

SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
MONDAY, JANUARY 11, 2016



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

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:12 P.M. on Monday, January 11, 2016, in the City Hall Kiva.

ROLL CALL

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

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

PLEDGE OF ALLEGIANCE – Pack 682, Webelos Den, Mike Slominski and Mike Coppo
leaders

INVOCATION – Former Councilman Dennis Robbins

MAYOR'S REPORT

Mayor Lane recognized former Senator Carolyn Allen and former City Manager Dick Bowers, who were attending tonight's meeting.

Mayor Lane spoke on the recent loss of a dear friend and employee, City Engineer Derek Earle.

PRESENTATION/INFORMATION UPDATES

- **Landscape Architecture Medal of Excellence Award and McDowell Sonoran Conservancy Proclamation**
Presenter(s): Kroy Ekblaw, Strategic Projects/Preserve Director; Mike Nolan, Executive Director of the McDowell Sonoran Conservancy

McDowell Sonoran Conservancy President John McEnroe, Strategic Projects/Preserve Director Kroy Ekblaw, and Society of Landscape Architects Fellow Chris Brown gave presentations.

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.

PUBLIC COMMENT – Sally Krieg and Gary Eastwood expressed safety and traffic concerns regarding the proposed Charter Basis School.

MINUTES

Request: Approve the Special Meeting Minutes of December 1, 2015 and December 2, 2015; General Plan Amendment Meeting Minutes of December 1, 2015; Regular Meeting Minutes of November 17, 2015 and December 2, 2015; Work Study Session Minutes of November 17, 2015; Joint Council Meeting Minutes of December 15, 2015; and Executive Session Minutes of December 2, 2015.

MOTION AND VOTE – MINUTES

Councilman Phillips made a motion to approve the Special Meeting Minutes of December 1, 2015 and December 2, 2015; General Plan Amendment Meeting Minutes of December 1, 2015; Regular Meeting Minutes of November 17, 2015 and December 2, 2015; Work Study Session Minutes of November 17, 2015; Joint Council Meeting Minutes of December 15, 2015; and Executive Session Minutes of December 2, 2015. Councilwoman Littlefield seconded the motion, which carried 7/0.

CONSENT AGENDA

1. **Majerle's Sports Grill Liquor License (113-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a Series 6 (bar) State liquor license for an existing location and owner, new license series.
Location: 4425 N. Saddlebag Trail, Suites 101 and 105
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
2. **TYC Liquor License (114-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for an agent and acquisition of control change for an existing Series 6 (bar) State liquor license.
Location: 7301 E. Indian Plaza
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
3. **Zen Asian Kitchen Liquor License (115-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 15544 N. Pima Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
4. **6th Avenue Restaurant Liquor License (116-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7341 3. 6th Avenue
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 5. Arthaworks Liquor License (117-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 4 (wholesale) State liquor license for a new location and owner.
Location: 7320 E. Butherus Drive, Suite 103
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. Wildfish Seafood Grille No. 8504 Liquor License (118-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7135 E. Camelback Road, Suite 130
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 7. Eddie V's Prime Seafood No. 8510 Liquor License (119-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 15323 N. Scottsdale Road, Suite E1-160
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 8. Capital Grille of Scottsdale No. 8024 Liquor License (120-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 16489 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 9. Egg N' Joe Liquor License (121-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.
Location: 23271 N. Scottsdale Road, Suite A101
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 10. Circle K Stores Conditional Use Permit (1-UP-2013)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 10288** approving a Conditional Use Permit for a gas station on a 28,657 square-foot parcel with Highway Commercial (C-3) zoning.
Location: 4440 N. Miller Road and 7555 E. Camelback Road
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

- 11. Verizon PHO Pima and McDonald Conditional Use Permit (11-UP-2015)**
Request: Find that the conditional use permit criteria have been met and adopt
Resolution No. 10292 approving a Conditional Use Permit for a new Type 4, Alternative Concealment Wireless Communication Facility in the form of a 59-foot-tall artificial palm tree with Open Space (O-S) and Neighborhood Commercial (C-1) zoning.
Location: 8732 E. McDonald Drive
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 12. Scottsdale National Golf Club Abandonment (1-AB-2015)**
Request: Adopt **Resolution No. 10291** authorizing the abandonment of portions of right-of-way and roadway and public utilities easements located along N. 116th Street, the N. 117th Street alignment, N. 118th Street, E. Dixileta Drive, E. Morning Vista Road, Via Dona Road, and the E. Dale Lane alignment for property with Single-Family Residential District, Environmentally Sensitive Lands (R1-190/ESL) zoning, Single-Family Residential District and Resort/Townhouse Residential, Environmentally Sensitive Lands (R-4R/ESL) zoning.
Location: Northeast corner of N. 118th Street and E. Rio Verde Drive (E. Dynamite Boulevard)
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 13. Minnezona and 73rd Abandonment (9-AB-2015)**
Request: Adopt **Resolution No. 10285** authorizing the abandonment of 176± square-feet of right-of-way along N. 73rd Street and 86± square-feet of right-of-way at the intersection of E. Minnezona Avenue and N. 73rd Street, both adjacent to a parcel with Multiple-Family Residential, Downtown Overlay (R-5 DO) zoning.
Location: Adjacent to 7301 E. Minnezona Avenue
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 14. McDowell Mountain Marketplace Shops Pad B and Parcel R Rezoning (11-ZN-2015)**
Request: Adopt **Ordinance No. 4233** approving a zoning district map amendment to amend the development plan zoning stipulations for a new turning lane and new driveway on a 13± acre site with Planned Community Center, Environmentally Sensitive Lands (PCC, ESL) zoning.
Location: 10199 E. Bell Road
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 15. 8404 E. Pinnacle Peak Rezoning (13-ZN-2015)**
Request: Adopt **Ordinance No. 4234** approving a zoning district map amendment to amend the Single-Family Residential District, Planned Residential District (R1-70/PRD) zoning designation, with amended development standards, and amend the development plan for the Pinnacle Paradise Development, for a portion of the original Pinnacle Paradise Tract "A" only, to allow for a new Single-Family lot on a 0.62± acre site.
Location: 8404 E. Pinnacle Peak Road
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

