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#### **CALL TO ORDER**

[Time: 00:00:03]

Mayor Lane: Good afternoon, everyone. Nice to have you here. It's approximately 5:05, and I'd like to call to order the July 5<sup>th</sup>, 2016 city council meeting. This is a regular meeting. I'll start with the roll call, please.

#### **ROLL CALL**

[Time: 00:00:15]

City Clerk Carolyn Jagger: Mayor Lane

Mayor Lane: Here

City Clerk Carolyn Jagger: Vice Mayor Kathy Littlefield

Vice Mayor Littlefield: Here

City Clerk Carolyn Jagger: Councilmembers Suzanne Klapp

Councilwoman Klapp: Here

City Clerk Carolyn Jagger: Virginia Korte

Councilmember Korte: Here.

City Clerk Carolyn Jagger: Linda Milhaven

Councilwoman Milhaven: Here

City Clerk Carolyn Jagger: Guy Phillips

Councilman Phillips: Here

City Clerk Carolyn Jagger: David Smith

Councilman Smith: Present

City Clerk Carolyn Jagger: Acting City Manager Brian Biesemeyer

Acting City Manager Brian Biesemeyer: Present

City Clerk Carolyn Jagger: City Attorney Bruce Washburn

City Attorney Bruce Washburn: Present

City Clerk Carolyn Jagger: City Treasurer Jeff Nichols

City Treasurer Jeff Nichols: Present

City Clerk Carolyn Jagger: City Auditor Sharron Walker

City Auditor Sharron Walker: Present

City Clerk Carolyn Jagger: And the Clerk is present.

Mayor Lane: Thank you. A couple items of business. We do have cards if you'd like to speak on either any of the agenda items and/or for public comments. There's white cards that are over the city clerk's head over here to my right and we also have cards that are yellow in color if you'd like to give us some written comments on any of the agenda items. We will read them in the course of the evening.

We do have Scottsdale officers Tanya Porter and Jason Glenn here to assist, and they're both at about 11:00 here in front of me, and they're here for your -- if you have any need for their assistance. The area behind the council is reserved for the council and for staff, and we do have restrooms under that exit sign over there for your convenience.

**PLEDGE OF ALLEGIANCE**

00:01:28]

Mayor Lane: And this morning -- or rather this afternoon -- it's been a long day -- I would like to just ask Councilwoman Milhaven if she could lead us in the pledge.

Councilwoman Milhaven: I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible with liberty and justice for all.

Mayor Lane: Thank you, Councilwoman. The invocation this afternoon and from Pastor Freddy T. Wyatt, the First Southern Baptist Church of Scottsdale. Pastor, if you could come forward.

### **INVOCATION**

[Time: 00:02:13]

Pastor Freddy T. Wyatt: Let's pray together. Our Father, we thank you for this great day. Lord, we thank you for the breath in our lungs, and we honor you today as the maker and sustainer of life. Lord, we thank you for Jesus Christ, your son, who died on the cross for our sins and rose to give eternal life to all those that would trust in him. Father, we thank you today for such a great city to live in like Scottsdale. Father, we pray you would protect our city from evil and from harm. Lord, I pray for Mayor Lane and all our council members. Lord, give them great wisdom. Bless their families for the way they serve our city, Lord. And Father, tonight, as we dialogue on a variety of issues, would you give us wisdom, give us neighborly love for one another, help us to assume the best about one another. And bless our city, Lord, we pray. In Jesus name, amen.

Mayor Lane: Amen. Thank you. We have no Mayor's report. We have no presentation, but we do -- and we have no public comment cards at this time. Of course, this is a period of time we have reserved for citizens regarding non-agendized items, but we have no cards at this time. There's another opportunity at the end of the meeting if, in fact, the need develops.

### **ADDED ITEMS**

[Time: 00:03:35]

Mayor Lane: We have some added items. We have added item number 19 is the acquisition of property for the Preserve. So I'd like to request a vote to accept the agenda as presented, or to continue the added item to the August 30th or August 31th, 2016 city council meeting. Do I have such a motion?

Councilwoman Klapp: Move to accept.

Councilwoman Milhaven: Second.

Mayor Lane: Motion's been made and seconded. I think we're then ready to vote. All those in favor, please indicate by Aye. Those opposed with a Nay and register your vote. It's unanimous then. Item has been accepted for the agenda as presented.

### **MINUTES**

[Time: 00:04:18]

Mayor Lane: Next order of business is the request to approve the 4 p.m. special meeting minutes of June 7<sup>th</sup>, 2016, the 9:30 p.m. special meeting minutes of June 7<sup>th</sup>, 2016, special meeting minutes of June 14<sup>th</sup>, 2016, special meeting minutes of June 16<sup>th</sup>, 2016, regular meeting minutes of June 7<sup>th</sup>, 2016, and regular meeting minutes of June 21<sup>st</sup>, 2016. And unless there are any requests for adds, deletes or conversation on it, I would accept a motion to approve those minutes.

Councilmember Korte: So moved.

Vice Mayor Littlefield: Second.

Mayor Lane: Motion's been made and seconded. Seeing in further comment on it, I think we're then ready to vote. All those in favor please indicate by Aye and those opposed with a nay.

### **CONSENT AGENDA**

Mayor Lane: Next order of business is our consent items 1 through 20b, and we have -- yes, we have one request to speak on item 15, if necessary. Mr. James Candlin, would you like to speak? Okay.

[Inaudible].

Mayor Lane: Okay. Well, then we'll hold that off. So item 14 and 15, if councilwoman -- I'm sorry, Vice Mayor Littlefield's request, have been pulled, I presume, right, just for presentation. Excuse me. So we have the remaining consent items, and we will wait till we get the regular agenda and then you'll still have an opportunity to speak on that item. So we have consent items 1 through 20b minus items 14 and 15. If we accept this motion to approve consent agenda items, including the change okay, 15 has been removed, this won't affect this, so I do just have consent items 1 through 20b minus items 14 and 15.

