in the CC&Rs
- File with City and include in CC&Rs a record that we are in favor of any future setback variances for either shop (we will even file variance now if they want)
- Homeowners are a demographic that chooses to live in a downtown vibrant, noisy environment.



SIMILAR OWNERSHIP CONCEPT

Aerium Townhomes (N. 70th St. south of Goldwater)
27 units



Aerium Townhomes by Landmark Homes (N. 70th St. south of Goldwater)
27 units



Montelucia Luxury Townhomes (Lincoln Drive and Tatum Blvd)
34 units



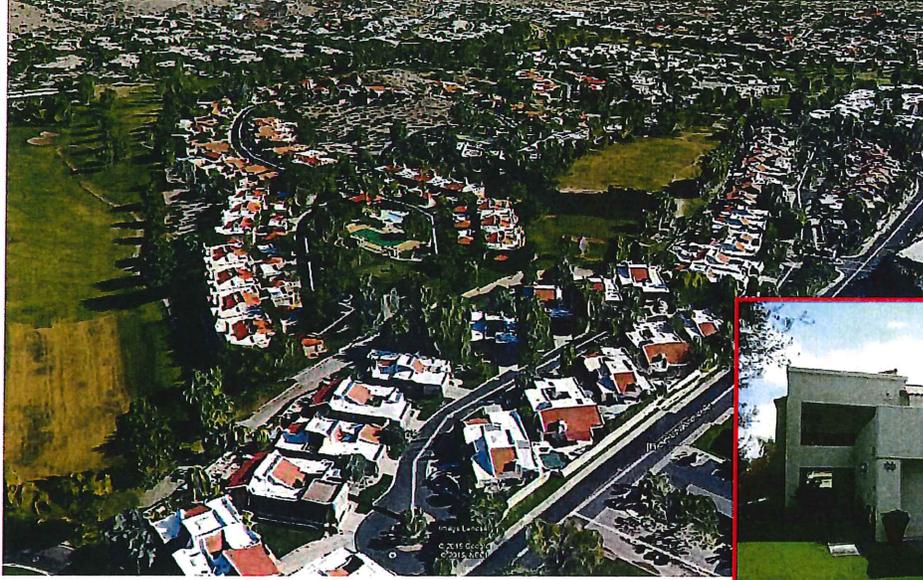
Montelucia Luxury Townhomes (Lincoln Drive and Tatum Blvd)
34 units



