SCOTTSDALE CITY COUNCIL WORK STUDY SESSION MINUTES TUESDAY, MARCH 9, 2021



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

CALL TO ORDER

Mayor David D. Ortega called to order a Work Study Session of the Scottsdale City Council at 4:01 P.M. on Tuesday, March 9, 2021.

ROLL CALL

Present:

Mayor David D. Ortega

Vice Mayor Betty Janik

Councilmembers Tammy Caputi, Tom Durham, Kathy Littlefield,

Linda Milhaven, and Solange Whitehead

Also Present:

City Manager Jim Thompson, City Attorney Sherry Scott,

Acting City Treasurer Judy Doyle, City Auditor Sharron Walker, and

City Clerk Ben Lane

PUBLIC COMMENT – Melissa Kovacs spoke in support of Councilmember Milhaven's proposal for a short-term rental task force.

1. Residential Sewer Line Extensions

Request: Presentation, discussion, and possible direction to staff on the residential sewer line extension and payback programs and associated costs to homeowners.

Presenter(s): Brian Biesemeyer, Water Resources Executive Director

Staff Contact(s): Brian Biesemeyer, Water Resources Executive Director, 480-312-5683,

bbiesemeyer@scottsdaleaz.gov

Water Resources Executive Director Brian Biesemeyer and Water Quality Director Suzanne Grendahl gave a PowerPoint presentation (attached) on residential sewer line extensions and septic systems.

Councilmembers made the following suggestions:

- Return to the Council with detailed information on all costs and fees that would be incurred by the City and individual homeowners.
- Review low cost options and options involving a possible 1.5% sewer rate increase and a \$.40 per month water quality fee on water bills during budget discussions.

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.

2. Draft Economic Development Strategic Plan

Request: Presentation, discussion, and possible direction to staff regarding the Draft Economic Development Strategic Plan.

Presenter(s): Rob Millar, Economic Development Director

Staff Contact(s): Rob Millar, Economic Development Director, 480-312-2533,

rmillar@scottsdaleaz.gov

Economic Development Director Rob Millar and Resonance Consultancy Economic Development Vice President Steven Pedigo gave a PowerPoint presentation (attached) on the draft Economic Development Strategic Plan.

Councilmembers made the following suggestions:

- Look to attract more corporate headquarters to Scottsdale.
- Continue moving forward with development of Strategic Plan.

3. Draft General Plan 2035 Update (1-GP-2021)

Request: Presentation, discussion, and possible direction to staff regarding the Draft General Plan 2035.

Presenter(s): Erin Perreault, Planning and Development Area Director

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

Planning and Development Area Director Erin Perreault gave a PowerPoint presentation (attached) on the draft Scottsdale General Plan 2035 update. The following chapters were discussed:

Chapter 4 – Community Well Being

Councilmembers made the following suggestions:

Healthy Community Element

- On Page 139, second paragraph, last sentence, replace the word "programming" with "facilities".
- On Page 140, first paragraph, first sentence, replace the words "may have the" with the words "has an".
- On Page 142, add an additional policy to create or help to create a network to share and receive locally grown fruits.
- On Page 142, delete Policy HC 2.3.
- Support the addition of a high-level health resources map listing hospitals.
- Include references to Maricopa County Health Services for low-income residents and eligible veterans, such as Neighborhood Outreach Access to Health (NOAH), on the health resources map.
- Create a policy about the mental health/behavioral health aspects of a healthy community

Housing Element

- On Page 148, Policy H 1.2, replace the word "Encourage" with the word "Promote".
- On Page 148, Policy H 1.3, replace the word "Support" with the word "Ensure".
- On Page 149, Goal H 2, replace the word "Encourage" with the word "Provide".
- On Page 149, change the wording in Policy H 2.1 from "a variety of income levels" to "workforce and low-income levels".
- On Page 149, delete Policy H 2.6 as it is a duplicate of H 2.1.

 On Page 150, Policy H 3.5, provide more substance to the policy to establish an understanding of how this could be accomplished.

Recreation Element

• On Page 154, add a new Policy R 3.3 (or where appropriate) that states "Maintain and enhance our vibrant aquatic community that offers programs in water safety, swim lessons, competitive swimming, diving and synchronized swimming and water recreational activities at our aquatics facilities", and renumber the remaining policies under Goal R 3.

Safety Element

- Suggest adding more language on "mobilization and health resources", as well as pandemics into the element.
- On Page 160, Policy S 1.6, add the words "water and" after the word "about".
- On Page 160, Policy S 1.5, replace the words "Continue to build" with "Provide".
- On Page 160, under Goal S 2, add a new policy to "Retrofit police stations, fire stations, and community centers to operate for long periods off the grid to ensure that in the event of an emergency and power grid failures, there will be uninterrupted fire, police, and community services."
- On Page 161, Policy S 3.1, fire response resources should be located based on population density, not just response times, and fire resources should consider planning for protecting both developed and undeveloped (Preserve) areas.
- On Page 163, Policy S 7.1, replace the word "Encourage" with "Incorporate".
- On Page 163, Policy S 7.8, replace the words "Ensure the" with words "Work with the School District to provide". After additional Council discussion, the consensus was to that the city is responsible for safety, thus maintain S 7.8 original language.

Chapter 5 – Connectivity Chapter

Councilmembers made the following suggestions:

 Add a goal to Chapter 5 related to non-car modes of transportation. Suggestions included regional transportation, self-driving delivery vehicles, improved intra-city transportation, self-driving vehicles, golf carts, Mopeds, e-bikes, and scooters.

Circulation Element

- On Page 170, Policy C 1.1, add the word "regional" after "affordable" and replace the words "related to" with "including".
- On Page 170, delete Policy C 1.6.
- On Page 172, Policy C 3.3, expand neighboring jurisdictions to include Maricopa Association of Governments (MAG).
- Be very specific that the connectivity element does not have any references to "light rail".

Bicycling Element

On Page 180, Policy B 1.5, replace the words "or improve" with the words "and enhance".

<u>Chapter 6 – Revitalization Chapter, Neighborhood Preservation Element</u>

Councilmembers made the following suggestions:

 On Page 188, Policy NPR 1.3, add language to the effect if the citizens or owners of the property desire historic designation.

Growth Area Element

• On Page 203, Scottsdale Growth Areas, under the Old Town Growth Area consider recognizing the Downtown Core area with language such as "The Old Town designation represents 2 areas, each with distinct character. The Historic Old Town Character Area is bound by 2nd Street north to 1st Ave., and Scottsdale Rd. east to Brown Ave. This character area must retain its original charm. The remaining section of Old Town encompasses 2nd Street north to the Canal and Goldwater Blvd. east to Scottsdale Rd. This Character Area includes the engaging Scottsdale Art District and numerous unique shops and boutiques. It is the locations for some of the greatest development activity within Downtown. Building heights generally range between two and six stories, with few exceptions, depending on location and neighborhood context. It is critical to maintain the identity of this area by establishing architectural guidelines for new construction and redevelopment."

Cost of Development Element

• On Page 208, Policy COD 3.1, add the words "ongoing maintenance" before the words "and infrastructure".

Public Services and Facilities Element

• On Page 211, Policy PSF 2.5, add the word "safe" after the word "the".

Public Buildings Element

• On Page 217, Policy PB 2.3, add the words "and LEED Certification", after "standards".