- 16. In Lieu Transportation Fee Payments Budget Adjustments**
Request: Adopt **Resolution No. 10275** authorizing four FY 2015/16 capital improvement plan budget adjustments related to in lieu transportation fee payments received.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 17. Acquisition of Public Non-Motorized Access Easements**
Request: Adopt **Resolution No. 10301** authorizing the acquisition of two public non-motorized access easements to complete the Mountain View Trail.
Location: Northeast corner of E. Shea Boulevard and N. 124th Street to the northeast corner of 124th Street and the Central Arizona Project canal
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 18. Capital Improvement and Facilities Projects On-Call Electrical Engineering Services Contract**
Request: Adopt **Resolution No. 10296** authorizing Contract No. 2013-185-COS-A2 with Kimley-Horn and Associates, Inc., for the third year option.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 19. Capital Improvement and Facilities Projects On-Call Structural Engineering Services Contract Request:** Adopt **Resolution No. 10297** authorizing the following contracts for the third year option:
1. Contract No. 2014-001-COS-A2 with Caruso Turley Scott, Inc.
2. Contract No. 2014-002-COS-A2 with Gannett Fleming, Inc.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 20. Engineering Services Contract for On-Call Intelligent Transportation Systems**
Request: Adopt **Resolution No. 10315** authorizing Contract No. 2016-006-COS with Kimley-Horn and Associates, Inc., in an amount not to exceed \$1,000,000 per year, for the planning and design of various intelligent transportation systems projects.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

Removed at the request of staff.
- 21. Engineering Services Contract for Zone 2 Water System Improvements**
Request: Adopt **Resolution No. 10316** authorizing Contract No. 2016-007-COS with GHD, Inc., for engineering services to design the Zone 2 Water System Improvements.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 22. Farm and Craft Restaurant Outdoor Dining License Agreement Amendment**
Request: Adopt **Resolution No. 10310** authorizing Agreement No. 2011-103-COS-A1 with Velasco Holdings, LLC, to reduce the size of the patio.
Location: 4302 N. Scottsdale Road
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

- 23. Rassner Memorial Scottsdale Library Endowment Allocation**
Request: Adopt **Resolution No. 10323** authorizing the distribution of interest income in the amount of \$21,042 from the Rassner Memorial Scottsdale Library Endowment to the Scottsdale Public Library to purchase educational equipment and improvements to the youth area at the Civic Center Library, as recommended by the Library Board.
Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov
- 24. Scottsdale Stadium Infrastructure Improvements Budget Transfers**
Request: Adopt **Resolution No. 10332** to authorize:
1. A \$150,000 Stadium Improvement IGA funding source budget transfer and a \$6,000 General Fund funding source transfer from the Scottsdale Stadium Infrastructure Improvements project to a newly created capital project titled Scottsdale Stadium and Indian School Park Scoreboards.
2. A \$250,000 Stadium Improvement IGA funding source budget transfer and a \$14,000 General Fund funding source transfer from the Scottsdale Stadium Infrastructure Improvements project to a newly created project titled Scottsdale Stadium Masterplan.
Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov
- 25. Audit Committee Recommendation for Environmental Quality Advisory Board Sunset Review**
Request: Adopt **Resolution No. 10307** accepting the Audit Committee's recommendation and authorizing the continuation of the Environmental Quality Advisory Board.
Staff Contact(s): Sharron Walker, City Auditor, 480-312-7867, swalker@scottsdaleaz.gov
- 26. Transit Service Intergovernmental Agreement Amendment**
Request: Adopt **Resolution No. 10250** authorizing Agreement No. 2014-054-COS-A3 with the City of Phoenix to decrease the cost from \$1,981,976 to \$1,878,356 for the provision of fixed route transit service for FY 2015/16.
Staff Contact(s): Paul Basha, Transportation Director, 480-312-7651, pbasha@scottsdaleaz.gov
- 27. Crosscut Canal Bridge and Path Capital Project Intergovernmental Agreement**
Request: Adopt **Resolution No. 10309** authorizing Agreement No. 2013-138-COS-A3 with the City of Phoenix in the amount of \$510,330, of which \$445,407 is federal funding and \$64,923 is the Transportation Sales Tax local match, for the purpose of funding the Crosscut Canal Bridge and Path capital project.
Staff Contact(s): Paul Basha, Transportation Director, 480-312-7651, pbasha@scottsdaleaz.gov
- 28. Fiesta Bowl Rugby & Balloon Classic Event**
Request: Adopt **Resolution No. 10311** to authorize:
1. Funding not to exceed \$75,000 from the City portion of bed tax carry over funding for the Fiesta Bowl Rugby & Balloon Classic event.
2. New Event Funding Agreement No. 2016-002-COS with Rugby Bowl, LLC.
Staff Contact(s): Karen Churchard, Tourism and Events Director, 480-312-2890, kchurchard@scottsdaleaz.gov