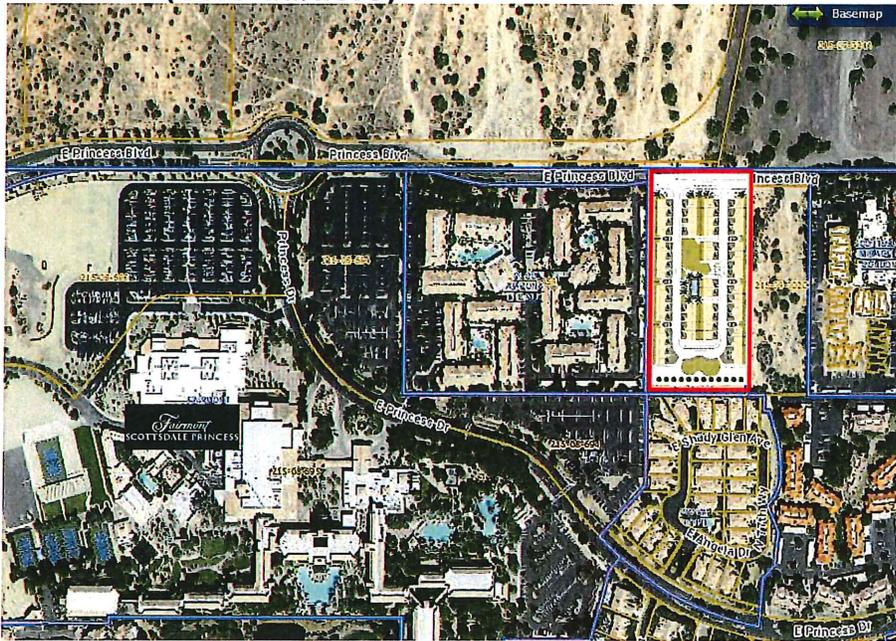
Taliverde Townhomes – Arizona Biltmore



Taliverde Townhomes – Arizona Biltmore



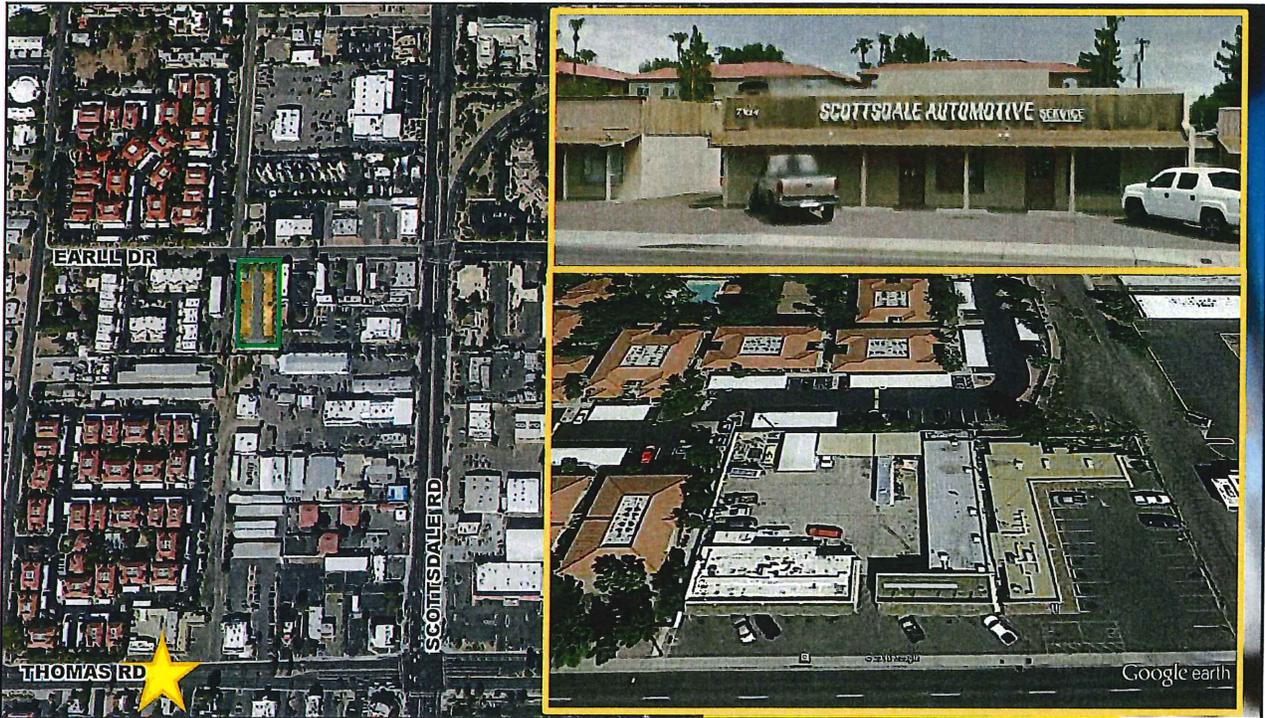
Ryland Townhomes - Princess Resort 52 units (10.5 du/acre)