Chapter 7 – Innovation and Prosperity, Economic Vitality Element

Councilmembers made the following suggestions:

 On Page 229, add a new policy stating "Scottsdale is committed to working with the schools to achieve the best outcome for our children. This includes, but is not limited to, shared facilities such as parks and libraries, mentoring programs, and recognition of student achievements."

Tourism Element

On Page 234, Policy T 1.5, revise sentence structure to make it easier to read.

4. Short Term Rental Task Force

Request: Presentation, discussion, and possible direction to staff regarding the formation of a Short-Term Rental Task Force.

Presenter(s): Councilmember Linda Milhaven

Councilmember Milhaven gave a presentation on the proposed Short-Term Rental Task Force.

MOTION AND VOTE - ITEM 4

Councilwoman Whitehead made a motion to direct staff to return to Council with direction on setting up a short-term rental task force. Councilwoman Caputi seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Janik; and Councilmembers Caputi, Durham, Littlefield, Milhaven, and Whitehead voting in the affirmative.

ADJOURNMENT

The Work Study Session adjourned at 8:10 P.M.

SUBMITTED BY:

Ben Lane, City Clerk

Officially approved by the City Council on April 6, 2021

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Work Study Session of the City Council of Scottsdale, Arizona, held on the 9th day of March 2021.

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

DATED the 6th day of April 2021.

Ben Lane, City Clerk

Item 1

Residential Sewer Line Extensions and Septic Systems













1

Agenda

- 1. Introduction and Review
- 2. October 22, 2019 Study Session Tasking
- 3. Survey Results
- 4. Discussion
- 5. Options/Guidance to Staff

What is a sewer line extension?

An extension of a sewer line to serve additional properties. In the residential context, it is done to allow a homeowner/developer of a single-family residence to extend a water or sewer line to their property.

3

Why do we have a sewer line extension program?

Scottsdale General Plan, Public Services and Facilities Element, paragraph 12 (Water Resources) has the following bullets:

- Recognize the value of water and wastewater as resources to be managed in order to contribute to a sustainable community.
- Make sure that new service delivery costs are borne by those desiring the service without costing or adversely impacting existing customers.
- Encourage the use of alternative sewer systems instead of private septic systems.

Septic Systems in Scottsdale

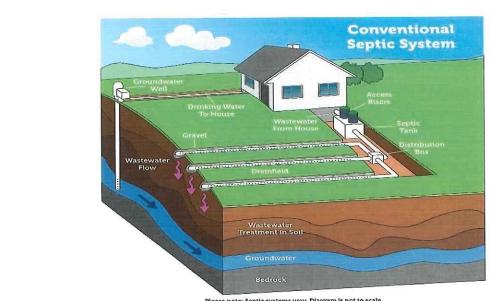
Approximately 5,500 septic systems in Scottsdale.

Over the last seven years, the sewer line extension program has enabled sewer lines to reach 169 homes or parcels with an average cost per parcel of \$25,000.



5

Groundwater Quality and Septic Systems



Please note: Septic systems vary. Diagram is not to scale

Water Quality Impacts

- USEPA "Insufficiently treated sewage from septic systems can cause groundwater contamination, which can spread disease in humans and animals. Improperly treated sewage poses the risk of contaminating nearby surface waters threatening swimmers with various infectious diseases, from eve and ear infections to acute gastrointestinal illness and hepatitis."
- Groundwater Foundation "An improperly designed, located, constructed, or maintained septic system can leak bacteria, viruses, household chemicals, and other contaminants into the groundwater causing serious problems."
- <u>CDC</u> "Septic systems are an under-recognized cause of disease outbreaks," said Jonathan Yoder, who leads the domestic water, sanitation, and hygiene epidemiology team at the Centers for Disease Control and Prevention.

Septic Tank Contamination Risk

Most common (Regulated)

- Bacteria
- Viruses
- Parasites
- Nitrate (known to be as high as 50 parts per million in septic tank discharge)

What do all of these have in common? All acute contaminants

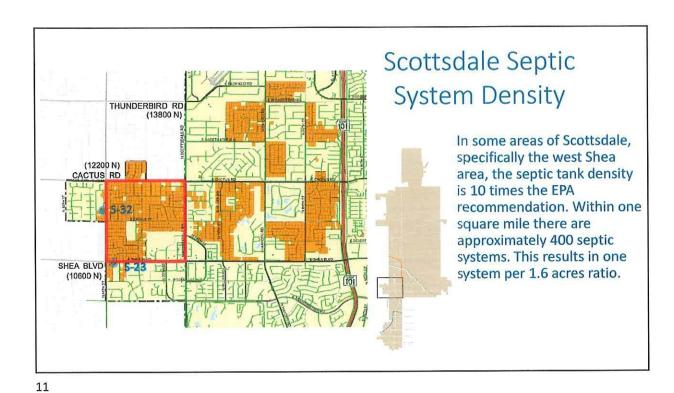
Pass through septic (Unregulated)

- Pharmaceuticals
- Personal Care Products

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EPA Septic System Density

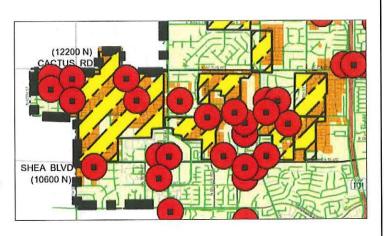
- USEPA "Many public health authorities feel that conventional septic systems are suitable only where population is strictly limited, and soil conditions are suitable for effective absorption. Otherwise, these systems may contaminate ground and surface waters and result in sanitary nuisances and health hazards".
- The EPA has determined that regions with greater than 40 septic systems per square mile (that is 1 system per 16 acres) are regions of potential groundwater contamination.



Exempt Wells

Non-municipal "wells" exist within Scottsdale city limits

- 981 exempt wells within Scottsdale city limits
- May not be a fully completed well – may just be partially drilled
- Conduits from surface to groundwater
- Allowed to be within 100 feet of septic system
- Potential contamination can be directly drawn down from surface to aquifer



October 22, 2019 Study Session

Council asked staff to return with options and information on total costs to both City and residents for a program that would incentivize residents to convert septic systems to the City sewer system, including:

- Conducting a survey of residents for interest
- Means of creating a Community Facility District
- Capping cost to residents
- Implementing a sliding scale cap based on size/value of home
- · Holding a "Sale on Sewer"
- Allow the connection cost to be paid over time

13

Survey Design

- Began with all residential customers who receive water service, but not sewer service.
 - Removed city-owned parcels, HOAs, multifamily units, and customers served by Black Mountain Sewer Co.
- First mailing (Jan 2020): postcard directing customers to online survey
- Second mailing (Feb 2020): Postage-paid, self-mailer survey
- Total surveys mailed: 6,120

SCOTTSDALE	CUSTOMER SURVEY PLEASE RESPOND
cottsdale to consider s	eptic system conversion
cottsdale Water is conducting ystems to gauge interest in pro octy sower service. As a Scot	a survey of residents currently on septic ograms that would incentivize conversion todale Water oustomer receiving water dence has been identified as having a
please detach and mail the	in septic system conversion programs, e survey below or complete it online at ps/EZ and search "survey."
Work Session on Oct. 22, 2019. To	ms were discussed in depth at a City Council oview the work easilon in its entirety please h 72019 wideo archives "For additional 5650
ad faite	Pipre
ódress	- PART .
the house at this address on a	Anger occupant occ.
pproximate year the current teg	plic system was installed:
Since 2010 (less than ten year	n eld) 1990 to 1999 (2010 b) years old)
2000 to 2009 (11 to 20 years o	old) Prior to 1990 (older than 30 years)
o you anticipate having the cur	rent septie system overhooled
□ Yes □ No □ Unsu	*
sould you consider converting for the same or similar to the cou our current soptic system?	rom septic to sever if the price to do so would t of installing a new septic system or renovating
Yes No Untu	ere.
[no, why?	
idditional comments?	