- 29. 2016 PRCA Wrangler Champion Challenge Event**
Request: Adopt **Resolution No. 10326** to authorize:
1. Funding not to exceed \$75,000 from the City portion of bed tax allocated for one-time use for capital projects, events and event development, or administration and research for the 2016 PRCA Wrangler Champion Challenge event.
 2. New Event Funding Agreement No. 2016-012-COS with Parada del Sol, Inc.
- Staff Contact(s):** Karen Churchard, Tourism and Events Director, 480-312-2890, kchurchard@scottsdaleaz.gov
- 30. Administrative Citations and Ephedrine and Pseudoephedrine Code Amendments**
Request: Adopt **Ordinance No. 4235** to:
1. Repeal Chapter 22 of the Scottsdale Revised Code relating to the administrative hearing process for administrative citations.
 2. Repeal Sections 19-22 and 19-23 of Chapter 19, Article I of the Scottsdale Revised Code relating to products containing ephedrine or pseudoephedrine.
- Staff Contact(s):** Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 31. Hill v. City of Scottsdale Settlement Agreement**
Request: Adopt **Resolution No. 10322** authorizing settlement in the amount of \$90,000 of Angela Hill and Brent Hill's negligence lawsuit against the City entitled *Hill v. City of Scottsdale*, Case No. CV2013-015416, currently pending in the Maricopa County Superior Court.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilwoman Littlefield made a motion to approve Consent Agenda Items 1 through 31, absent Item 20, which was removed from the agenda at the request of staff. Councilmember Korte seconded the motion, which carried 7/0.

REGULAR AGENDA

- 32. Rockbar Outdoor Dining License Agreement Amendment**
Request: Adopt **Resolution No. 10255** authorizing Agreement No. 2004-010-COS-A1 with J.E. Southwest Group Real Estate, LLC. The license area is a 440 square-foot portion of a 16-foot public alley located immediately north of the 4245 N. Craftsman Court building. This building has been occupied since June 2011, by Rockbar, Inc., as a bar/live music venue known as Rockbar and will now have a kitchen and food service requirement.
Presenter(s): Daniel Worth, Public Works Director
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

Public Works Director Daniel Worth gave a PowerPoint presentation (attached) on the proposed outdoor dining license agreement.

Court Rich, speaking on behalf of the applicant, gave a presentation on the steps that have been taken to address the concerns that were raised by Council at the August 25, 2015 Council Meeting.

Mayor Lane opened public testimony.

Sonnie Kirtley spoke in opposition to the proposed outdoor dining license agreement.

Mayor Lane closed public testimony.

MOTION NO. 1 AND VOTE – ITEM 32

Vice Mayor Smith made a motion to reject Resolution No. 10255. Councilwoman Littlefield seconded the motion, which failed 2/5, with Mayor Lane and Councilmembers Klapp, Korte, Milhaven, and Phillips dissenting.

MOTION NO. 2 AND VOTE – ITEM 32

Councilmember Korte made a motion to adopt Resolution No. 10255 authorizing the contract amendment No. 2004-010-COS-A1 with J.E. Southwest Group Real Estate, LLC. Councilwoman Klapp seconded the motion, which carried 5/2, with Vice Mayor Smith and Councilwoman Littlefield dissenting.

33. Desert Discovery Center Consulting Services Agreement

Request: Authorize **Resolution No. 10261** to authorize:

1. Agreement No. 2015-234-COS with Desert Discovery Center Scottsdale, Inc., for management services to produce a business plan and feasibility analysis.
2. A FY 2015/16 General Fund Capital Contingency budget appropriation transfer in the amount of \$1,696,900 to a newly created capital improvement project titled Desert Discovery Center Business Plan and Feasibility Analysis, to be funded by Tourism Development Funds.
3. Initiation of an amendment to the existing Municipal Use Master Site Plan for a Desert Discovery Center on 30± acres of City-owned land located north of the existing Gateway to the Preserve Trailhead on Thompson Peak Parkway.

Presenter(s): Kroy Ekblaw, Strategic Projects/Preserve Director

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

Public Works Director Daniel Worth gave a PowerPoint presentation (attached) on the proposed Desert Discover Center Consulting Services Agreement.

Mayor Lane opened public testimony.

The following spoke in support of the Desert Discovery Consulting Services Agreement:

- Christine Kovach, Scottsdale resident
- Ren Hirose, Tourism Development Commissioner and Scottsdale resident
- Carolyn Allen, former State Senator
- Debbie Shields, Scottsdale resident
- Howard Myers, Scottsdale resident
- David Scholefield, Scottsdale resident
- Joan Fudala, Scottsdale resident

- Mark Hiegel, Scottsdale Area Chamber of Commerce
- Randy Schilling, Scottsdale resident
- John McEnroe, Scottsdale resident
- Rebecca Grossman, Scottsdale resident
- Don Hadder, Scottsdale resident
- Brenda Hall, Scottsdale resident
- Bill Heckman, Scottsdale resident
- Mark Stanton, Paradise Valley Town Councilmember
- Daniel Gruber, Paradise Valley resident
- Dick Bowers, former City Manager
- Melinda Gulick, Scottsdale resident

The following spoke in opposition to the Desert Discovery Consulting Services Agreement:

- Bob Littlefield, Scottsdale resident
- Douglas Reed, Scottsdale resident
- Nancy Voorhees, Scottsdale resident
- Andrea Keck, Scottsdale resident
- Sonnie Kirtley, Coalition of Greater Scottsdale

Mayor Lane closed public testimony.

In response to the question of whether the Council has the authority to build in the Preserve, City Attorney Bruce Washburn opined that the City has the authority to make improvements in the Preserve and the Council has the authority to determine what those improvements will be. He noted that trailheads are routinely built in the Preserve.