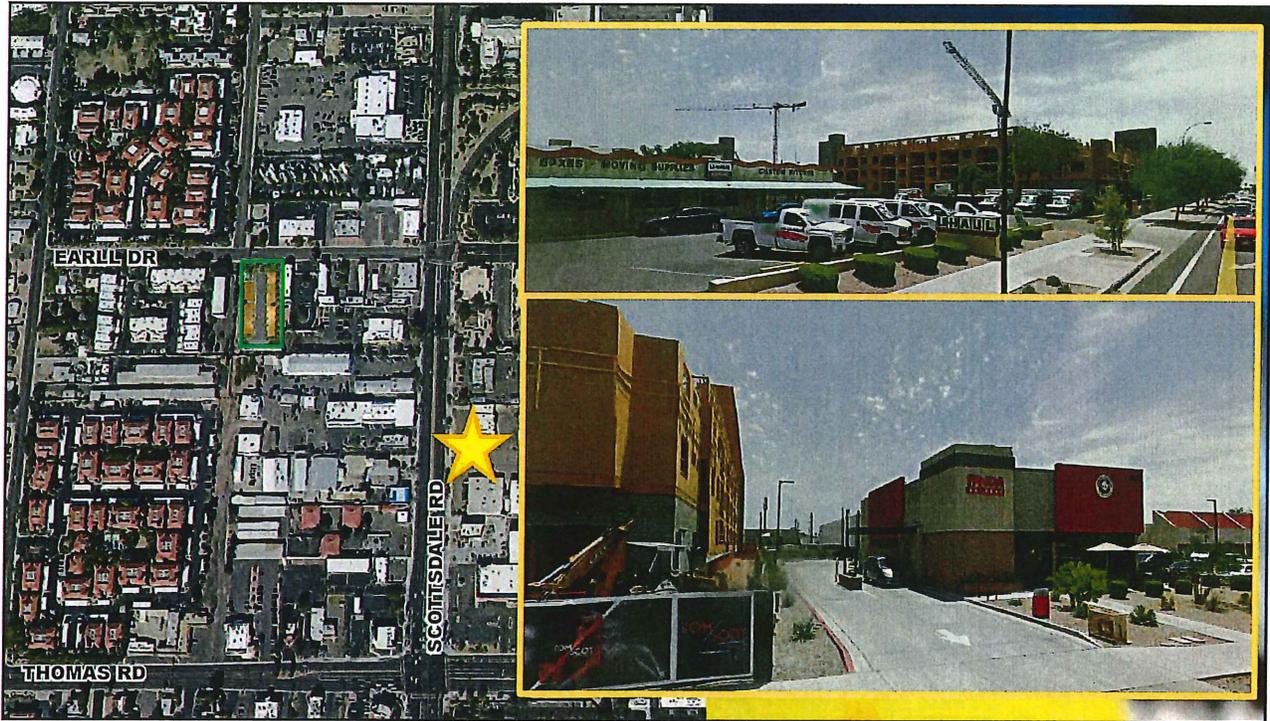


Ryland Townhomes - Princess Resort
52 units (10.5 du/acre)



EXISTING C3/C4
ADJACENT TO
RESIDENTIAL





THANK YOU FOR THE OPPORTUNITY
TO FILL THE LUXURY OWNERSHIP
YOUNG SUCCESSFUL PROFESSIONAL
NICHE IN DOWNTOWN SCOTTSDALE

Bahia Live Work Play Project

14-ZN-2014#2

City Council

December 2, 2015

Coordinator: Greg Bloemberg

Bahia Live Work Play Project



CONTEXT AERIAL

14-ZN-2014#2

Bahia Live Work Play Project



SITE PLAN

14-ZN-2014#2

Special Improvements (previously approved)

Special Public Improvement (as identified in PCP)	Construction Cost Estimates
WestWorld site/landscape improvements	\$239,612.20
WestWorld North Event Hall acoustic wall	\$289,612.20
Lighting/pedestrian improvements for 94 th Street	\$339,612.20
Total Contribution	\$868,836.30

14-ZN-2014#2

Special Improvements (proposed)

Special Public Improvement (as identified in PCP)	Construction Cost Estimates/Valuations
Public Art	\$400,000
Project compliance w/ IGCC	\$225,423
Public Access Easements at Public Art locations	\$243,413.60
Total contribution	\$868,836.60

14-ZN-2014#2

Bahia Live Work Play Project

- Option #1: Approve the applicant's request to reallocate special improvement funds toward on-site incentivized improvements
- Option #2: Accept original allocation; which would direct funds toward off-site infrastructure and Westworld improvements
- Option #3: Direct applicant to explore alternatives for reallocation of funds, other than those proposed

* Planning Commission recommended Option #1 with a unanimous vote of 5-0

14-ZN-2014#2

Item 33

***Proposed 2016 State
Legislative Program***

City of Scottsdale
Government Relations Office
December 2, 2015

2016 State Legislative Program

- Second Regular Session of the 52nd Legislature begins January 11, 2016
- Senate President Andy Biggs (R- Gilbert)
- Speaker of the House David Gowan (R-Sierra Vista)

2016 State Legislative Agenda

- Input from City Leadership
- Two Sections
 - Core Principles
 - Policy Statements

2016 State Legislative Program

- For consideration tonight:
 1. Add, subtract, or amend Legislative Agenda.
 2. Consider approval of 2016 State Legislative Agenda.