Councilmember Korte: So moved.

Mayor Lane: Motion's been made.

Councilman Phillips: Second.

Mayor Lane: And seconded by Councilman Phillips. No further comment seen, so we are then ready to vote. All those in favor please indicate by aye has the motion's been made. It's unanimous on those items. If you happen to be here for any of those consent items, feel free to stay with us, if you'd like, otherwise, you can leave quietly.

### **ITEM 14 – SOLAR SERVICES AGREEMENTS**

[Time: 00:07:11]

Mayor Lane: Move on to our regular agenda items, which are really just 21 and 22, but we now have items 14 and 15 and we'll start with item 14. We have a presentation by staff on item 14. And item 14, just for the record, is the solar services agreement. It's requested to adopt resolution no. 10490 authorizing the following agreement with Solar City Corporation for financing, design, construction, maintenance and operation of solar power infrastructure at the city water campus.

Planning and Engineering Director Chris Hassert: Mayor and Council, I'm Chris Hassert, planning and engineering director. This item is for a solar services agreement with Solar City Corporation. The intent by Scottsdale water is to install 2.3 mega watts of solar infrastructure along with battery storage. It's a 20-year agreement. There's no capital required by Scottsdale water up front. Actually, no capital required at any point in the project. Solar City will finance, design, build, operate and maintain the system.

You're familiar with the water campus, but this is an aerial view of the facility. There's two solar locations. The round footprint is what we call reservoir 3 at the cap water treatment plant, and then the larger area would be ground mound solar. That's situated in between the CAP water treatment plant and the water reclamation facility. Together these facilities add up to 2.3 mega watts of solar, and there's a small little rectangular footprint. It's hard to see, but right above that circle at about 12:00, that's where TESLA battery storage would be installed.

The project benefits, we estimate to save \$1.4 million over the 20-year agreement, which is good news because that's savings by our rate payers, money that our rate payers won't have to pay. The great thing about the solar battery combination is that it reduces demand charges. If you have ever seen your electric bill, there's a million little line items. Demand charge is a pretty significant portion of our electric bill, and the solar working in tandem with the battery works to reduce that demand charge quite a bit. The solar project will offset approximately 10% of what's now electricity supplied from the power grid by APS, and it will replace that with clean, renewable energy. The battery storage, besides being able to reduce demand charges will also serve as a power backup in the event of a regional power outage.

This gives you a nice illustration of what the batteries do, the TESLA batteries. That 3D isometric on the bottom, on the left, it shows you the day-to-day spikes, and that's just our power demand at the water campus. We have a significant amount of infrastructure that requires a tremendous amount of power. In fact, the water campus is by far the greatest energy demand user in the city of Scottsdale. You can see that little circled area, that demand spike. That's an actual data point last summer where we had a ramp-up in equipment. We spiked our load, and then that demand charge, that actually serves to set the demand charges for this entire calendar year's bill. So then if you look at the graph on the right, you can see the dark red. You can see a lot less dark red. So what that's illustrating is the model of how the batteries would come in and cut the demand charges, and then you'd eliminate those spikes, and that leads to significant reduction in your electricity bill. And with that, I'll take any questions.

Mayor Lane: Thank you. Do we have any questions? hearing none, seeing none, thank you for the presentation.

Planning and engineering Director Chris Hassert: Thank you.

[Time: 00:11:37]

Mayor Lane: All right. With that, I suppose we can go ahead and take a vote on that. Oh, I'm sorry, we're starting to appear now. Councilwoman Klapp?

Councilwoman Klapp: I move to approve solar services agreement by adopting resolution number 10490.

Councilman Smith: Second.

Mayor Lane: Motion's been made and seconded. Any further comment by either the motion maker or the second? All right, then, we're then ready to vote on item 14. All those in favor of the motion as it's been presented, please indicate by Aye, and register your vote or nay if you oppose. It's unanimous. Thank you very much. Mr. Hassert, are you going to be with us for item 15?

Planning and Engineering Director Chris Hassert: I'm back for the next one.

**ITEM 15 – SALE OF 91<sup>ST</sup> AVENUE RECLAMATION PLANT BIOGAS**

[Time: 00:12:07]

Mayor Lane: All right. And it's the sale of the 91st Avenue reclamation plant biogas, and it's a request to adopt resolution number 10495 authorizing the city of Phoenix as management agency of the 91st Avenue sewage treatment plant to sell Scottsdale's portion of the plant's biogas to 91st Avenue Renewable Biogas LLC.

Planning and Engineering Director Chris Hassert: This item is similar to the last item with Solar City. It's a services agreement but instead of solar, this is for our 91st Avenue waste water treatment facility, which, we're one of the five cities that own and operate that facility. That facility generates a tremendous amount of biogas, or digester gas, and currently that's flared off into the atmosphere. That's wasted energy, and going back to 2009, we issued actually a couple of different RFPs to solicit for a team to come in, do something with that gas, make a proposal, and then we would negotiate an agreement.

Recently, we were successful in negotiating such agreement, a 20-year agreement with 91st Avenue renewable biogas LLC, otherwise known as 91RB. Their responsibility is to take the digester gas, process it or scrub it and discharge that into the interstate Kinder Morgan gas pipeline, and that's one of the unique features about this project because a lot of facilities will take digester gas, they'll scrub it, process it on site, use it to create energy, offset electricity on site.