Council suggested the following amendments to Agreement No. 2015-234-COS:

- Strike section 207 of the scope of work.
- Add the following sentence to section 211 of the scope of work in the first paragraph after the end of the fourth sentence: "The DDCS will consider and address implementation of staged development of the DDC and shall include such staged development in the capital and operating business plans."
- Add the following sentence at the end of section 303: "The DDCS will seek to work collaboratively with the McDowell Sonoran Conservancy to accomplish the purposes of this section."
- Add the McDowell Sonoran Conservancy to the list in the last sentence of section 201.
- Add the following at the end of the first sentence in section 210: ". . . and consider and address the implementation of a multi-staged plan."
- Add the following sentence at the end of the second sentence of the third paragraph in section 308 of the scope of work: "The DDCS is committed to working towards a goal of raising 10% of the capital cost of the DDC and to developing a plan to adequately cover annual operating costs."

MOTION NO. 1 – ITEM 33

Councilman Phillips made a motion to continue the discussion to the next Council meeting and direct City staff to work with the DDCS to incorporate the suggested amendments from the Mayor and Vice Mayor. The motion died for lack of a second.

MOTION NO. 2 AND VOTE – ITEM 33

Councilwoman Klapp made a motion to table the item (to the end of the meeting – Page 12). Councilmember Korte seconded the motion, which carried 7/0.

34. The Scottsdale Dispensary Conditional Use Permit (9-UP-2015)

Request: Find that the conditional use permit criteria have been met, and adopt **Resolution No. 10289** approving a Conditional Use Permit for a Medical Marijuana Use (dispensary) in a 3,770± square-foot facility with Industrial Park (I-1) zoning.

Location: 14980 N. 78th Way, Suites 204 and 207

Presenter(s): Bryan Cluff, Sr. Planner

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

Senior Planner Bryan Cluff gave a PowerPoint presentation (attached) on the proposed conditional use permit (CUP).

Applicant Mike Colburn gave a presentation on and answered questions about his request for a conditional use permit.

Mayor Lane opened public testimony.

The following spoke in support of the conditional use permit:

- Court Rich, Rose Law Group
- Bill Robert, Scottsdale resident

Mayor Lane closed public testimony.

MOTION NO. 1 – ITEM 34

Councilwoman Klapp made a motion to find that the conditional use permit criteria have been met and adopt Resolution No. 10289 approving a conditional use permit for a Medical Marijuana Use (dispensary) in a 3,770± square-foot facility located at 14890 N. 79th Way, Suites 204 and 207 with Industrial Park (I-1) zoning. The motion died for lack of a second.

MOTION NO. 2 – ITEM 34

Vice Mayor Smith made a motion to reject Resolution No. 10289. The motion died for lack of a second.

MOTION NO. 3 AND VOTE – ITEM 34

Councilman Phillips made a motion to find that the conditional use permit criteria have been met and to adopt Resolution No. 10289 approving a Conditional Use Permit for a Medical Marijuana Use, with an amendment to Stipulation 5 changing the CUP term from five years to one year. Councilwoman Klapp seconded the motion, which carried 6/1, with Vice Mayor Smith dissenting.

35. Dispensary Relocation Conditional Use Permit (10-UP-2015)

Request: Find that the conditional use permit criteria have been met, and adopt **Resolution No. 10290** approving a Conditional Use Permit for a Medical Marijuana Use (dispensary) in a 6,800± square-foot facility with Industrial Park (I-1) zoning.

Location: 15190 N. Hayden Road

Presenter(s): Bryan Cluff, Sr. Planner

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

Senior Planner Bryan Cluff gave a PowerPoint presentation (attached) on the proposed conditional use permit.

Applicant Court Rich gave a presentation on the proposed conditional use permit.

MOTION AND VOTE – ITEM 35

Councilmember Korte made a motion to find that the conditional use permit criteria have been met and adopt Resolution No. 10290 approving a Conditional Use Permit for a Medical Marijuana Use at the 15190 N. Hayden Road site, with an amendment to Stipulation 5 changing the CUP term from five years to one year. Councilwoman Littlefield seconded the motion, which carried 6/1, with Vice Mayor Smith dissenting.

PUBLIC COMMENT – None

CITIZEN PETITIONS

36. Receipt of Citizen Petitions

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

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

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS

37. Initiate City Council Review of the Development Review Board's November 19, 2015 Decision Regarding 50-DR-2015 (Verizon PHO Stonegate)

Request: At the request of Councilman Phillips, consider whether to initiate a formal City Council review of the Development Review Board's November 19, 2015 decision, which approved a new Type 3 Wireless Communication Facility (WCF) to be placed within two new 30-foot tall artificial Saguaro cacti, with associated equipment located in and screened by the 7-foot-tall masonry block wall of the existing Scottsdale Ranch Community maintenance yard near the northeast corner of the intersection located at East Mountain View Road and North 111th Street.

MOTION AND VOTE – ITEM 37

Councilman Phillips made a motion to initiate Council review of the Development Review Board's November 19, 2015, decision regarding 50-DR-2015. Councilwoman Littlefield seconded the motion, which failed 3/4, with Mayor Lane and Councilmembers Klapp, Korte, and Milhaven dissenting.

MOTION AND VOTE – MAYOR AND COUNCIL ITEM

Councilwoman Littlefield made a motion to direct staff to agendize, as quickly as feasible, an item for discussion and possible Council direction to: (1) Modify the City's zoning ordinance to increase the separation required between medical marijuana dispensaries, other possible restrictions on the locations of dispensaries, and any other considerations of change; and (2) place a moratorium on all future medical marijuana dispensary cases on hold until the study of the ordinance is complete. Mayor Lane seconded the motion, which carried 7/0.