Taxes & Revenue

- OPPOSE legislation that would eliminate current statutory transaction privilege tax (TPT) requirement related to local taxpayer location data and when the Arizona Department of Revenue can begin processing TPT functions for non-program cities.
- SUPPORT efforts to offset the potential loss of rental-car surcharge revenues that may result from the rulings on *Saban v. Arizona*.

Taxes & Revenue

- OPPOSE legislation that would prohibit or eliminate the transaction privilege tax on the renting or leasing real property for residential purposes.
- OPPOSE the elimination of the Prime Contracting sales tax category on construction projects.

Economic Vitality

- SUPPORT for the continuation of a statewide entity, such as the Arizona Commerce Authority, and the Arizona Competes Fund, both set to expire in 2016.
- SUPPORT for the recapitalization of the Angel Investment Tax Credit Program.
- SUPPORT for the extension of the Refundable Research and Development Tax Credit.

Tourism

- SUPPORT a sustainable, long-term funding mechanism for state tourism promotion. Increase awareness of the positive economic impact of Arizona tourism to business and community leaders.
- Position Arizona to be able to consistently attract and host major events in the state. In particular, support policies that enhance Arizona's reputation as a world-class destination for cutting-edge health care facilities and services.

Preservation & Environmental Planning

- **Native Plants Ordinance**
 - OPPOSE legislation that would negatively alter or remove the City of Scottsdale's important and long-established ordinances regarding native plants and how development occurs in the natural Sonoran desert environment.

Public Services & Facilities

- **Scottsdale Water Service –**
 - SUPPORT legislation to protect and maintain the city's established surface and ground water supplies.
 - SUPPORT legislation to ensure the city's role in the management and continued use of reclaimed and remediated waters.
 - SUPPORT the Governor's FY2016/17 budget request for funding of the Arizona Department of Water Resources.

Proposed Legislation

- **Right-of-Way Acquisition; Fair Market Value Tax Payments –**
 - SEEK legislation that would clarify that a city will not be required to pay outstanding property taxes above the fair market value of the property being acquired for a public purpose.

Any Questions?

- For more information, contact the City of Scottsdale Government Relations Office

FY 2014/15 Annual Financial Audit

Sharron E. Walker, CPA, CFE, CLEA
City Auditor

Contracted CPA Firm: Heinfeld, Meech & Co., PC

Background

- City Charter requires Council to designate CPAs to perform an independent audit of City's annual financial statements
- Council assigned financial audit contract coordination and monitoring to the City Auditor
- Audit Committee received FY 2014/15 audit reports at its November 16 meeting and recommends acceptance of the reports

Summary of Financial Audit Reports

- Annual financial audit includes:
 - City’s Comprehensive Annual Financial Report (CAFR): Unmodified (clean) opinion

 - Component Units’ Annual Financial Reports: Unmodified (clean) opinions
 - Community Facilities Districts (5)
 - Municipal Property Corporation (MPC)
 - Scottsdale Preserve Authority (SPA)

Communication with Governance

- For City’s CAFR and each Component Unit
- Inform Council regarding matters such as:
 - Accounting practices, significant estimates
 - Any audit adjustments or disagreements with management (no issues)
 - Other similar matters (no issues)

- For CAFR, accounting practices highlights new Pension accounting and reporting standards

Federal & State Funding Reports

Federal funding/compliance reports

- Federally funding almost \$13M from:
 - Housing & Urban Develop. \$6.8M
 - Transportation \$3.9M
 - Justice \$1.9M
 - Others \$0.3M
- Single Audit, includes:
 - Report on Internal Control and Compliance based on Financial Statement audit (no issues)
 - Report on Compliance, Internal Control and Expenditures of Federal Awards (no issues)
 - Schedule of Expend. of Federal Awards (clean opinion)
 - Findings (none)/ Prior Audit Findings (corrected)