The thing with the 91st Avenue waste water treatment plant is the grid supplied power is extremely cheap. It's only about .04 cents a kilowatt hour so it's tough to get any return on investment, and doing something with the gas on site so the fact that we had that interstate gas pipeline nearby was an opportunity to take that gas, direct it to the Kinder Morgan pipeline and then sell it to off-takers. The digester gas, as I mentioned, will be scrubbed on site, discharged into the Kinder Morgan pipeline. There's no up-front capital, similar to what I described with the solar venture, which is good, because that's good for our rate payers. All the financing, design, construction, maintenance and operation will be the responsibility of the LLC.

This is just an overview of the 91st Avenue waste water treatment plant, located in Tolleson in the southwest valley. That purple rectangle represents the footprint set aside for the gas processing facility, and the red line zigzagging off to the top of the screen, that's the design pipeline that will take that gas to the Kinder Morgan interstate pipeline.

So why are we doing this? Historically, we've burned that biogas. We've taken that energy source. It's a rich energy source. We flared it off, wasted that energy to the atmosphere. By doing this, we also meet market demands for renewable energy sources.

Probably most importantly for us we create a new revenue stream for the SROG partner cities, most notably Scottsdale, and then that offsets rates and fees paid by our sewer customers. We improve the treatment plant's air quality and carbon footprint, and the most conservative 20-year revenue projection for the city of Scottsdale exceeds 1.6 million. More realistically, it's probably closer to 2.4, and as gas production increases, we share in those profits. So it's realistic we could earn between 2.4 and \$3 million over 20 years of revenue. And with that, I'll take any questions.

Mayor Lane: Very good. Thank you very much. Vice Mayor Littlefield.

[Time: 00:16:00]

Vice Mayor Littlefield: Thank you, Mayor. I just wanted to bring these two items to the attention of those who are here and who are watching tonight. Sometimes consent items get overlooked by a lot of folks. They're passed very quickly, and they're not given the recognition that they deserve. These are two items which, when I read them, I thought wow, this is really cool, and people need to know about this, that Scottsdale is stepping forward to very real, positive steps in energy and environmental improvements. Not to mention this is a totally new revenue source, not paid for by the citizens, that comes to all of the various cities in the valley.

It's a true effort by all of us who jointly own biogas plant. It's not often we can find and achieve such truly positive environmental steps forward by reducing pollutants that go into our air, and making our valley a better place for all of us to live. I just wanted folks to know that these efforts are going on here in Scottsdale, and in other cities throughout the valley. Improving our quality of life and our living standards. Thank you.

And with that I would like to make a move to approve item 15, Resolution no. 10495, with the condition on the city receiving an opinion from the bond council that the bonds will remain tax exempt. That we use to purchase this.

Councilwoman Klapp: Second.

Mayor Lane: Motion made and seconded. Would you like to speak to it at all? All right. I think we're ready to vote. All those in favor please indicate by aye. Opposed with a nay. Thank you, Mr. Hassert. It's unanimous.

**ITEM 21 – STATE TRUST LAND – NORTH SCOTTSDALE REZONING (19-ZN-2014)**

[Time: 00:18:02]

Mayor Lane: Move on to our regular agenda items, starting with item 21, which is the State Land Trust North Scottsdale rezoning, 19z and 2014. We have Mr. Murillo.

Senior Planner Jesus Murillo: Thank you, Mayor Lane, good evening to you and members of the Council. Again, my name is Jesus Murillo with the city and I'll present with you 19-ZN-2014 also known as the

State Trust North area. I'll be presenting in conjunction with our Preserve Director. I'm going to -- I'll introduce the project. Kroy will talk a little bit about Preserved elements and some of the history and then I'll come back and talk about the details of the project. And if it pleases the council, staff will try to focus on the main points just because there's a lot of information and we'll leave the details to the questions that Council may have.

As you all know, this case is directly tied to a case that -- to a general plan amendment that was approved in 2010, and what that case did is it established the uses, densities, and acreages for the subject 4,020 acres. What that case did not do is it did not establish parcel boundaries, sizes or zonings. And in fact, that report constantly refers to an eventual zoning case that will come through, and that is the case that you will be hearing tonight. So the areas that you see in yellow are the areas within the 4,020 acre site with the northern boundary being the east stage coach path, and the southern boundary being Happy Valley Road. The site extends from Scottsdale road over to the east to about 104th Street.

This is a closer look at the northern portion of that. There are 2300 acres located in this, as you can see it wraps around Legend Trails community. There's a Preserve, more specifically the Rawhide watch on the western boundary, and several residential communities to the west. The southern portion, which contains 16,074 acres, as you can see, borders on to the city of Phoenix. Also to the northeast is the Preserve, and has several communities around it as well. Of those 1600 acres, about 1300 of those are located within the foothills overlay, which means there's additional regulations for those lands.

This is a graphic that was approved with the 2002 case. As you can see, it is rather general, general graphic, but what it did is it established the rural neighborhoods and the suburban neighborhood densities, and it also provided what you see what are commonly known as the floaters. It was 46 acres -- I'm sorry, 76 acres of resort, 40 acres of commercial and office, some developable open space, and this little circle you see here is the possibility for the future. Along with that case was this matrix, and this matrix identifies each one of the parcels within those 4,000 acres. The density that is supposed to go with them and the dwelling units, and I will pass it over to Kroy and I will be back in just a minute.

Mayor Lane: Thank you, Jesus.