Survey Data

Customers surveyed 6,120
Customer surveys completed 2,304
Percentage of customers completing survey 38%

No	eptic system replaced or overhauled?
Yes, within the next five years.	148
Yes, within the next ten years.	71
Unsure	493

Would you consider converting from septic to sewer if the price to do so would be the same or similar to the cost of installing a new septic system or renovating your current septic system?

No	686 - 30%
Yes	994 - 43%
Unsure	538 - 23%

Approximate year the current septic system was originally installed

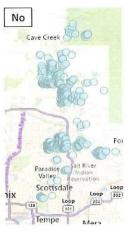
Since 2010 (less than ten years old)	247
2000 to 2009 (11 to 20 years old)	470
1990 to 1999 (20 to 30 years old)	500
Prior to 1990 (over 30 years old)	957

15

Geographic Distribution of Results

Would you consider converting from septic to sewer if the price to do so would be the same or similar to the cost of installing a new septic system or renovating your current septic







Discussion

- Community Facility Districts can occur but need sufficient numbers to make start-up cost worth while. This option is available to customers.
- Cap on sewer possible but needs funding.
 - Sliding Cost Scale for cap difficult due to setting cost before homes are developed, escalating land values for long time owners, and contrary to standard billing processes.
- Sale on sewer a cap on sewer costs is a "sale on sewer". Additionally, lot development or home redevelopment which require sewer extensions are influenced more by other factors.
- Customers allowed to pay over time possible, but not risk free.

17

Discussion

Low-cost (to the Sewer Fund) improvements to Sewer Extension Program:

- Payment over time
 - Customer must agree to a lien on property
 - Down payment with up to 5 years to pay remaining balance with a separate billing (external to utility bill)
- Interest rate reduced from Prime plus 1 percent to latest Scottsdale Water/Sewer bond interest rate.
- Interest capped at no more than \$5,000 per lot/home

Historic Sewer Extension Costs

Fiscal Year	Number of Affected Lots	Total Length of Extension (Feet)	Average Cost Per Lot
2014/15	4	1,160	\$28,773.65
2015/16	18	1,760	\$12,199.03
2016/17	12	1,977	\$25,646.46
2017/18	40	5,795	\$27,881.62
2018/19	45	4,179	\$26,803.9
2019/20	32	3,870	\$22,248.57
2020/21	18	2,318	\$30,482.69

Fiscal Year	Number of Affected Lots	Total Length of Extension (Feet)	Average Cost Per Lot
Total	169	21,059	
Average	24		\$24,862.27

19

Cap on Sewer Discussion

- Suggested cap to be roughly equivalent to the cost of new septic system: \$15,000
- Funding needed:
 - Current yearly average of extensions per lot: 24 with a cost of \$25,000 per lot
 - Assuming an increase to 50 lots/homes per year
 - Cost to Scottsdale Water Sewer Fund is \$500,000 per year (only addresses costs going forward, not existing agreements)
- Possible solutions:
 - 1.5% increase in sewer rates to all sewer customers or
 - \$0.40 per month charge to all water customers as an Aquifer Protection Fee

Possible Options for Council

- 1. No changes
- 2. Low-cost options
 - Payment over time
 - Reduced Interest
 - · Cap on interest
- 3. Cost cap with funding (\$15,000)
 - Sewer rater increase (1.5%)
 - Water Quality Fee on Water bill (\$0.40/month)
- 4. Combination/other

21

Questions?



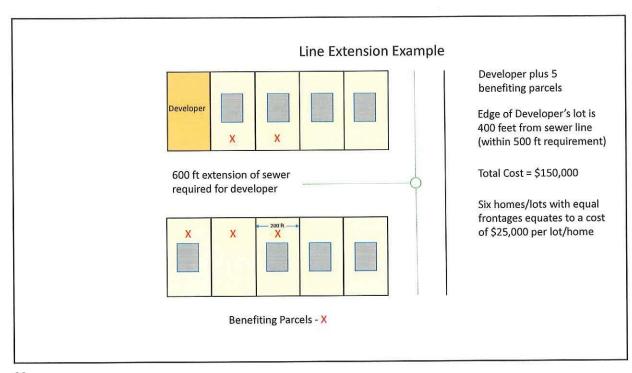


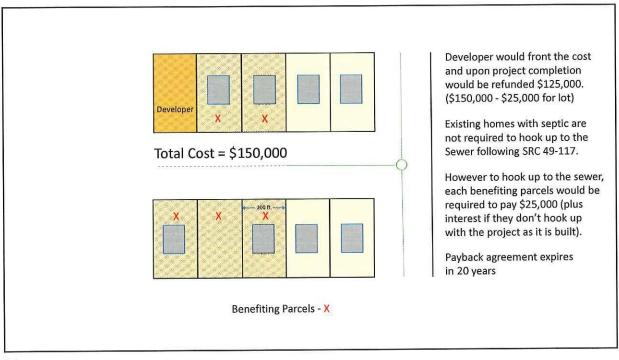








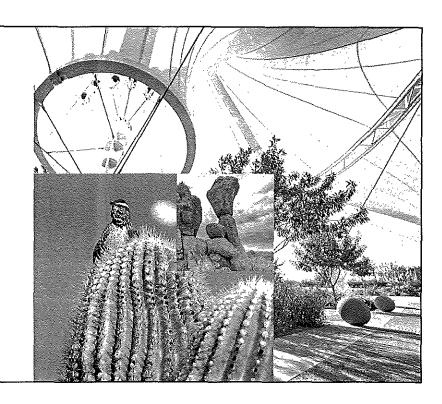




Item 2

Scottsdale Economic Development Strategy

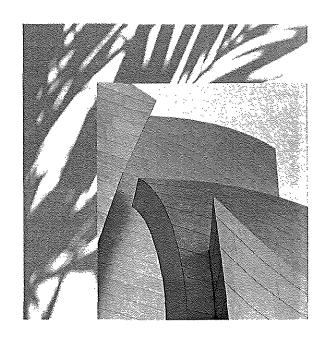
City Council Work Study Session March 9, 2021



1

Strategic Plan Background

- Framework for guiding economic development strategies and goals over next 3-5 years
- Current plan adopted by Council February 2015
- Update process began March 2020
- Resonance Consulting



Overview

- --- Our Project
- Key Takeaways: Competitive Assessment, Engagement and Target Industries
- Proposed Strategy: Vision, Values, Guiding Principles, Goals, and Objectives

3

Building a Strategic Economic Development Plan for Scottsdale

How do we get there?