Federal & State Funding Reports

State funding/compliance report

- Highway User Revenue Fund (HURF) uses:
City complied with state requirements
- Reports that are completed later:
 - HUD-required financial schedule (federal)
 - Annual Expenditure Limitation Report (state)

Further information

Financial Reports:

Jeff Nichols, City Treasurer

Audit:

Sharron Walker, City Auditor

Requested Action

As recommended by the Council's Audit Committee:

- Accept the FY 2014/15 annual financial audit reports as submitted

Item 35

Comprehensive Financial Policies

*City Council
December 2, 2015*

Financial Policies

Background

- **First adopted in FY 1994/95**
- **Promote sound financial planning and management of public funds**
- **Assist in making fiscal strategy and policy decisions**
- **Contribute to AAA bond rating**

Financial Policies

Categories

- Operating Management
- Capital Management
- Debt Management
- Reserve Management
- Financial Reporting

Financial Policies

***Proposed
Notable Changes
for FY 2016/17***

Financial Policies

New Operating Management Policy #23:

For the purpose of preparing the annual operating budget, the City Manager will include funds sufficient to provide increases of up to five percent (5%) based on performance for each qualified sworn police officer up to the maximum salary of the pay range unless otherwise directed by City Council.

Financial Policies

Rationale:

City Council gave direction to staff during the 'Police Officer Compensation Issues' work study session on February 10, 2015 to draft a financial policy directing the City Manager to budget funds for Police Officer salary increases by a certain percentage.

Financial Policies

Capital Management Policy #24:

A five-year Capital Improvement Plan will be developed and updated annually, including anticipated spending as well as funding sources. Capital improvement projects are defined typically as multi-year efforts which may include purchases or construction of infrastructure or equipment which results in a new capitalized asset costing more than \$25,000 and having a useful (depreciable) life of five years or more. No funding commitments will be made for any project in the CIP unless the project has sufficient budget authority in the current budget year to meet the entire amount of the commitment. For each year of the CIP, total anticipated expenditures and commitments will not exceed projected starting fund balance plus total anticipated revenues for that year.

Financial Policies

Rationale:

Modified policy to better define capital improvement projects.

Financial Policies

New Capital Management Policy #29:

Future operating, maintenance, and capital costs associated with contractual obligations approved by Council will be forecast and included in the Operating Budget, five-year financial plan and the Capital Improvement Plan.

Rationale:

Added a policy to ensure contractual obligations to maintain city owned structures are forecasted in the budget annually.

Financial Policies

Financial Reporting Policy #47:

Accounting methods will include essential policies, procedures and Financial systems will maintain internal controls to monitor all general ledger activity revenues and expenditures on an ongoing basis.

Rationale:

Modified policy to provide clarity on internal controls.

Financial Policies

Staff Recommendation

Adopt Resolution No. 10299, the Comprehensive Financial Policies and Governing Guidance which will serve as the formal guidelines for the City of Scottsdale's FY 2016/17 financial planning and management.

Item 36

Monthly Financial Update As of October 31, 2015

City Council
December 2, 2015
Prepared by: City Treasurer

General Fund Operating Sources October 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$27.5	\$29.4	\$31.0	\$29.4	\$1.6	5%
0.1% Public Safety	2.7	2.9	3.1	2.9	0.2	6%
State Shared: Sales Tax	6.0	6.3	6.6	6.6	-	-
Income Tax	8.1	8.8	8.7	8.7	-	-
Auto Lieu Tax	2.3	2.4	2.9	2.8	0.2	6%
Property Taxes (Primary)	3.2	3.7	3.9	3.3	0.6	19%
Franchise Fees/In-Lieu Tax	5.5	5.3	5.4	5.5	(0.1)	-2%
Other: Licenses, Permits & Fees	1.9	2.3	2.6	2.5	0.1	3%
Fines & Forfeitures	2.1	2.4	2.6	2.4	0.1	6%
Miscellaneous	2.1	2.8	6.3	4.2	2.1	50%
Building Permits	4.8	5.6	4.6	4.7	(0.2)	-3%
Interest Earnings	0.6	0.2	0.4	0.3	0.1	32%
Indirect Cost Allocations	2.2	2.1	2.0	2.0	-	-
Transfers In	2.7	4.2	4.3	4.3	-	-
Total Operating Sources	\$71.7	\$78.4	\$84.3	\$79.6	\$4.7	6%

