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 Mihaven, 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".

Chapter 6 – Revitalization Chapter, Neighborhood Preservation Element
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.

[Signature]

Ben Lane, City Clerk
Residential Sewer Line Extensions and Septic Systems

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.

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.

Groundwater Quality and Septic Systems
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 eye 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."

- **CDC** — "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

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.
Scottsdale Septic System Density

In some areas of Scottsdale, specifically the west Shea area, the septic tank density is 10 times the EPA recommendation. Within one square mile there are approximately 400 septic systems. This results in one system per 1.6 acres ratio.

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

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
### Survey Data

<table>
<thead>
<tr>
<th>Customers surveyed</th>
<th>6,120</th>
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<tbody>
<tr>
<td>Customer surveys completed</td>
<td>2,304</td>
</tr>
<tr>
<td>Percentage of customers completing survey</td>
<td>38%</td>
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**Do you anticipate having the current septic system replaced or overhauled?**

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>No</td>
<td>1469</td>
</tr>
<tr>
<td>Yes, within the next five years.</td>
<td>148</td>
</tr>
<tr>
<td>Yes, within the next ten years.</td>
<td>71</td>
</tr>
<tr>
<td>Unsure</td>
<td>493</td>
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</table>

**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?**

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<thead>
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<tbody>
<tr>
<td>No</td>
<td>686 – 30%</td>
</tr>
<tr>
<td>Yes</td>
<td>994 – 43%</td>
</tr>
<tr>
<td>Unsure</td>
<td>538 – 23%</td>
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**Approximate year the current septic system was originally installed**

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<tr>
<td>Since 2010 (less than ten years old)</td>
<td>247</td>
</tr>
<tr>
<td>2000 to 2009 (11 to 20 years old)</td>
<td>470</td>
</tr>
<tr>
<td>1990 to 1999 (20 to 30 years old)</td>
<td>500</td>
</tr>
<tr>
<td>Prior to 1990 (over 30 years old)</td>
<td>957</td>
</tr>
</tbody>
</table>

### 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 system?
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.

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

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of Affected Lots</th>
<th>Total Length of Extension (Feet)</th>
<th>Average Cost Per Lot</th>
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<tbody>
<tr>
<td>2014/15</td>
<td>4</td>
<td>1,160</td>
<td>$28,773.65</td>
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<tr>
<td>2015/16</td>
<td>18</td>
<td>1,760</td>
<td>$12,199.03</td>
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<tr>
<td>2016/17</td>
<td>12</td>
<td>1,977</td>
<td>$25,646.46</td>
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<td>2017/18</td>
<td>40</td>
<td>5,795</td>
<td>$27,881.62</td>
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<td>2018/19</td>
<td>45</td>
<td>4,179</td>
<td>$26,803.9</td>
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<tr>
<td>2019/20</td>
<td>32</td>
<td>3,870</td>
<td>$22,248.57</td>
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<tr>
<td>2020/21</td>
<td>18</td>
<td>2,318</td>
<td>$30,482.69</td>
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<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of Affected Lots</th>
<th>Total Length of Extension (Feet)</th>
<th>Average Cost Per Lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>169</td>
<td>21,059</td>
<td>$24,862.27</td>
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<td>Average</td>
<td>24</td>
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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

Questions?
Line Extension Example

Developer plus 5 benefiting parcels

Edge of Developer's lot is 400 feet from sewer line (within 500 ft requirement)

Total Cost = $150,000

Six homes/lots with equal frontages equates to a cost of $25,000 per lot/home

Benefiting Parcels - X

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Developer would front the cost and upon project completion would be refunded $125,000. ($150,000 - $25,000 for lot)

Existing homes with septic are not required to hook up to the Sewer following SRC 49-117.

However to hook up to the sewer, each benefiting parcels would be required to pay $25,000 (plus interest if they don't hook up with the project as it is built).

Payback agreement expires in 20 years

Benefiting Parcels - X

Developer

X

X

600 ft extension of sewer required for developer

X

Benefiting Parcels - X

Total Cost = $150,000

X

X

23

24
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

Building a Strategic Economic Development Plan for Scottsdale
How do we get there?

With a strategy 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 Scottsdale's investment in placemaking and quality of place

Our Approach

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<tr>
<td>KICK-OFF &amp; SCOPE MARKET ANALYSIS</td>
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<td>JUNE 2020</td>
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<tr>
<td>COMPETITIVE STAKEHOLDER ENGAGEMENT</td>
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<td>JUNE - JULY 2020</td>
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<td>VIRTUAL STAKEHOLDER ENGAGEMENT</td>
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<td>STRATEGIC PLAN DEVELOPMENT</td>
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<td>OCTOBER 2020 - FEBRUARY 2021</td>
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<td>FINAL STRATEGY, IMPLEMENTATION &amp; APPROVAL</td>
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<td>FEBRUARY - APRIL 2021</td>
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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

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.