WITH A STRATI BY THAT

Communicates the long-term vision and values of Scottsdale

Builds upon community assets but addresses challenges

Guides business recruitment and expansion strategy with data and on-the-ground intelligence

Promotes the city's skill clusters, while reimaging pathways to opportunity for residents

Offers a plan for growing and scaling startups

Underscores the resiliency and transition needed for a post-COVID-19 work environment

Markets Scottdale's investment in placemaking and quality of place

Our Approach					
O1. KICK-0FF & SCOPE REFINEMENT JUNE 2020	02 COMPETITIVE MARKET ANALYSIS JUNE - JULY 2020	03. VIRTUAL STAKEHOLDER ENGAGEMENT JULY - SEPTEMBER 2020	O4. STRATEGIC PLAN DEVELOPMENT OCTOBER 2020 - FEBRUARY 2021	05. FINAL STRATEGY, IMPLEMENTATION & APPROVAL FEBRUARY - APRIL 2021	

Steering Committee

- Karen Churchard
 City of Scottsdale Tourism
- Randy Grant City of Scottsdale Planning and Economic Development
- Todd Hardy Arizona State University
- Rob Millar
 City of Scottsdale Economic Development
- Michelle Pabis HonorHealth
- Erin Perreault City of Scottsdale Long Range Planning

- Doreen Reinke
 Nationwide Insurance
- Dominick San Angelo Scottsdale Rising Young Professionals
- Stephanie Scher Vanguard Talent Brand & Recruitment Marketing
- Lawdan Shojaee Axosoft
- Mark Stanton Scottsdale Area Chamber of Commerce
- Shane Stone City of Scottsdale

7

Key Takeaways: Competitive Assessment

Competitive Market Assessment

FAST-GROWING AND EDUCATED POPULATION

Scottsdale's population growth is 3 times the U.S. average. More than half of the population has a BA or higher.

A KNOWLEDGE CENTER

Scottsdale outpaces Arizona for the share of knowledge businesses and has experienced increased venture capital investment.

DIVERSITY AND HIGH INEQUALITY

12% of Scottsdale residents are people of color; 10% are Hispanic. The city also has high income inequality, a gender wage disparity gap, and limited diverse entrepreneurship.

LOWER LABOR PARTICIPATION

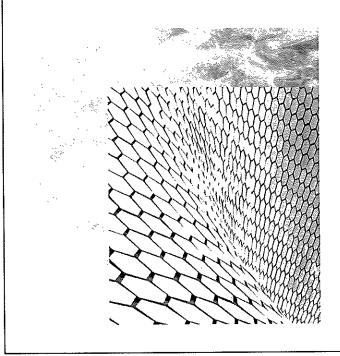
A popular retiree destination, the median age in Scottsdale is 47 (compared to 38.2 for the U.S.). Four in ten Scottsdale residents are not actively working. However, Scottsdale is a net importer of talent.

HIGH QUALITY OF PLACE

Despite high housing prices, Scottsdale has median household incomes which are 40% higher than the U.S. average. The city boasts a high rate of home ownership and quality destination amenities.

9

Roundtable Insights



Roundtable Discussions

More than **70 participants** joined nine roundtable discussions:

- Brain Gain and Talent
- Commercial Real Estate
- City Staff Leadership
- Economic Development, Tourism and Planning Practitioners
- Financial and Insurance Services
- Healthcare and Life Sciences
- Quality of Place and Destination Development
- Startup Ecosystem
- Young Professionals

We've also hosted for than 15 1-1 interviews

And, a Community Visioning Workshop for 50 attendees

11

Roundtable Insights

CITY AT A CROSSROADS

Scottsdale is changing quickly, creating both opportunities and challenges.

NEED FOR A VISION

Scottsdale needs a vision for economic development.

GROWING CORPORATE PRESENCE

Retaining and expanding Scottsdale's corporate presence is a priority for the city.

INDUSTRY DIVERSIFICATION FOR

LONG-TERM SUCCESS

Industry diversification is an economic necessity for Scottsdale's future.

HIGHLY DEPENDENT ON TOURISM

Scottsdale's economy remains highly dependent upon tourism dollars.

Roundtable Insights (Continued)

BOOMING STARTUP COMMUNITY

Scottsdale's startup ecosystem is expanding but it needs a champion.

GROWING MEDICAL TOURISM

Medical tourism is a significant opportunity for Scottsdale.

REEVALUATING THE OFFICE

With the impact of the COVID-19 pandemic, many businesses are adjusting their office space needs

QUALITY OF PLACE A DRAW FOR

HQ RELOCATION

When closing relocation deals, Scottsdale has a strong quality of place story.

COMMUNICATING INCLUSION

Scottsdale is a welcoming community but needs to better tell its story.

13

Target Industries

Target Industries for Scottsdale

- · IT Services and Software
- · Financial and Insurance Services / Technology
- · Healthcare Services and Innovation
- · Logistics Management
- Corporate HQs (Marketing initiative v. Industry)
- · Tourism

15

IT SERVICES AND SOFTWARE

- Competitive advantage is 3x times the U.S. average, employing nearly 15,000 in AZ
- Average earnings: \$92,000
- · Accounts for 25% of AZ GDP for the sector
- Make connections to Scottsdale's financial and insurance sectors, smart city road map and ASU's SkySong Innovation Center

Target Industries

FINANCIAL AND INSURANCE SERVICES AND TECHNOLOGY

- Combined employed of approximately 13,000 AZ residents
- Average earnings ranging from \$65,000 to \$101,00
- Legacy Industry with opportunity for innovation; position Scottsdale as the center for financial and insurance technology
- · Foundation for startup ecosystem
- · Accessible onramps to entry-level and lower-skilled positions

HEALTHCARE SERVICES AND INNOVATION

- · Position Scottsdale as a healthcare/wellness service center
- No significant competitive advantage in life sciences or bio-tech; however rapid growth
- Clinical research priority of key anchors such as Mayo Clinic and Virginia Piper Cancer Center
- · Cure Corridor should become sustainable, stand-alone organization

Target Industries (Continued)

LOGISTICS MANAGEMENT

- · Regional priority Industry for the Greater Phoenix Economic Council
- · Approximately 3,000 employed in AZ; competitive advantage of 42%
- Fast-growing sector (becoming more important) nationally with rise of E-Commerce
- Arizona State University's Department of Supply Chain Management is ranked second in the U.S.

17

CORPORATE HEADQUARTERS

- Cuts across multiple Industries; position as marketing effort v. Industry development
- · Competitive advantage that is 13% greater than U.S.
- Employing 4,200 AZ residents
- Leverage Scottsdale's destination and quality of life brand

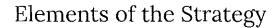
Target Industries (Continued)

TOURISM

- Employing nearly 10,000 AZ residents
- · Competitive advantage that is 2x the U.S. average
- · Driver of quality of place development and local small business growth
- Strong partner in Experience Scottsdale
- · Foundation for national and regional HQ attraction efforts

Proposed Scottsdale Economic Development Strategy

19



VISION A Preferred Future VALUES

Desired
Outcomes

GUIDING PRINCIPLES Guidelines for Strategy and Implementation

GOALS Core Areas of Focus OBJECTIVES How We Activate ACTIONS Specific Steps, Resources, Partners and Timing

ECONOMIC DEVELOPMENT VISION

Scottsdale is a prosperous, sustainable destination for diverse talent, investment, and innovative businesses.

21

Values

The City of Scottsdale Economic Development values:

ECONOMIC PROSPERITY FOR ALL

We advance economic prosperity for all Scottsdale residents and enterprises, by supporting wealth creation and economic mobility.

A HEALTHY ECONOMY FOR TOMORROW

We foster resiliency through industry diversification, upskilling, talent attraction and responsible revitalization.

FUTURE-DEFINING INNOVATION

We invest in an entrepreneurial ecosystem that solves tomorrow's most pressing challenges.

A SONORAN DESERT WAY OF LIFE

We prioritize Scottsdale's quality of place and promote our city's authenticity, character and values.