33. Desert Discovery Center Consulting Services Agreement (Continued from Page 10.)

MOTION NO. 3 AND VOTE – ITEM 33

Councilmember Korte made a motion to take Item 33 off the table and return it to the agenda. Councilwoman Klapp seconded the motion, which carried 7/0.

ALTERNATE MOTION AND VOTE – ITEM 33

Councilwoman Littlefield made an alternate motion to adopt Resolution 10261, but lower the amount to \$996,900 by deleting the \$700,000 requested to pay for the architectural services to provide additional preliminary plans. Any plans which are deemed necessary for processing a Municipal Use Master Site Plan shall not be a part of the \$996,900. Additionally no application for revisions to the Municipal Use Master Site Plan shall be processed until a conceptual plan and its economic feasibility is reviewed by Council and approved by public vote, and include changes and stipulations to the agreement as described by the City Attorney. Councilman Phillips seconded the motion, which failed 2/5, with Mayor Lane; Vice Mayor Smith; and Councilmembers Klapp, Korte, and Milhaven dissenting.

MOTION NO. 4 AND VOTE – ITEM 33

Councilmember Korte made a motion adopt Resolution 10261 authorizing: (1) the Mayor to sign Contract 2015-234-COS for management services with Desert Discovery Center Services, Inc.; (2) a FY 2015/16 General Fund capital contingency budget appropriation transfer in the amount of \$1,696,900 to newly created capital improvement project to be titled Desert Discover Center Business Plan and Feasibility Analysis that will be funded by tourism development funds; and (3) initiation of an amendment to the existing Municipal Use Master Site Plan for a Desert Discovery Center on approximately 30 acres of the city-owned land located north of the existing Gateway to the Preserve Trailhead on Thompson Peak Parkway; and modifying Agreement No. 2015-234-COS to:

- Strike section 207 of the scope of work.
- Add the following sentence to section 211 of the scope of work in the first paragraph after the end of the fourth sentence: "The DDCS will consider and address implementation of staged development of the DDC and shall include such staged development in the capital and operating business plans."

- Add the following sentence at the end of section 303: "The DDCS will seek to work collaboratively with the McDowell Sonoran Conservancy to accomplish the purposes of this section."
- Add the McDowell Sonoran Conservancy to the list in the last sentence of section 201.
- Add the following at the end of the first sentence in section 210: ". . . and consider and address the implementation of a multi-staged plan."
- Add the following sentence at the end of the second sentence of the third paragraph in section 308 of the scope of work: "The DDCS is committed to working towards a goal of raising 10% of the capital cost of the DDC and to developing a plan to adequately cover annual operating costs."

Councilwoman Milhaven seconded the motion, which carried 6/1, with Councilwoman Littlefield dissenting.

38. Boards, Commissions, and Task Force Nominations (Note: Interviews and appointments scheduled for January 26, 2016)

Building Advisory Board of Appeals (*two vacancies*) – No applications were received.

Citizens' Bond Oversight Committee (*seven vacancies*) – Councilman Phillips nominated Douglas Reed; Councilwoman Littlefield nominated John Barwell, Sam Edmondson, Judy Frost, Charles Kaufman, Alex McLaren, and Brion Neely; Councilwoman Milhaven nominated Dana Close, Wayne Ecton, and Bill Heckman

Environmental Quality Advisory Board (*one vacancy*) – Councilwoman Littlefield nominated Arnold Siegel

Human Services Commission (*one vacancy*) – Councilwoman Milhaven nominated Denny Brown, Mayor Lane nominated Edmund Portnoy, Councilman Phillips nominated Michael Cavanaugh

Industrial Development Authority (*one vacancy*) – Councilwoman Klapp nominated Shannon Scutari, Mayor Lane nominated Andrew Armstrong

Tourism Advisory Task Force (*three vacancies*) – Mayor Lane nominated Ace Bailey, Allen Henderson, and Carmela Lizzo; Councilmember Korte nominated Mallard Owen; Vice Mayor Smith nominated Scott Eubanks, French Thompson, and Sandra Schenkat

Tourism Development Commission (*one Hotelier vacancy*) – Councilmember Korte nominated Robert McCreary, Councilman Phillips nominated Trey Brennen

ADJOURNMENT

The Regular City Council Meeting adjourned at 10:30 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

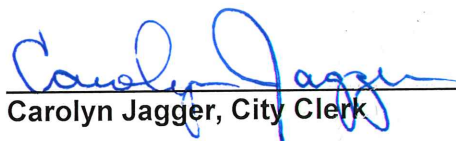
Officially approved by the City Council on February 9, 2016

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 11th day of January 2016.

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

DATED this 9th day of February 2016.