General Fund Operating Sources: Sales Tax October 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$4.5	\$4.6	\$5.3	\$4.9	\$0.4	9%
Large retail stores	2.7	2.8	2.8	3.0	(0.2)	-6%
Misc goods & services	1.9	2.0	2.5	2.1	0.4	16%
Grocery & convenience	1.9	2.0	2.1	2.0	0.1	4%
Auto sales & maintenance	3.8	4.1	4.6	4.3	0.3	8%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	1.0	1.0	1.1	1.1	-	-
Restaurants & bars	2.3	2.5	2.7	2.6	-	-
<u>Business:</u>						
Construction	3.3	4.1	3.4	3.0	0.4	13%
Rental	4.1	4.3	4.6	4.4	0.2	4%
Utilities	1.6	1.6	1.7	1.6	-	-
Licenses, penalties/interest	0.4	0.4	0.3	0.4	(0.1)	-22%
Total 1.0% Sales Tax	\$27.5	\$29.4	\$31.0	\$29.4	\$1.6	5%

3

General Fund Sales Tax: 1.0% General Purpose – Year over Year Change



General Fund Operating Uses: by Category October 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$39.8	\$41.7	\$42.4	\$42.6	\$0.2	0%
Overtime	2.5	2.2	2.3	2.1	(0.1)	-7%
FICA	2.7	2.8	2.9	2.9	-	-
Retirement	5.8	6.3	7.2	7.3	0.1	1%
Health/Dental & Misc	5.2	5.3	5.6	5.6	0.1	2%
<i>Total Personnel Services</i>	<i>\$56.1</i>	<i>\$58.3</i>	<i>\$60.4</i>	<i>\$60.6</i>	<i>\$0.3</i>	<i>0%</i>
Contractual, Commodities, Capital Outlay	20.2	22.3	22.5	23.6	1.1	5%
<i>Total Operating Expenses</i>	<i>\$76.3</i>	<i>\$80.7</i>	<i>\$82.8</i>	<i>\$84.1</i>	<i>\$1.3</i>	<i>2%</i>
Debt Serv. & Contracts	-	-	-	-	-	-
Transfers Out	-	-	2.0	2.0	-	-
<i>Total Operating Uses</i>	<i>\$76.3</i>	<i>\$80.7</i>	<i>\$84.8</i>	<i>\$86.2</i>	<i>\$1.3</i>	<i>2%</i>
*Pay Periods thru October:	9	9	9			

5

General Fund Operating Uses: by Division October 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$6.1	\$6.4	\$7.4	\$7.6	\$0.2	2%
Administrative Services	5.4	5.6	5.8	6.1	0.3	4%
Comm. & Econ Development	8.5	8.8	8.6	8.7	0.1	1%
Community Services	11.6	11.7	11.9	12.1	0.2	2%
Public Safety - Fire	10.5	11.3	12.0	11.6	(0.4)	-3%
Public Safety - Police	28.7	30.9	31.6	32.1	0.6	2%
Public Works	5.5	5.9	5.5	5.8	0.3	6%
<i>Total Operating Expenses</i>	<i>\$76.3</i>	<i>\$80.7</i>	<i>\$82.8</i>	<i>\$84.1</i>	<i>\$1.3</i>	<i>2%</i>

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General Fund Results: Summary October 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 13/14	FY 14/15	FY 15/16	FY 15/16 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
Sources	\$71.7	\$78.4	\$84.3	\$79.6	\$4.7	6%
Uses	76.3	80.7	84.8	86.2	1.3	2%
Change in Fund Balance	(\$4.6)	(\$2.3)	(\$0.5)	(\$6.6)		

7

General Fund Operating Sources October 2015

(in millions: rounding differences may occur)