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 more than 15 1-1 interviews.

And, a Community Visioning Workshop for 50 attendees.

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.

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

IT SERVICES AND SOFTWARE
- Competitive advantage: 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

FINANCIAL AND INSURANCE SERVICES AND TECHNOLOGY
- Combined employed of approximately 13,000 AZ residents
- Average earnings ranging from $65,000 to $101,90
- 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

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.

CORPORATE HEADQUARTERS
- Cuts across multiple industries; position as marketing effort vs. 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

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

Elements of the Strategy

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.

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.

**FUTURE-DEFINING INNOVATION**
We invest in an entrepreneurial ecosystem that solves tomorrow's most pressing challenges.

**A HEALTHY ECONOMY FOR TOMORROW**
We foster resiliency through industry diversification, upskilling, talent attraction and responsible revitalization.

**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.

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.

2. **BUSINESS AND INVESTMENT ATTRACTION:**
   Attract investment to diversify Scottsdale's economy.

3. **SUPPORT ENTREPRENEURSHIP:**
   Bolster Scottsdale's startup ecosystem.

4. **ADVANCE ECONOMIC PROSPERITY:**
   Make inclusion and diversity an economic development priority.

5. **TALENT DESTINATION:**
   Build the premier destination for talent in the Southwest.

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.

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 high-tech 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.

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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.
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.

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

Thank You.
Draft Scottsdale General Plan 2035
Case: 1-GP-2021
City Council Work Study Session
March 9, 2021

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
### 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

### 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
Section 2 - Chapters

Chapter 4 – Community Well-Being Chapter

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

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

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

Section 2 - Chapters

Chapter 4 – Community Well-Being Chapter

Safety Element
Safety Element

Goals Include:

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

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
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 high-capacity regional transit
- Any additional comments from Mayor/Council

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

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
Chapter 6 – Revitalization Chapter

6. REVITALIZATION

INTRODUCTION

Neighborhoods are a critical part of our community, shaping how we live and work. They provide a sense of identity and belonging, and are often the places where we spend the majority of our time. The success of a neighborhood is often determined by the quality of its public spaces, the availability of amenities, and the overall sense of community that exists.

Revitalization

Revitalization is the process of improving and enhancing a neighborhood to make it more livable, attractive, and economically vibrant. This can involve a variety of actions, such as improving infrastructure, increasing green space, and attracting new businesses and residents.

To address these challenges, the community has taken a comprehensive approach to revitalization. This includes: improving public spaces, enhancing public amenities, and increasing economic opportunities. Through these efforts, the community has been able to attract new residents and businesses, as well as improve the overall quality of life for those who live and work here.

ELEKENTS IN THIS CHAPTER:

- Neighborhood Revitalization & Redevelopment
- Conservation, Rehabilitation, & Redevelopment
- Economic engines
- Land use and form-based development
- Public sector participation in revitalization projects
- The role of public and private partnerships in revitalization efforts
- The role of community engagement in revitalization projects
- The impact of revitalization on property values and economic development
Section 2 - Chapters

Chapter 6 - Revitalization Chapter

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
Section 2 - Chapters

Chapter 6 - Revitalization Chapter

Conservation, Rehabilitation + Redevelopment Element

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

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 and diversity
**Growth Areas: Public Comments**

- **Goal GA 1:** "Direct growth in areas of the city that can support a concentration of development density and intensity, as well as a broad mix of uses"

- **Policy GA 1.2:** "Accommodate the highest intensity of development in designated Growth Areas. Ensure that such development sensitively responds to neighborhoods, infrastructure, and character within and next to Growth Areas. In some cases, Character Area Plans may be more specific on appropriate locations for higher intensity development with both Growth and Activity Areas"  

- **Ensure that development in Growth and Activity Areas sensitively responds to neighborhoods, infrastructure, character, and context within and adjacent to these areas.**

- **Any additional comments from Mayor/Council**
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

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

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
Section 2 - Chapters

Chapter 6 – Revitalization Chapter

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

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

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
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

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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

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
    • Healthy Community
    • Housing
    • Recreation
    • Safety Chapter
• Chapter 5: Connectivity
  • Circulation
  • Bicycling
• Chapter 6: Revitalization
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  • Growth Areas
  • Cost of Development
  • 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

Next Steps
• Other City Boards, Commissions, Community Open Houses
• Remote Planning Commission Hearing (March 24th)
• City Council Study Session (March 9th, 23rd, April 13th)
• Planning Commission Recommendation Hearing (May 12th)
• City Council Adoption Hearing (June 8th)
• Public Vote
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/general-plan/general-plan-updates

CITYWIDE INITIATIVE PRESENTATIONS
https://www.scottsdaleaz.gov/general-plan/general-plan-updates/community-input-series

The Community Vision Statement

General Plan Amendment Criteria

Employment and Office Land Use Categories

Desert Rural Neighborhoods Designation