Carolyn Jagger, City Clerk

Item 32

Rockbar

Outdoor Dining License Agreement Amendment

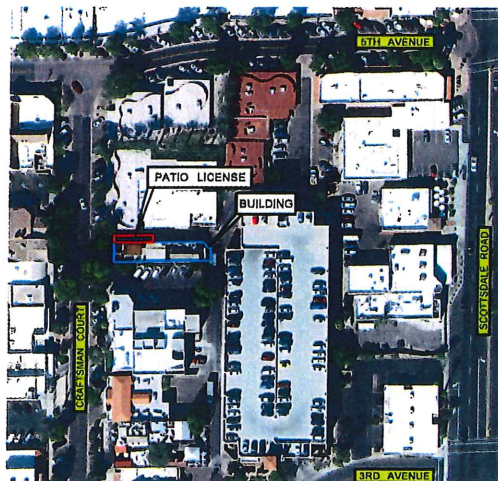
2004-010-COS-A1



City Council – January 11, 2016

Rockbar

Outdoor Dining License Agreement 2004-010-COS-A1

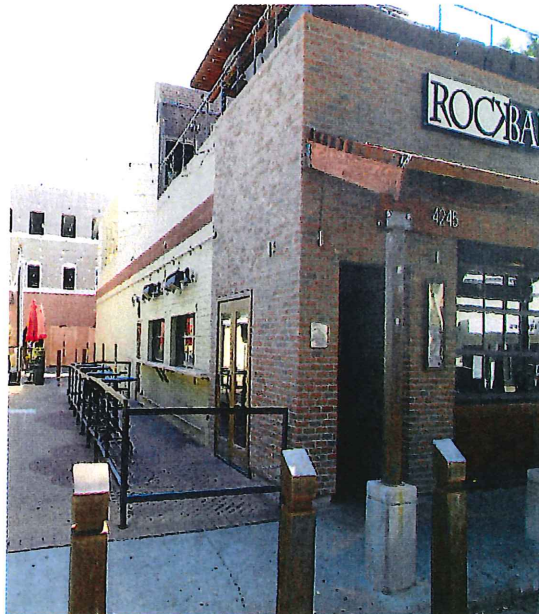


Council Discussion on 8-25-2015

- Acceptable condition of license area (consistent with other licensed patios)
- Use of license area for authorized uses (no storage or food preparation on patio)
- Operating kitchen for food service at facility and outdoor patio is necessary
- Extending use to alley outside of 440 sf is a separate special event process
- License extensions & assignments need written documentation

PATIO CONDITION

- 11 years old
- Metal Railing on posts
- Weathered and appearance is acceptable



Amendment

- Modify the ODLA to require a kitchen
- Food service from opening until 1 hour before closing
- Food is required to be prepared inside

Other Requirements

- Can not use patio area for food preparation;
- No storage allowed on patio area;
- Usage of the area outside the patio boundary is subject to a Special Event

Questions?

7



Item 33

**Desert Discovery Center
Step 1 Services Contract and MUMSP**



**City Council
January 11, 2016**

Proposed Actions

- Transfer \$1.7M from bed tax carryover funds into new capital project for "Desert Discovery Center Business Plan and Feasibility Analysis"
- Authorize \$726k contract for operator/manager services for the DDC
- Initiate process to amend existing Municipal Use Master Site Plan



Recent Activities on DDC

Last 12 months

- March 24th: Council Work-Study session on DDC
- May 13th: RFQ for manager/operator issued
- July 16th: Responses to RFQ received
- September 8th: Council direction to proceed with contract negotiations
- November/December: Board/Commission review
- **January 11th: Council consideration of operator/manager contract with DDCS, Inc. and approval of Step 1 project budget**

3



Request for Qualifications

Key Elements

- Anticipated four "Steps" for development of the DDC
- Provided a draft of possible scope of services anticipated for each of the four steps
- Provided criteria for evaluation of qualifications of the respondent (point system)
- Did not include design services for an architect – that will be a separate, future solicitation
- Allows flexibility to contract for later steps of work with the same respondent

4



Request for Qualifications

Anticipated Steps to Develop Facility

Step 1: Prepare Vision and Preliminary Plan (*proposed*)



Step 2: 30% Project Development (*partial*)



Step 3: 100% Project Development (*future*)



Step 4: Construction and Operation (*future*)



5

Response Received

- Single response received from Desert Discovery Center Scottsdale, Inc.
- Response complies with requirements of RFQ
- Response was graded an average of 895 points out of a possible 1000 points by the review panel
- Review panel recommends moving forward with contract negotiations



6

Contract Scope of Work

DDCS, Inc. Proposed Deliverables

- Experiences, Exhibits & Programming
- Partnerships
- Architectural Design (*under separate contract*)
- Business Plan/Economic Impact
- Fundraising
- Communication, Branding, Marketing
- Community Outreach

7



Tentative Project Budget

For Step 1 Services

Item	Budget
Management Contract (DDCS, Inc.)	\$726,900
Architectural Services (future solicitation)	\$700,000
Project Mgt./Administrative Expenses	\$120,000
Contingency	\$150,000
Total	\$1,696,900

- Will provide site and floor plans, elevations, character renderings and a project estimate of probable construction cost
- Will provide sufficient information to make a "go/no-go" decision on the final facility configuration and business plan
- Will provide complete financial overview of project

8



Additional Budget Notes

Public-Private Partnership

- To date, DDCS, Inc. has raised and utilized approximately \$232,000 in cash and in-kind contributions
- DDCS, Inc. has proposed an additional contribution of approximately \$270,000 in cash and in-kind contributions to support the scope of work proposed for Step 1 – not valued in proposal
- A significant amount of volunteer time has been provided by the principals and others involved with the DDCS, Inc. (presentations, research, negotiations, etc.)
- A contribution in development of the research and education program is expected from ASU in Step 1 services – not valued in proposal

9



Possible Funding Sources

- General fund
- Preserve sales tax- MSPC recommendation to not use Preserve funds at this point
- Tourism fund/bed tax- TDC recommendation to fund \$1.7M project with bed tax carryover funds
- Combination of the above