Guiding Principles

The following 6 guiding principles serve as a framework to guide the development and implementation of the strategy:

BALANCE DEVELOPMENT

Advance economic development initiatives that balance prosperity and livability.

EXPORT INDUSTRY-DRIVEN

Pursue a data-driven export industry approach to drive economic diversification. Research shows that growing sectors that sell goods and services outside the region accelerates jobs creation.

EXISTING BUSINESSES FIRST

Focus on business expansion and retention to grow Scottsdale's economic base and attract investment.

FOCUS ON ENTREPRENEURSHIP

Foster an inclusive startup ecosystem in Scottsdale as a means of wealth creation for residents.

PRIVATE SECTOR AND PARTNER ENGAGEMENT

Engage Scottsdale's private sector and economic development partners to advance the city's economic development priorities.

EQUITABLE APPROACH

Apply an equity lens to all economic development efforts, ensuring all Scottsdale residents and businesses can thrive

23

Goals

The 2021-2023 Scottsdale Economic Development Strategy and Action Plan has 6 key goals:

1. EXPANSION FOR INCREASED VITALITY:

Grow Scottsdale's existing industries to foster economic vitality.

4. ADVANCE ECONOMIC PROSPERITY:

Make inclusion and diversity an economic development priority.

2. BUSINESS AND INVESTMENT ATTRACTION:

Attract investment to diversify Scottsdale's economy.

5. TALENT DESTINATION:

Build the premier destination for talent in the Southwest.

3. SUPPORT ENTREPRENEURSHIP:

Boister Scottsdale's startup ecosystem.

6. BRAND BUILDING:

Enhance the Scottsdale brand for business, capital and talent.

GOALS AND OBJECTIVES:

1. EXPANSION AND GROWTH:

Grow Scottsdale's existing export industries and businesses.

Target Industries: IT Services and Software; Financial and Insurance Services/ Technology; Health Services and Innovation; Logistics Management; and Tourism

Objective 1.1;

Implement a systematic, industry-focused business retention and expansion program, including engaged working groups.

Objective 1.2:

Ready and promote commercial sites to support business expansion.

Objective 1.3:

Deliver technical resources to Scottsdale small businesses to support economic recovery.

25

GOALS AND OBJECTIVES:

2. BUSINESS AND INVESTMENT ATTRACTION:

Attract investment to diversify Scottsdale's economy

Objective 2.1:

Execute a site-selector engagement strategy for Scottsdale's core industries: IT Services and Software; Financial and Insurance Services/Technology; Health Services and Innovation; and Logistics.

Objective 2.2:

Lead, in partnership with Experience Scottsdale, Canada Arizona Business Council, and others, a robust effort to attract high-value regional and national HQs.

Objective 2.3:

Develop a mechanism for evaluating "highest and best" use for future redeveloped commercial sites. GOALS AND OBJECTIVES:

3. SUPPORT ENTREPRENEURSHIP

Bolster Scottsdale's startup ecosystem.

Objective 3.1:

Explore the creation of "startup Scottsdale," an initiative to support high-potential entrepreneurs and activate a formalized investor/angel network in the city.

Objective 3.2:

Collaborate with ASU's SkySong Innovation Center to accelerate the growth of Scottsdale's hightech scale-ups.

Objective 3.3:

Discover a sustainable organizational and funding model for the Cure Corridor, to galvanize Scottsdale's health sciences sector.

Objective 3.4:

Leverage the investment in Scottsdale's Smart City Roadmap to grow urban tech and sustainable tech enterprises.

27

GOALS AND OBJECTIVES:

4. ADVANCE ECONOMIC PROSPERITY:

Make inclusion an economic development priority.

Objective 4.1:

Evaluate the needs of Scottsdale's diverse businesses.

Objective 4.2:

Advance, in concert with Experience Scottsdale, destination assets, and anchor employers, an initiative to support Scottsdale's diverse businesses.

Objective 4.3:

Celebrate Scottsdale's arts, culture, heritage and diverse entrepreneurial success stories.

GOALS AND OBJECTIVES:

5. TALENT DESTINATION:

Build the premier destination for talent in the Southwest.

Objective 5.1:

Support the
Scottsdale Rising
Young
Professionals
initiative, in
partnership with
the Scottsdale
Chamber.

Objective 5.2:

Collaborate with ASU, Scottsdale Community College, and anchor employers to build a talent pipeline (entry-level IT, business and healthcare), through flexible certificate programs and on-the-job training initiatives.

Objective 5.3:

Develop a remote worker campaign to draw tech-savvy and skilled talent to Scottsdale.

Objective 5.4:

Invest in
placemaking efforts
and curate
experiences to
enhance Scottsdale
as an inviting
destination for local
talent.

29

GOALS AND OBJECTIVES:

6. BRAND BUILDING:

Enhance the Scottsdale brand for business, capital and talent.

Objective 6.1:

Develop a competitive identity/marketing campaign to support Scottsdale's economic development efforts.

Objective 6.2:

Ensure that city officials, community collaborators, and economic development partners, utilize consistent messages about investment and talent attraction.

Objective 6.3:

Launch a "Economic
Ambassadors" program –
engaging entrepreneurs,
business owners and
executives, young
professionals – to tell story
of Scottsdale's economy
and diverse opportunity.

Draft Plan Public Outreach

Experience Scottsdale Executive Team

Scottsdale Area Chamber of Commerce Board of Directors and Economic Development Advisory Board

February 25 Council Subcommittee on Economic Development

March 9 City Council Work Study Session

April 20 City Council Regular Meeting

Available at ChooseScottsdale.com March 29-April 20

31

Thank You.

Item 3

Draft Scottsdale General Plan 2035 Case: 1-GP-2021

City Council Work Study Session March 9, 2021

1

City Council Study Sessions/Meetings on Draft Scottsdale General Plan 2035

- Tuesday, February 9th 4:00 PM Work Study Session
- Tuesday, March 2nd 4:00 PM Work Study Session
- Tuesday, March 9th 4:00 PM Work Study Session (Tonight)
- Tuesday, March 23rd 4:00 PM Work Study Session
- Tuesday, April 13th Reserved for Work Study Session

2

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Draft Plan Sections Reviewed:

- · Executive Summary
- Section 1 Preface
 - Prologue
 - · Vision/Aspirations + Community Values
 - Introduction
 - · Purpose of the General Plan
 - · Community Profile
- · Section 2 Chapters
 - Chapter 1 Character + Culture
 - · Character + Design Element
 - · Old Town Scottsdale Addition
 - Land Use Element/Major Amendment Criteria
 - Arts, Culture + Creative Community Element

- · Section 2 Chapters Continued
 - · Chapter 2: Sustainability/Environment
 - Open Space
 - Environmental Planning
 - Conservation
 - · Water Resources
 - Energy
 - · Chapter 3: Collaboration/Engagement
 - · Community Involvement

3

General Plan Update — Review for Tonight

- Section 2 Chapters
 - · Chapter 4: Community Well-Being
 - · Healthy Community
 - Housing
 - · Recreation
 - · Safety Chapter
 - Chapter 5: Connectivity
 - Circulation
 - Bicycling

- Section 2 Chapters
 - Chapter 6: Revitalization
 - · Neighborhood Preservation + Revitalization
 - · Conservation, Rehabilitation + Redevelopment
 - Growth Areas
 - · Cost of Development
 - · Public Services + Facilities
 - · Public Buildings
 - Chapter 7: Innovation + Prosperity
 - · Economic Vitality Element
 - · Tourism Element

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Chapter 4 — Community Well-Being Chapter