[Time: 00:21:07]

Preserve Director Kroy Ekblaw: Good evening, Mayor, members of the Council, Kroy Ekblaw Preserve director for the city. Just going to take you on a very brief history. In 1998, the area here in the McDowell Mountains in blue was the boundary, the recommended study boundaries of the McDowell Preserve. Later that year, the city added roughly 19,000 acres to the North of that to be part of the target for the Preserve itself. A substantial portion of that here identified in pink were state trust lands, and that set off then some additional processes at that time and I'm going to speak very briefly to the state land Arizona Preserve initiative process. That was the process that came about just prior to this, and it was really about keeping the trust whole, but allowing some opportunity to identify lands that could be set aside for conservation purposes. The assumption was that lands that were deemed suitable for conservation would end up having a reduced value, and the state's goal was -- the state trust goal was to keep that value complete. And so the idea would be that lands that were nearby or adjacent to those deemed suitable for conservation would find a way to increase in value. So I'll come back to this concept in just a moment.



The city, in 1998, filed an application with the State Land Department requesting about 16,600 acres of land be identified as suitable for conservation. It was about a three-year process, and in August of 2001, State Land Commissioner issued an order that re-classified almost 13,000 of those acres as suitable for conservation. The order included language that said it was amendable subject to the city working with the state to accommodate an enhancement of land values to justify the extent of land that had been set aside as suitable for conservation. Immediately, the city and State Land Department went to work on a general plan amendment, and that's the case that is the foundation for the zoning that is before you this evening for GP-2002. It was approved by the council in October of 2002. It included all of the lands that had been submitted for.

So back to this concept of keeping the trust whole, identifying lands that would have reduced value versus lands that would be increased. The areas of reduced value are all these areas in green that were identified as natural open space intended to be part of the Preserve. The additional lands, about 4,000 acres that are the subject of tonight's zoning case, although still can be acquired for the Preserve purposes, the state identified those as -- did not identify those as suitable for conservation, and the general plan amendment identified a range of uses, predominantly residential resort and a little bit of commercial that were acceptable in that 2002 approval.

In the years 2010, '11 and '12, Scottsdale applied for and the state held auctions for 12,800 acres. The city of Scottsdale was successful at acquiring lands in each of those years. In 2013, recommended by the Preserve commission, and council provided direction to staff to begin pursuit of what we call parcels 1 and 1a. Those lands are included in the 4,000-acre zoning case this evening.

We brought that forward to the State Land Department, and they identified that before going forward with an auction, they were looking to see the zoning case. Consistent with the general plan to be brought forward, and they would then set the auctions for that roughly 414 acres. In September of 2014, the city council, at the request of the State Land Department, initiated this case that you are hearing this evening. The state then went forward with this application and the public meeting process that's required. More recently, we've been before the Preserve commission just to confirm that parcels 1 and 1a are still the priority parcels, and they, indeed, recommend the council continue the pursuit of acquiring parcels 1 and 1a.

So the zoning case before you tonight is the land in tan. The parcels that we would look to acquire are parcels 1 and 1a. They have been scheduled for auction September 21 of this year. There's a development agreement that runs with this package. All the state land is agreeing that all infrastructure costs are to be borne by the future purchasers and that they will be part of a master planning process on each parcel. They are also identifying that once this case is completed, that they will go forward with the auctions, and that, as I said, is September 21st. The city of Scottsdale was assuring that should the case be approved, we would not seek to amend it without state land support, and that also, if we are the successful bidder for the lands, they will become part of the Preserve. With that, I'll turn it back to Jesus.

Mayor Lane: Thank you.

[Time: 00:26:43]

Senior Planner Jesus Murillo: Thank you. As you can see here, this graphic indicates the zoning that you currently see today with those areas in the red being what's in the foothills overlay. This next

graphic is a little busy. This is what the application is proposing, and there's a graphic that's a little cleaner later that will help identify these a little better. I just wanted to show you the official graphic.

As part of the application, one of the biggest elements we had to analyze was the fact that the graphic that was approved with the 2002 general plan was not proportionately accurate to the amount of land and the location, and so the first task was to do the analysis using GIS technology, et cetera, to make sure that the graphic did indicate exactly how, to the acreage that was actually rezoned, which created this graphic. Once we could establish the boundaries of the site, what that left to do is to look at each one of the parcels that was individually identified by letter by the general plan, and be able to make those proportionately accurate so you knew exactly what it was that you would be either approving or not. And so using the same type of technology, the graphic that you see here shows all those parcels proportionately accurate to that matrix that I had showed that was approved through the same case.

Now, the state land, to better assist themselves and the city with planning out the site, took it upon themselves to suggest -- looking at the site, suggesting ten different master planning areas and then what staff did was provided the stipulations that would follow those master planning areas and the requirements of each one of those came in, and so the state land provided this graphic. How they viewed the land being looked at in those ten different areas. Staff, making sure -- oh, and I apologize. If you see this graphic here at the top, that is a letter that corresponds with the packet that we gave you, that attachment 27, so that you could see it a little bigger. I apologize. And at the end, I do have them bigger for the audience. And so what this did, we wanted to still respect the parcels as identified in the general plan amendment case.

So in order to make a final graphic, we overlaid the parcels with the way the state land saw the master planning areas, which created this graphic. Once we knew that this was proportionately accurate to what was approved, the next step was to request the analysis that would include the matrix and then apply those densities to these parcels, and, therefore, use the subsequent zoning district that would achieve -- that would achieve those densities. And that brings us to the plan that you are looking to and the applicant is requesting for you to approve tonight.

And so all this was part of a master planning effort on the state's behalf to be able to pinpoint how the site would develop and then staff put together the stipulations packet that you see in your report. What you see here is exhibit H, and this has the areas that you see in blue is just, again, re-printing what you saw on the first matrix, and then the area that you see in orange are the new numbers so that you can directly compare each parcel to each parcel. As you can see, the -- when you look at the analysis of the original case did allow or entitle a little over 6200 dwelling units to the site, and this proposal, the net is 5,000. This is how the applicants proposed to lay out the open space, transportation and access, the trails. As part of this process, staff and the applicant had several both joint and separate meetings with the community, which, as you probably saw from the binder and the attachment, we received a considerable amount of information and comments from the neighbors, and to kind of conclude, I just wanted to go over the main points.