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$7.1	\$7.5	\$8.1	\$7.6	\$0.5	6%
0.1% Public Safety	0.7	0.7	0.8	0.8	-	-
State Shared: Sales Tax	1.5	1.6	1.6	1.6	-	-
Income Tax	2.0	2.2	2.2	2.2	-	-
Auto Lieu Tax	0.3	0.7	0.8	0.7	0.1	13%
Property Taxes (Primary)	2.7	3.2	3.4	2.8	0.6	22%
Franchise Fees/In-Lieu Tax	3.5	3.5	3.7	3.5	0.2	6%
Other: Licenses, Permits & Fees	0.5	0.7	0.5	0.6	-	-
Fines & Forfeitures	0.5	0.7	0.7	0.6	-	-
Miscellaneous	0.4	0.6	0.7	0.6	0.1	11%
Building Permits	1.4	1.1	1.3	1.0	0.3	27%
Interest Earnings	0.1	0.1	0.0	0.1	(0.1)	-98%
Indirect Cost Allocations	0.5	0.5	0.5	0.5	-	-
Transfers In	0.6	0.6	0.6	0.6	-	-
Total Operating Sources	\$22.0	\$23.8	\$24.9	\$23.2	\$1.7	7%

8

General Fund Operating Sources: Sales Tax October 2015

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$1.3	\$1.3	\$1.4	\$1.3	\$0.1	7%
Large retail stores	0.7	0.7	0.7	0.8	(0.1)	-9%
Misc goods & services	0.5	0.4	0.7	0.5	0.2	35%
Grocery & convenience	0.5	0.5	0.6	0.5	-	-
Auto sales & maintenance	0.9	1.0	1.1	1.0	0.1	9%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	0.3	0.3	0.3	0.3	-	-
Restaurants & bars	0.6	0.6	0.7	0.7	-	-
<u>Business:</u>						
Construction	0.8	1.1	0.9	0.8	-	-
Rental	1.1	1.1	1.2	1.1	-	-
Utilities	0.4	0.4	0.4	0.4	-	-
Licenses, penalties/interest	0.1	0.1	0.1	0.1	-	-
Total 1.0% Sales Tax	\$7.1	\$7.5	\$8.1	\$7.6	\$0.5	6%

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General Fund Operating Uses: by Category October 2015

(in millions: rounding differences may occur)

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Personnel Services*:</u>						
Salaries & Wages	\$8.8	\$9.1	\$9.4	\$9.4	\$0.1	1%
Overtime	0.5	0.5	0.5	0.5	(0.1)	-12%
FICA	0.6	0.6	0.6	0.6	-	-
Retirement	1.3	1.4	1.6	1.6	-	-
Health/Dental & Misc	1.3	1.3	1.4	1.4	-	-
Total Personnel Services	\$12.6	\$12.9	\$13.5	\$13.6	\$ -	-
Contractual, Commodities, Capital Outlay	5.5	5.8	5.6	5.1	(0.5)	-10%
Total Operating Expenses	\$18.1	\$18.7	\$19.2	\$18.7	(\$0.5)	-3%
Debt Serv. & Contracts	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Operating Uses	\$18.1	\$18.7	\$19.2	\$18.7	(\$0.5)	-3%

*Pay Periods in October: 2 2 2

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General Fund Operating Uses: by Division October 2015

(in millions: rounding differences may occur)

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.3	\$1.5	\$1.6	\$1.7	\$ -	-
Administrative Services	1.1	1.0	1.2	1.1	(0.2)	-15%
Comm. & Econ Development	1.9	1.9	1.9	1.8	-	-
Community Services	3.0	2.6	2.8	2.8	(0.1)	-2%
Public Safety - Fire	2.3	2.7	3.1	2.5	(0.6)	-24%
Public Safety - Police	6.7	7.4	7.0	7.3	0.3	4%
Public Works	1.8	1.5	1.4	1.5	0.1	5%
<i>Total Operating Expenses</i>	<u>\$18.1</u>	<u>\$18.7</u>	<u>\$19.2</u>	<u>\$18.7</u>	<u>(\$0.5)</u>	<u>-3%</u>

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General Fund Results: Summary October 2015

(in millions: rounding differences may occur)

	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$22.0	\$23.8	\$24.9	\$23.2	\$1.7	7%
Uses	18.1	18.7	19.2	18.7	(0.5)	-3%
Change in Fund Balance	\$3.9	\$5.1	\$5.7	\$4.5		

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