Healthy Community Element

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Healthy Community Element

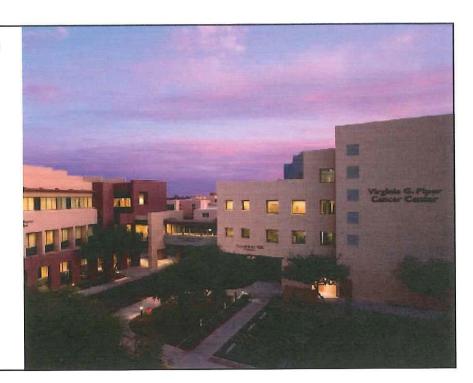
Goals Include:

- HC 1 Access to healthcare + human services
- HC 2 Provide access to healthy, local foods
- HC 3 Build on wellness and healthful living
- HC 4 Strengthen lifelong learning opportunities
- HC 5 Ensure diversity and inclusion
- HC 6 Accommodate senior citizens
- HC 7 Foster a caring community



Healthy Community: Public Comments

- Overall support
- Addition of health resources map
- Any additional comments from Mayor/Council



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Section 2 - Chapters

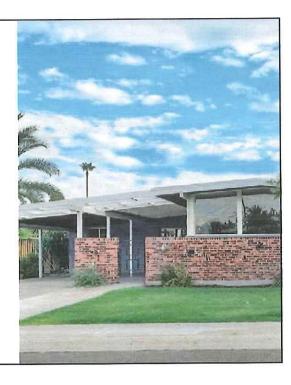
Chapter 4 — Community Well-Being Chapter

Housing Element

Housing Element [‡]

Goals Include:

- H 1 Support diverse housing options *
- H 2 Provide a variety of housing options *
- H 3 Provide generational housing options #
- H 4 Prevent housing discrimination

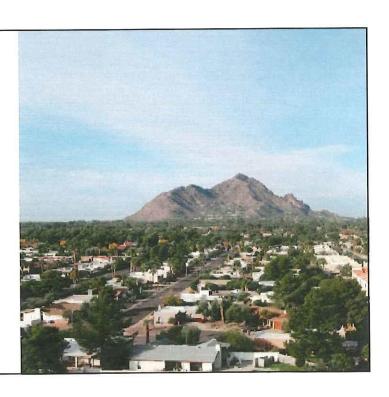


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Housing: Public Comments

- Short term rentals
 - Policy NPR 1.5: "Continue proactive inspection and code enforcement programs, in partnership with the community, to maintain healthy neighborhoods"
- Any additional comments from Mayor/Council



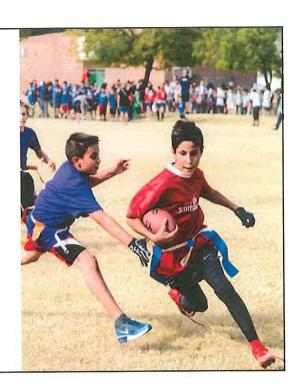
Section 2 - Chapters Chapter 4 — Community Well-Being Chapter Recreation Element

11

Recreation Element *

Goals Include:

- R 1 Develop quality recreation facilities
- R 2 Collaborate with public entities-joint use
- R 3 Provide recreational diversity *



Recreation: Public Comments

- Aquatics references, goals or policies?
 - None specific to aquatics
 - · Reference on maps
 - Add aquatics language to existing goals and policies
 - Photos
- Any additional comments from Mayor/Council



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Section 2 - Chapters

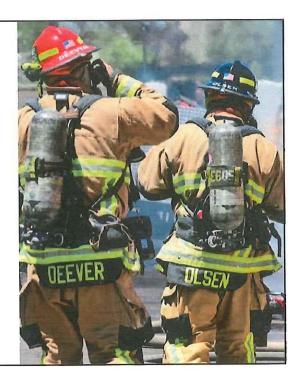
Chapter 4 — Community Well-Being Chapter

Safety Element

Safety Element *

Goals Include:

- S 1 Prevent hazards *
- S 2 Prepare for emergencies
- \$ 3 Deliver emergency response
- S 4 Prepare for disaster recovery
- \$ 5 Maintain airspace/transportation safety
- S 6 Flood impact protection
- \$ 7 Maintain safety through crime prevention
- \$ 8 Promote hazardous materials safety

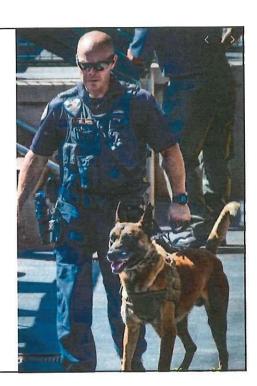


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Safety: Public Comments

- S 7.2 "Use enhanced crime tracking, trending and predictive modeling to reduce crime and increase offender apprehension and public safety"
 - Anticipating likely crime events what and where
 - · Anticipating crime trends and how they may evolve
 - · Help decide where to deploy police
 - · Data sets of current/historic crime
 - Glossary Term
- Any additional comments from Mayor/Council



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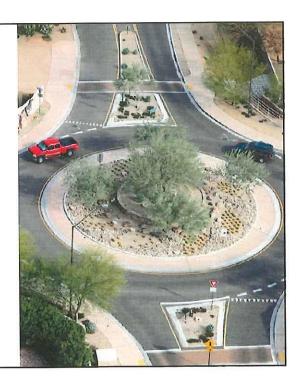
Section 2 - Chapters Chapter 5 — Connectivity Chapter Circulation Element

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Circulation Element *

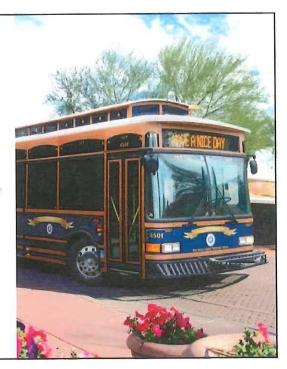
Goals Include:

- C 1 Design safe/efficient corridors ‡
- C 2 Reduce automobile trips
- C 3 Develop a connected multi-modal system #
- C 4 Plan for future expansion
- C 5 Protect neighborhoods
- C 6 Participate in regional coordination
- C 7 Coordinate with schools + neighborhoods
- C 8 Provide a comfortable + accessible system



Connectivity: Public Comments

- Pg. 166 "The automobile will remain an important means of travel in Scottsdale"
 - Pg. 170 "The Circulation Element recognizes the primary role of the automobile...
- Policy C 1.1: Support the Scottsdale public transit system to assure adequate and affordable access to and within our community for citizens, employees, visitors and businesses through the use of existing and future technologies related to high-capacity transit
- Policy C 1.6: Assess alternatives to highcapacity regional transit
- Any additional comments from Mayor/Council



19

Section 2 - Chapters

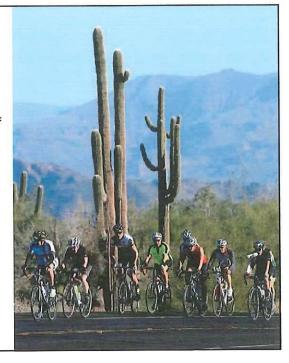
Chapter 5 — Connectivity Chapter

Bicycling Element

Bicycling Element*

Goals Include:

- **B 1** Develop accessible/interconnected networks[‡]
- B 2 Encourage increased bicycle use
- B 3 Promote bicycle education & safety