The 4,000 acres are located in to three major regions. The first and foremost is it is located within the McDowell Preserve study boundary, which did yield some of the comments of people wanting to Preserve the area as such. The majority -- all of the lands are located within the environment to be sensitive land and 1300 of those acres in the foothills overlay, which also guided the way staff created the stipulations. All the scenic corridor requirements will be included and have been stipulated, and the Arizona State Land Department has omitted 40 acres of commercial, seen in the 2002 approved graphic,

in response to the citizens. The master planning areas will help, then provide a certainty of how the land uses will develop. It is consistent with the previously approved general plan, and it also fulfills the city's commitment to the State Land Department based on that order that Kroy discussed. The Planning Commission heard this case on May 11th, and recommended approval with a vote of 7-0. That concludes staff's presentation, and the applicant is here to give their presentation as well.

Mayor Lane: Thank you. We have quite a number of cards that request to speak on this item. Certainly. Okay. I'm sorry. Yes. Go ahead, Mark.

[Time: 00:32:30]

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor and council members, good evening. For the record, my name is Mark Edelman. I'm the planning leader at 1616 West Adams Street in Phoenix. And on behalf of Commissioner Lisa Adkins, it's my pleasure to be here tonight representing our trust beneficiaries, the K-12 schools of Arizona and others including our public universities, our school for the deaf and blind, department of corrections, Arizona pioneers home and several others. The K-12 schools of Arizona are the designated beneficiary on the state planning contained in our proposal.

This is in full compliance with the plan amendment, the case that both Kroy and Jesus discussed in their presentations. To provide some perspective on our proposal, the 2001 general plan allowed for approximately 7800 to 9,000 in this 4,000-acre area. The 2002 general plan amendment took that number down to around 6200 units, and our current proposal is for 5,000 units. So by comparison, we are seeing a 20% reduction from the 2002 entitlement, and about a 36 to 45% reduction from what was entitled in 2001.

I would also like to provide some historic perspective on this proposal, and this is provided by a couple of former Preserve -- long-time Preserve proponents, not former, former chair members of the Scottsdale Preserve Commission, who, writing in the Sonoran Desert News said this rezoning is to complete an agreement made back in 2002 that benefitted Scottsdale's effort to Preserve as much land as possible. Without this agreement, Scottsdale would not have been able to buy all the land for the Preserve it has acquired from the state so it is important to honor the agreement that made this possible.

There were about 17 miles of developed property edge bordering our property, so the community outreach began almost two years ago. We had open houses. We had public meetings. We met with any group that requested a presentation. Our E-mail updates went to over 500 people and we continue to respond to calls and E-mails right up until tonight's hearing. We listened. We learned. And we have made significant changes to our proposal. These efforts led to letters and E-mails of support from community organizations and HOAs that are listed here in this slide.

And we made changes to our proposal in response to community feedback in three major areas that I'll discuss. First, along Scottsdale Road in master planning area 9. Next, adjacent to Legend Trail in master planning areas 1 and 2. Third, master planning area 7, within section 31. Looking at master plan area 9 on Scottsdale road, probably the area of greatest community interest, response to the extent of community feedback, we removed a proposal for 40-acre commercial parcel here with PCC zoning.

In our proposal on the right, you can see that that parcel has now been removed. We did not ask for any units in return for that removal. We kept our number at 5,000, as we started.

Second, when we removed the commercial parcel, we changed the adjacent R4r resort town home parcel from 26 to 38 acres, but our overall R-4R density is still the same as it was in the beginning, 76 acres. Also in this area, we identified Yearling Drive at the mid section line as the primary point of entry from Scottsdale Road and while we can't guarantee that this would happen in the future, traffic follows its own rules, we are trying as much as possible to draw the traffic internal to the site and away from the existing arterial roads on Happy Valley and Jomax.

Second area, Legend Trail. Legend Trail and desert ranch communities are unique. As you can see, they are literally a hole in the donut. We sold this land more than 60 years ago to a private buyer, and you can see that today it is surrounded by the McDowell Sonoran Preserve on the east and by state trust land on the North, west and South. In this area in response to community requests and concerns, we agreed to provide a 100-foot scenic corridor buffer along Legend Trail parkway. We agreed to setbacks in natural area open space areas along our common edge would be equal to or greater than those found in the existing community. We agreed to add trail connections from Legend Trail parkway to the Preserve. And finally, in section 31, our master planning area 7, we agreed to match lot sizes to those adjacent within the adjacent development over here. We matched those lot sizes at 190,000 square feet, or 4.3 acres, and stated they would not be eligible for amended standards.

So what are our next steps? Well, first off, the State Land Department always has to act in the best interest of the trust. We have a fiduciary duty. It's not in our interest to wholesale land or to sell it before it's time, and so to further that goal, we plan to conduct studies to determine the best near-term sales options. What parcels, what lot sizes and where within this 4,000 acres would that happen. Then we'll consider applications that would best align with those findings. Following exceptions of an application, you would be looking at a minimum of 12 months before there would be an auction. All state trust land must be sold at public auction to the highest bidder. At least 12-month process, usually closer to 24, but in that process, an applicant has to conduct land surveys, archaeology surveys, environmental surveys. They will conduct infrastructure studies. An appraisal will be done, ten weeks of public advertising is required, followed by a public auction that would be held most likely at our building down at the state capitol. Once we have a successful bidder, they'll take their parcel and the entire master planning area through the city's master plan process, and this is something that staff can probably speak to better than I can, but they'll be looking at traffic, road, circulation, water and sewer, drainage, conformance with the environmentally sensitive lands act and design review.