10



Questions/Discussion

11

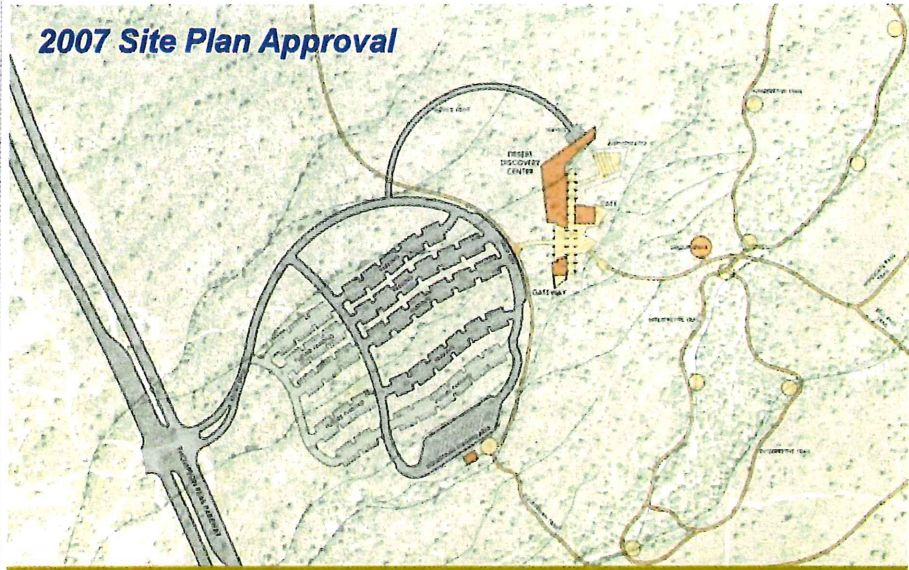


Additional Slides

12



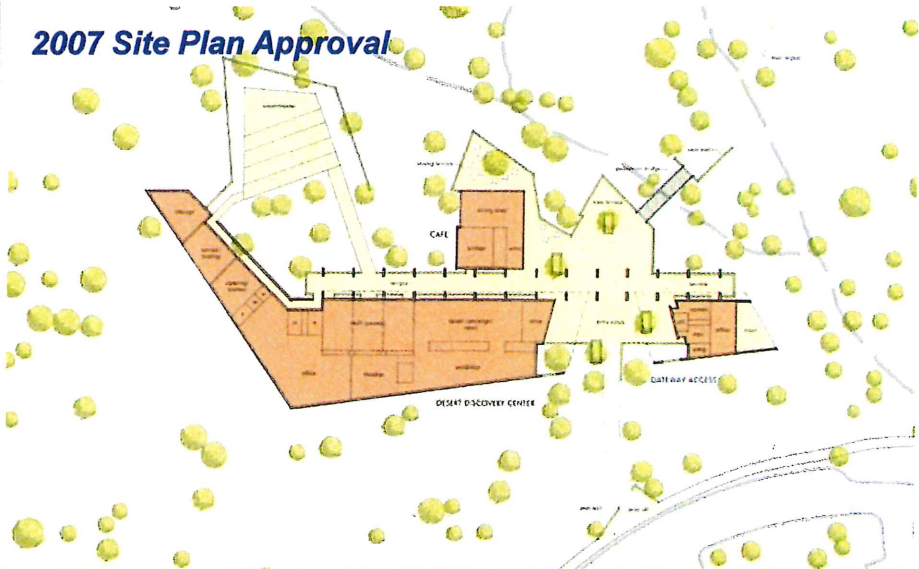
2007 Site Plan Approval



CONCEPTUAL SITE PLAN
GATEWAY ACCESS AREA /
DISCOVERY AREA

13

2007 Site Plan Approval



CONCEPTUAL FLOOR PLAN
GATEWAY ACCESS AREA /
DISCOVERY AREA

14

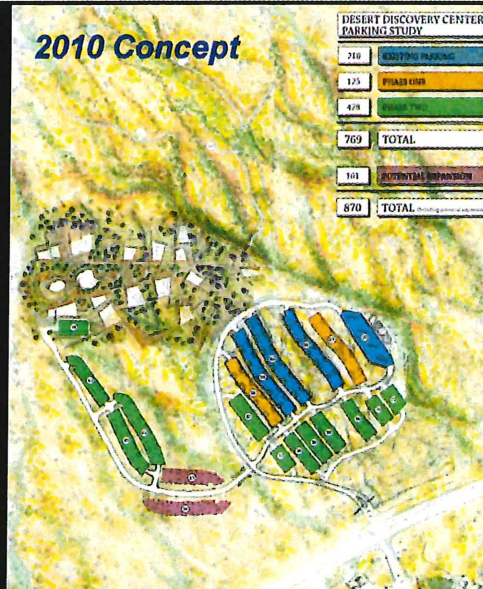
2010 Concept



DDC Evolving Conceptual Plan

Swaback Partners | City of Scottsdale | Desert Discovery Center

2010 Concept



DDC Conceptual Parking Plan

Swaback Partners | City of Scottsdale | Desert Discovery Center



17

The Scottsdale Dispensary

9-UP-2015

City Council

January 11, 2016

Coordinator: Bryan Cluff

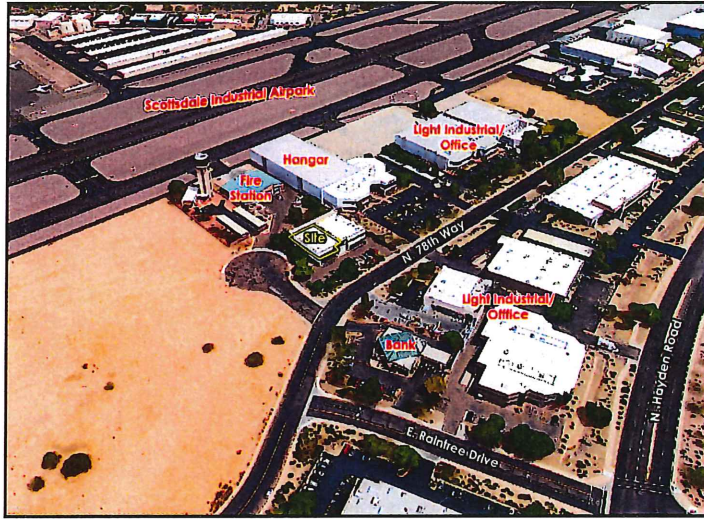
The Scottsdale Dispensary



OBLIQUE CONTEXT AERIAL

9-UP-2015

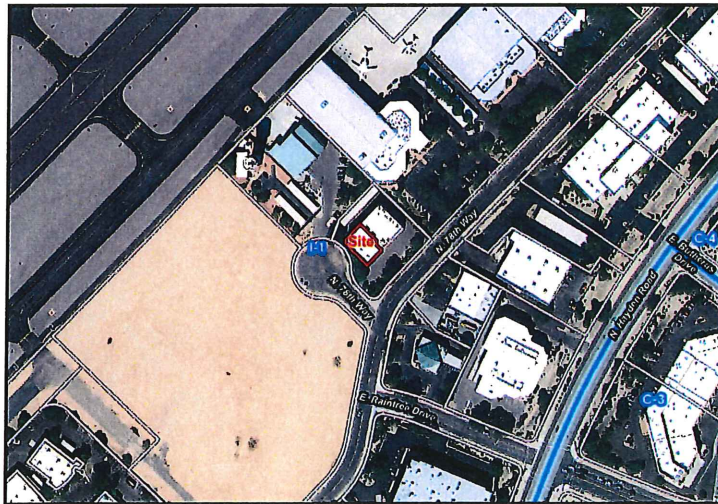
The Scottsdale Dispensary



OBLIQUE DETAIL AERIAL

9-UP-2015

The Scottsdale Dispensary



ZONING AERIAL

9-UP-2015