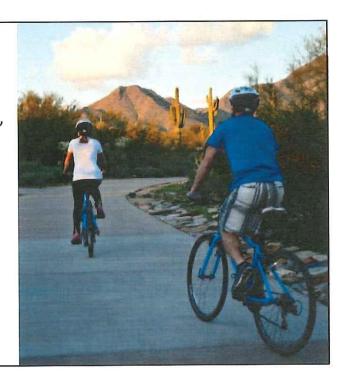


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Connectivity: Public Comments

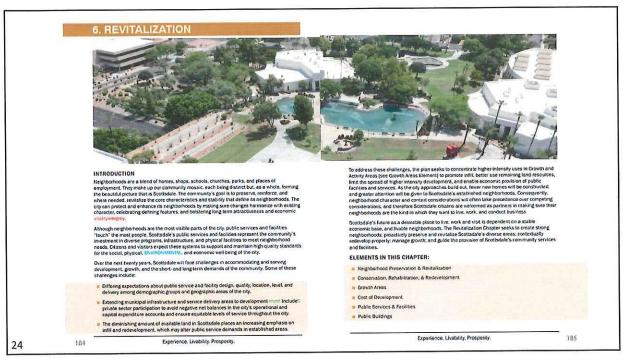
- Policy B 2.2: "Promote a variety of accessible bicycle facilities, including, but not limited to, bicycle parking, bicycle lockers and shower facilities into the transit system throughout the community"
- Any additional comments from Mayor/Council



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Chapter 6 — Revitalization Chapter

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Chapter 6 — Revitalization Chapter

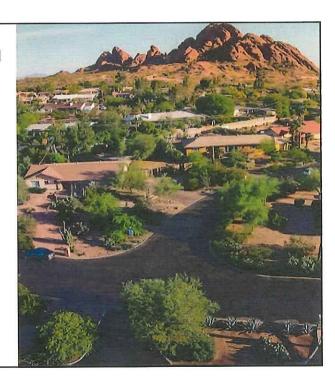
Neighborhood Preservation + Revitalization Element

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Neighborhood Preservation + Revitalization Element*

Goals Include:

- NPR 1 Preserve neighborhood character
- NPR 2 Promote homeownership #
- NPR 3 Provide neighborhood safety #
- NPR 4 Develop neighborhood planning
- NPR 5 Promote community building



Chapter 6 — Revitalization Chapter

Conservation, Rehabilitation + Redevelopment Element

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Conservation, Rehabilitation + Redevelopment Element*

Goals Include:

- CRR 1 Context-appropriate redevelopment
- · CRR 2 Sustain economic well-being
- CRR 3 Redevelopment Authority



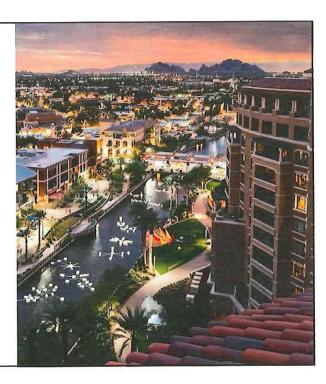
Section 2 - Chapters Chapter 6 — Revitalization Chapter Growth Areas Element

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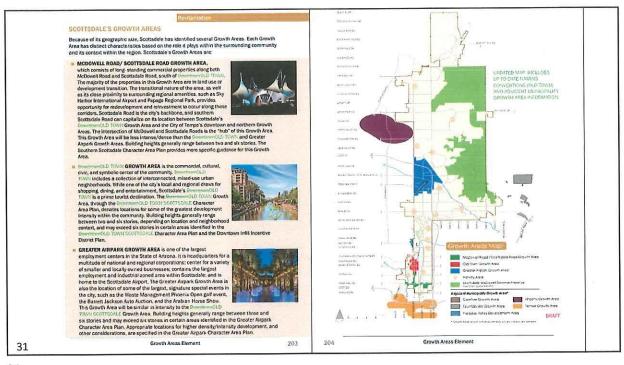
Growth Areas Element*

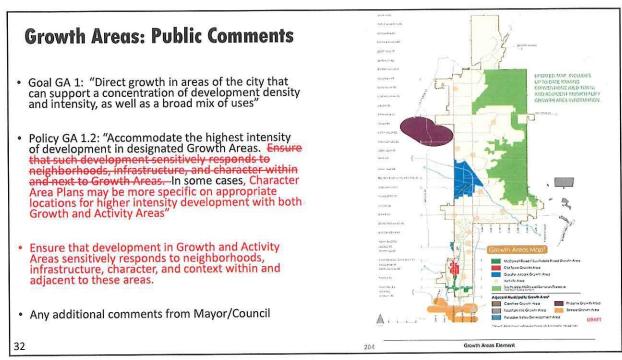
Goals Include:

- GA 1 Provide direction for growth[‡]
- GA 2 Improve transportation access #
- GA 3 Conserve resources *
- GA 4 Promote infrastructure planning #
- GA 5 Build on character + diversity



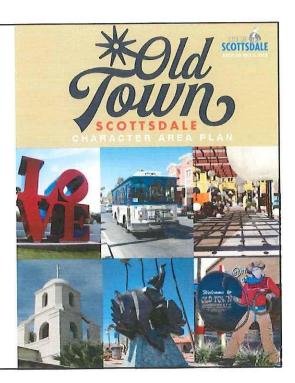
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Old Town Character Area Plan

- Establishes Old Town Vision
- · Goals/Policies for Old Town
 - Land Use
 - Character/Design
 - Mobility
 - Arts/Culture
 - Economic Vitality
 - Implementation Program

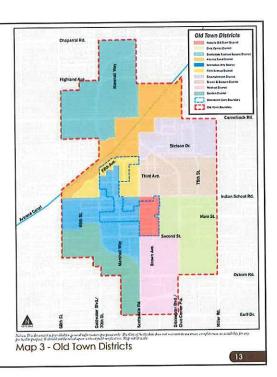


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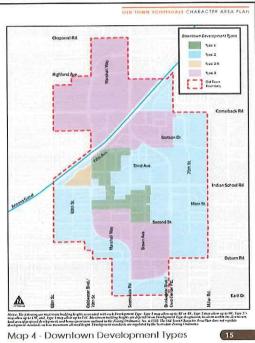
Old Town Character Area Plan

- · Establishes distinct downtown districts
- Historic Old Town



Old Town Character Area Plan

- Establishes distinct Downtown **Development Types**
- Types guide where the lowest to greatest height and development intensity can occur in downtown
- · Historic Old Town is identified by Development Type 1 – low scale

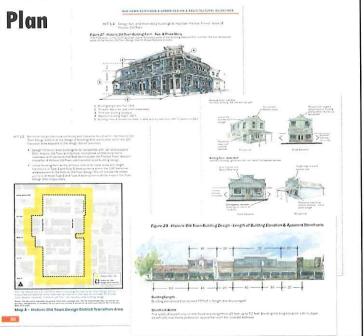


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Old Town Character Area Plan Implementation

- Scottsdale Zoning Ordinance
 - Historic Old Town 40 feet
 - All other Type 1 Areas 48 feet
- Old Town Urban Design + **Architectural Guidelines**



36

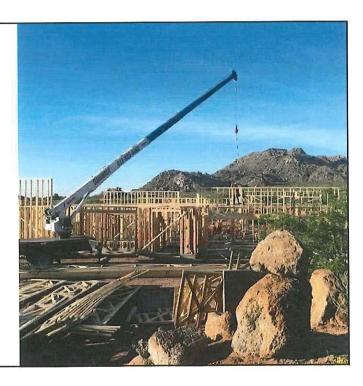
Section 2 - Chapters Chapter 6 — Revitalization Chapter Cost of Development Element