This was alluded to in the earlier presentation, but master planning provides for certainty and consistency. The first developer into any of these parcels, for example here we're showing master planning area 8 and also master planning area 7, these are not necessarily the sale parcels that would come out to market, but whoever comes in to purchase the first sale parcel within this area would be responsible for planning, circulation, transportation, water, waste water, et cetera, as I just described, and also, for describing the design concept for this area, what sort of landscape would this have for unifying concept, what sort of signage, things that you commonly see in master land communities. So to summarize, for the past 17-plus years, we've worked through the Arizona Preserve initiative process and the general plan process to create the McDowell Sonoran Preserve.

Our proposal tonight is consistent with the general plan. We have lowered the density from our proposal from what was permitted in the general plan. Because of our public outreach, because of our

extensive 17-mile edge against existing development, public outreach has been going on for the past 15 months. We've revised our proposal significantly in response to community feedback, and we've earned support of numerous community organizations and individuals. Our development agreement requires a master planning approach to future development with city oversight, and so finally, on behalf of our trust beneficiaries, I respectfully request your favorable consideration of our proposal tonight. Thank you and I'll take any questions.

Mayor Lane: Thank you. We'll go first to some of the public testimony we have, and if you could stand by, we may ask you to not only respond to some of that, but then also to our questions. As I was starting to say before, we do have a number of cards, so I would -- I don't think we've broached the exact number where we start to look at the time constraints we have, but even with the cards that we have right now, we're probably talking at least an hour, maybe an hour and a half of testimony if everybody takes their prescribed time and no one goes over it. So I'm going to go ahead and leave it at three minutes for the individual cards, and there's some cards with donated time and I will allow some additional time in those cases, but I would ask certainly that you keep it as concise as you can so that everybody can be heard and we can get through it without maintaining everybody's attention to it. And also, I'll try to name in each case two individuals so that you can be standing by ready to speak at the same time.

[Time: 00:42:10]

Mayor Lane: Start with Louis Chacos, and be followed by Bob Cappel.

Louis Chacos: Mayor, Council, ladies and gentlemen, my name is Louis Chacos. I moved here 11 months ago. I live in Legend Trail. This trust land issue has come up, and I have not been here during the period that voting has taken place, 2001, the plan put together, so quickly I'm just going to outline what I'm seeking, and that is that we continue this. We know it's going to be approved possibly tonight, but with the trail that was mentioned last and the new trails, many of the neighbors of mine that are affected by placement of the trail are not even aware of this at all. And so I'm just asking that there be a continuance of this so that we can wrap around -- our arms around it and we can get to our community HOA and talk to them and find out what's happened here, because we're not aware of the proposal that apparently they made. Thank you.

[Time: 00:43:32]

Mayor Lane: Thank you. Mr. Cappel. Followed by Wayne Little.

Robert Cappel: Mayor Lane, members of the city council, Bob Cappel, 33600 North 79th Way in Scottsdale. I'm here tonight as the president of the Board of Directors of the Greater Pinnacle Peak Association and the Winfield Community Owners Association Board of Directors. I would like to thank the Preserve Director Kroy and Mark from the state land trust and Jesus from the city for working with a number of residents and communities to reduce the densities of this and still provide the value for the state land trust. As I've said, we -- from Greater Pinnacle Peak Association and the Winfield Owners' Community Association, we support this rezoning of the state land in North Scottsdale, proposed in 19-ZN-2014, and adoption of ordinance no. 4267 and resolutions no. 10504 and 10518.

Additionally, because GPPA has been involved with the McDowell Sonoran Preserve since its beginning, and a large portion of these rezoned lands were part of the original Preserve boundary, GPPA would like

to ask Mayor Lane and the city council to please consider the following request. In 2011, the McDowell Sonoran Preserve commission presented to the city council its recommendations for completing the Preserve as proposed in the original Preserve boundary. To our knowledge, the city council has not discussed nor provided any direction on these recommendations. GPPA would like to ask Mayor Lane and the city council to please review these recommendations and consider asking for resident volunteers to form a future McDowell Sonoran Preserve committee to explore whether current Scottsdale residents have an interest in continuing to purchase more of these rezoned lands that were part of the original Preserve boundary. We believe it's especially important because the Preserve was a resident initiative to start with, and residents previously voted twice to purchase all the land in the original Preserve boundary and taxed ourselves to do this. If there's still significant interest in purchasing more of these lands for the Preserve, this committee would explore with the Preserve director and the Preserve commission the potential cost of these lands, how this funding could be accomplished and how to present this information to the current residents of Scottsdale. Thank you.

[Time: 00:46:51]

Mayor Lane: Thank you, Mr. Cappel. Mr. Wayne Little. Followed by Liz Dawn.

Wayne Little: Yes, good evening. I'm Wayne Little. I live in probably the community that's most impacted by this entire proposal, and that's Legend Trail. It is -- it's affected on three sides, and the eastern-most boundary remains as it is today after this proposal takes place. I'm here to ask for a continuance on a vote on this matter simply because I am a realtor with -- and focus my business, a lot of it in the Legend Trail area and over the last few months, it's been -- become very clear to me that most of the residents, 832 homes, half of which are seasonal residents have absolutely no idea of what this plan is about. I think the communication although the state has done a good job with the two meetings they held at the community center at Legend Trail and I attended both of those. I think they did a good job but obviously the plan has changed and in my dealings with people in the Legend Trail Community, people have no idea what is going on. And for that reason I would ask that you postpone voting on this. Thank you.

[Time: 00:48:20]

Mayor Lane: Thank you Mr. Little. Ms. Dawn with one additional card so it would be four minutes then Liz.