The Scottsdale Dispensary

- Conditional Use Permit Criteria.
- Planning Commission recommendation for approval August 28, 2015 with a vote of 6-1.

CONCLUSION

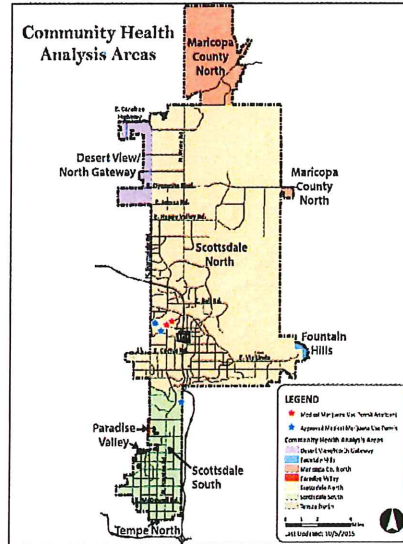
9-UP-2015

The Scottsdale Dispensary

9-UP-2015

Coordinator: Bryan Cluff

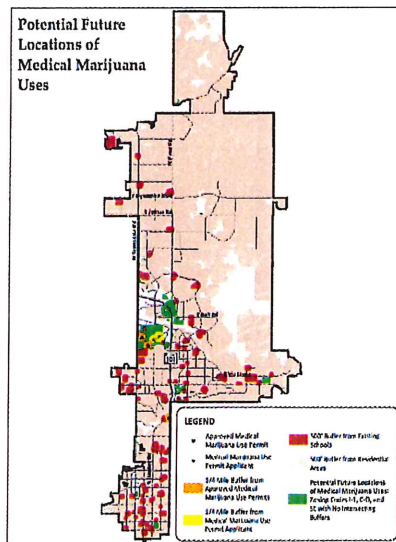
The Scottsdale Dispensary



CHAA MAP

9-UP-2015

The Scottsdale Dispensary



POTENTIAL LOCATIONS MAP

9-UP-2015

Dispensary Relocation

10-UP-2015

City Council

January 11, 2016

Coordinator: Bryan Cluff

Dispensary Relocation



OBLIQUE CONTEXT AERIAL

10-UP-2015

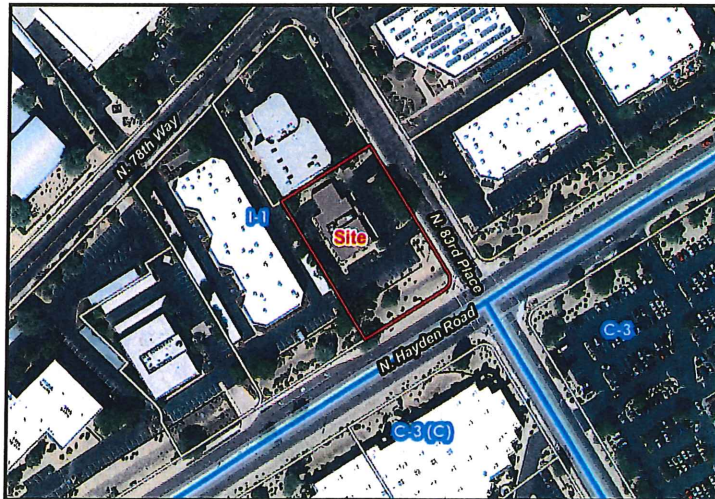
Dispensary Relocation



OBLIQUE DETAIL AERIAL

10-UP-2015

Dispensary Relocation



ZONING AERIAL

10-UP-2015

The Scottsdale Dispensary

- Conditional Use Permit Criteria.
- Planning Commission recommendation for approval November 18, 2015 with a vote of 6-1.

CONCLUSION

10-UP-2015

Dispensary Relocation

10-UP-2015

Coordinator: Bryan Cluff