37

Cost of Development Element *

Goals Include:

- COD 1 Development pay its share *
- COD 2 Promote timing/adequacy of public services
- COD 3 Coordinate infrastructure



Land Use Impact Model

- Estimates socioeconomic/fiscal impacts of General Plan land use change
- Assesses revenues/expenditures to estimate how much value a project adds/does not add over time – Net Present Value
- Calculates the annual fiscal impact of land use change based on the number of acres by land use type
- Results expressed in terms of the annual amount of revenues/expenditures by line item that would result from the proposed change – as represented in the city budget
- Also shows annual levels of population, employment, assessed value and retail sales that would result from the land use change

CITY OF SCOTTSDALE
LAND USE IMPACT MODEL

Edit Current Land Use Profile

Open New Profile

Retrieve Saved Land Use Profiles

Update Assumptions

Run Impacts

View Impact Summary

Print Impact Results

Exit

Developed by Applied Economics Phoenix Avizona (602) 765-2400

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Section 2 - Chapters

Chapter 6 — Revitalization Chapter

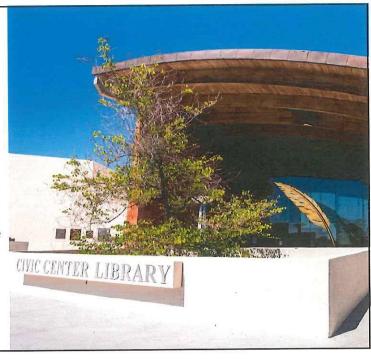
Public Services + Facilities Element

Public Services + Facilities Element *

Goals Include:

- PSF 1 Maintain an innovative solid waste system
- PSF 2 Provide utility + infrastructure systems
- PSF 3 Plan + manage public service operations
- PSF 4 Provide a library system
- PSF 5 Partner with other jurisdictions

41



41

Section 2 - Chapters

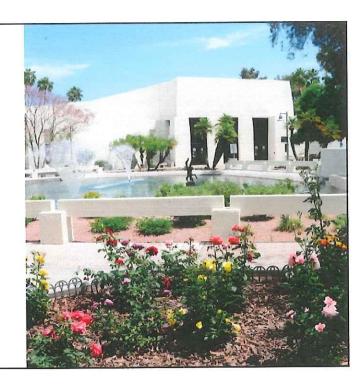
Chapter 6 — Revitalization Chapter

Public Buildings Element

Public Buildings Element *

Goals Include:

- PB 1 Provide safe, accessible, adaptable public buildings *
- PB 2 Design/construct + renovate public buildings
- PB 3 Collaborate with schools

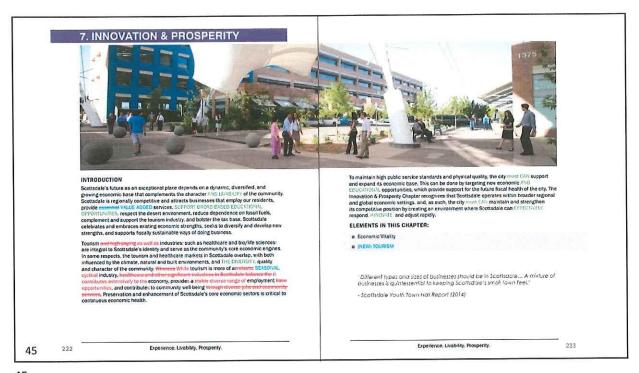


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Section 2 - Chapters

Chapter 7 — Innovation + Prosperity



45

Section 2 - Chapters

Chapter 7 — Innovation + Prosperity

Economic Vitality Element

Economic Vitality Element

Goals Include:

- EV 1 Foster economic resiliency
- EV 2 Enhance socioeconomic prosperity
- EV 3 Manage land uses to enhance economic development
- EV 4 Ensure fiscal sustainability



47

47

Economic Vitality: Public Comments

- Intro paragraph on tourism moved to new Tourism Element – Economic Vitality intro still states: "While tourism remains a significant aspect of Scottsdale economy..."
- Goal EV1, Policies EV 1.1 1.12 also moved to new Tourism Element
- New Policy EV 1.1 add "and character" at end of 2nd bullet – "Strategic plans that...Support Scottsdale's competitive strengths and are compatible with Scottsdale's lifestyle and character"
- Policy EV 4.7 add back in stricken language "Carefully consider the fiscal implications of land use decisions that result in service expansions to avoid significant negative fiscal impacts, unless necessary to achieve other critical community objectives"
- Any additional comments from Mayor/Council



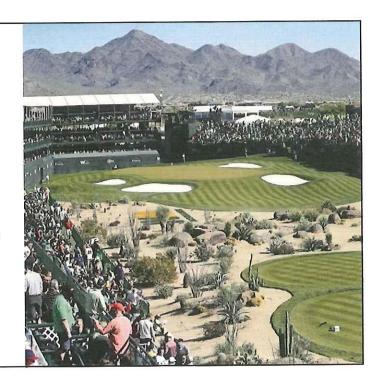
Section 2 - Chapters Chapter 7 — Innovation + Prosperity Tourism Element

49

Tourism Element

Goals Include:

- T 1 Strengthen tourism
- T 2 Enhance mobility + wayfinding
- T 3 Support special events + venues



General Plan Update — Next Steps at City Council

Tonight:

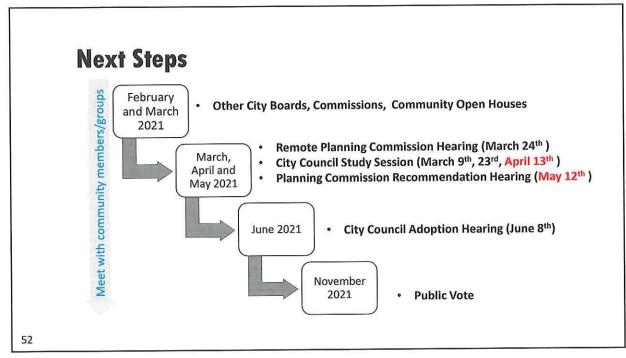
- Section 2 Chapters
 - · Chapter 4: Community Well-Being
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 - · Public Services + Facilities
 - · Public Buildings
 - · Chapter 7: Innovation + Prosperity
 - · Economic Vitality Element
 - · Tourism Element

Next Meeting - March 23rd

- Implementation Chapter
- · Summary of Public Outreach to Date
- · Council Edited Plan
 - · Stronger Plan Language
 - Vision Statement
 - · Character + Culture Chapter
 - Downtown Core Character Types Addition
 - New Desert Rural Land Use
 - Density Ranges for Urban Neighborhoods Land Use
 - · Combined Employment/Office Land Use
 - · General Plan Amendment Criteria
 - · Land Use Matrix (Criteria #1)
 - · New Desert Rural Land Use Definition
 - · Urban Neighborhoods Definition Density Caps
 - · Appealing major amendment determinations
 - Suggested Plan Edits Through Chapter 3
 - · Draft of New Education Element

51

51



General Plan Update — Public Participation

Outreach Opportunities:

- Upcoming Council Study Sessions
 - March 23rd
 - April 13th
- Community Group Zoom Meetings
- Online Open Houses
 - · March 11
 - March 15

Online 24/7:

 https://www.scottsdaleaz.gov/generalplan/general-plan-updates



53

53