Liz Dawn: So I have at least an hour right?

Mayor Lane: No when I said two cards I will give you --

Liz Dawn: I had three. Mayor Lane, City Councilmembers. I am Liz Dawn. Wow there is a lot of people out here. Please note that I am a voice for about 200 homeowners, many of them who couldn't be here tonight due to being out of town for the summer. I completely understand that our city has a responsibility to the Arizona land trust department and I am not asking you to vote no on this project. I totally get it. We owe this land to -- we have to do this. I get it. I'm simply asking for a 60 to 90-day postponement, a continuance of this vote so our group of homeowners, which includes Monterra, Quail Run, Bent Tree, none of those that you saw up here when Mr. Edelman was pointing out that he reached out to a homeowners' group, we knew nothing about this. I shouldn't say we knew nothing

about this. We attended one meeting, put our E-mail addresses down and then a year later we're standing here with a new plan that was never, ever brought to the homeowners of our community. And I understand that five Board members from the GPPPA -- I said too many P's there, GPPA, had an opportunity to discuss this project with the state, and one resident from Legend Trail, but over 300 homeowners knew nothing. None of us were informed. We were -- as I stated before, we were at that original meeting, put our name on an E-mail list and then heard nothing. None of us who were spoken to have received any kind of further communication.

What the state is proposing is a 1,000 percent, that's 1,000 percent increase in development in our neighborhood. I know that they have a financial responsibility to their benefactors, and I completely honor their position, and I am not suggesting that we remove the amount of dwellings they need to make this financially feasible. I'm asking for an extension of this vote so we can have a chance to sit down with Mr. Edelman, with the GPPA and whoever else needs to be involved, and let's get creative. I mean, who knows what wonderful ideas that might come out of just giving us a little bit more time. This will not impact other communities, but we will not know if we're just not given a chance. I understand that you're getting pressure from the state to vote on this tonight, but perhaps, Mr. Edelman and his staff will understand the impact of this vote tonight and how deeply this affects our homes, our neighborhoods and investments. And they might be willing to honor this request and agree to allow this continuance as well. We know that they removed the commercial zoning but I think that we can do better with this and decrease the density.

This project has been in the making for two years -- this particular project -- I think we owe it to ourselves to take just a little more time to create something that is mutually beneficial for everyone, and not create density of possibly 287 townhomes in an area that simply does not make sense. This is one of the largest rezoning projects in over ten years, and the latest agreement that GPPA came to with the Arizona land trust has not been appropriately vetted to the public, and it should have been brought to a public forum and it was not. We just want an opportunity of 60 to 90 days to continue this so we can have an opportunity to speak our voice. So let's be progressive, Scottsdale, let's be that city in the United States that allows radical open communication and conversation, and let's be the city that goes into this with awareness and integrity, and please, just give us some more time so we can be brought to the table as well and vote for a continuance. Thank you.

[Time: 00:52:27]

Mayor Lane: Thank you, Ms. Dawn. Next is Bill Leary, who has four additional cards. If you need it, five minutes.

Bill Leary: Thank you. Thank you, Mr. Mayor and members of the Council, and I also do want to thank you very much for I met with several of you, Liz and I, in the past week, and have been E-mailing you, and trying to come up with a solution for this. So just generally, I know you've seen this slide a few times today, but I'm just going to kind of point out that so what we're talking about is these two R-4R areas, one up by Legend Trail and the other one down here on Scottsdale Road just South of Jomax. What's so upsetting about two resort tourism areas? Why is this an issue for the community? well, when you look at the zone change, the zone change is to R-4R. R-4r allows seven and a half time shares or townhomes per acre. There is no requirement in that zoning whatsoever that there be a resort of any type in there. None. No requirement for that at all.

So when Liz spoke about a 1,000 percent zone increase, when Liz and I bought our homes in Monterra, which is just North of Jomax on Scottsdale road, like all good homeowners, we went and did our homework and we saw that that was zoned for rural residential, or over an acre zoning, and this floating resort star up in, you know, five miles up to the northeast next to the Preserve was suddenly put next to us. Now, when Mr. Edelman refers to this extensive public outreach, I did attend a meeting sponsored by GPPA, which I do owe them a big thanks for, where they talked about the commercial. And can we get the next slide that I had there because it kind of focusses on the area. I'm sorry. The next one. That just talks about the densities. We want to get to 287. Can we put that up?

So just the focus in a little bit on this. Initially the proposal had been for commercial down in this area here, and then 26 acres of resort tourism. So when we went to this public meeting, yes, the state got a big, big earful about not wanting that commercial zoning there. And they did respond to that. They removed the commercial zoning. And that made a lot of people very happy. And it made me happy. Until I did some more homework, and I realized that the resort tourism area just North of me had increased by a third, which meant the density again -- and I've had this confirmed by city staff -- allows 286, seven and a half homes an acre, up from over an acre zoning as it exists today, inside this area. Where's the traffic going to go? right on Scottsdale Road. 250, 260 homes. How many cars a day right on Scottsdale road.

So I tried to think about what would be a better solution, because in talking with many members of the council, they had said well, if all you're going to do is come and propose moving that back up by Legend Trail, or sticking it in another area, we're just going to have another group of angry citizens going there. So my proposal that I initially thought was going to solve it was this other area labeled Y-9, which is 287 acres and is zoned for one-acre zoning, and so if all we did was changed that, and by that I mean we, the state, changed that to two homes on an acre, that would give them their extra 287 homes. So I thought home run. Going to be able to do that, we don't need this. And then I found out from city staff that that requires a major general plan amendment so that wouldn't work. If we can go back to exhibit G. Can we do that? because I kind of want to get the big picture of the whole 4,000 acres. Can we do that while the time ticks away? I feel like I -- can I spike the ball? can I do that? all right. So without having that exhibit up there -- thank you very much -- okay. So we have 4,000 acres up here.

One point that I want to make, and I can only do so much in my area because, again, the general plan requirement, but, for example, up here in this area, there's 487 acres that are zoned right now R-170. R-170 is 70,000 square feet for the lot. That's almost two acres. It's well over one acre. There's 487 acres there. If that was rezoned, which wouldn't require a general plan amendment to R-143, which is an acre, okay, how many extra homes can we put in that area? would it make up the 287 that are there?

Now, I know my time is up, so I will wrap this up, and I apologize, but here's my point. There are other options that don't necessarily take the horrible R-4r and stick it in somebody else's backyard. When Mr. Edelman talks about extensive outreach for two years, two public meetings, I'll go with Liz, not on any E-mail list that I saw. The amended zoning that got rid of the commercial and had increased my area by a third, there were no public hearings. The public hearing I went to was the planning and zoning commission. That was it. And then the vote went 7-0 and now we're here with you. So what do I want? Please delay.

Mayor Lane: Mr. Leary, wrap it up, please.



Bill Leary: Okay. Please delay. Right now, you have the opportunity to give a delay, allow some time for the state and the planners to look at a way to just generally increase some areas of zoning and we'll make a better car.

[Time: 00:59:03]

Mayor Lane: Thank you very much, Mr. Leary. Next would be Jim Heitel. That would be followed by Greg Kruzel.

Jim Heitel: Good evening, Mayor Lane and council members. Thanks for the opportunity to speak. Obviously Mark Edelman gave you a little synopsis of my opinion on what we're doing tonight, but I just want to reiterate just a couple of things. Obviously my history with this goes back to my time on the Planning Commission, when this case came through, my time on the McDowell Sonoran Preserve Commission, and so I'm speaking from kind of a larger perspective, if you will. I appreciate a lot of this passion that the citizens, a lot who I have never seen before, come out and talk, and I hope they certainly stay involved in this process, but there really comes a time when we as a community need to honor our commitments to someone, to an organization, the State Land Department, that has honored their commitment and gone overboard to help us create one of the greatest Preserves in the history of the United States. This is the deal. 13 years ago, this is the deal we made. Everyone was enthusiastic about this process. This has been going on for a year and a half. There are signs everywhere along the Preserve. It's just hard for me to imagine nobody knew this was going on. So we have a tremendous partner here who has assisted us in creating this Preserve. We made this deal. We gave them the latitude in the original GP2002, and it's time for us to honor that commitment. They had the latitude to make certain changes within that agreement, and they have done that, but they've also listened tremendously to the citizens in making changes here. So I think in my opinion, I think it would be unconscionable to delay this any further and to punish the State Land Department for having done what they agreed to do and kept up their part of the bargain. Thanks very much.

[Time: 01:01:35]

Mayor Lane: Thank you. Mr. Greg Kruzel. Followed by I think it's Margy Eatwell.

Greg Kruzel: Good evening, I'm Greg Kruzel, a Scottsdale resident and the chair of the Sonoran Conservancy. As city staff has already raised, this is an outgrowth of the agreement made back in 2001, where the State Land Department agreed to reclassify 13,000 acres as suitable for conservation, and agreed to the reclassification in 2002 if -- and that was a big if -- the city worked with the State Land Department to increase the adjacent 4,020 acres. In 2002, the general plan was amended to reflect those changes, and in 2010 and '12, the city proceeded with the purchase of over 12,800 acres from the Arizona State Land Department. We believe that -- if that agreement had not been in place, the 2010 and '12 purchase would have been cross-prohibitive and the Preserve would not be what it was -- what it is today. And as part of that, you know, the further work on the amendment, the Arizona State Land Department has agreed to reduce and relocate the intensity of the proposed development as part of their amendment request. We believe that the present application for the amendment is the culmination of over 15 years of hard work between the city and the state. Those negotiations resulted in a large chunk of property in to the Preserve, and also has laid out the property development of the remaining 4,000 acres. We think the city and the state both should be commended for these efforts, and we also believe that proceeding with this will permit us to proceed with the purchase of parcels 1 and 1a, which is kind of an integral conclusion part of the Preserve and a major trailhead. So for all

these reasons, Mayor and the council, the conservancy is really in favor of the amendment. And thank you.

[Time: 01:04:12]

Mayor Lane: Thank you. Margy Eatwell followed by Deb Shaman.

Margy Eatwell: Good evening. Thank you, Mr. Mayor and council members. I am a resident of Desert Diamond on Pima and -- I'm sorry, Dynamite and Alma School and also a homeowner in Legend Trail and I consider myself to be a conservationist, a preservationist and an advocate for the wildlife who can't speak for themselves. I am opposed to this zoning rezoning, and in favor of continuance to really look at the impact on not only traffic, but congestion, the beautiful Sonoran desert that we all enjoy, and I would assume part of the reason we choose to live in this beautiful area, as well as the impact to the wildlife, which continues to be forced out, or become more aggressive in congested, rural and urban areas and therefore I please ask that you take into consideration these factors, and consider the continuance of this. Thank you.

[Time: 01:05:21]

Mayor Lane: Thank you, Ms. Eatwell. Ms. Shaman.

Deb Shaman: Good evening, Mayor, Councillors and fellow residents. I had comments prepared but in the interest of time, I will reiterate the comments of others that there is inadequate consultation with nearby residents such as myself. I agree that past commitments need to be honored, but I also feel that while this initiative has been underway for many years, the recent changes regarding the R-4R zone has changed and caught many of us off guard. There are many more alternatives that can still be explored and considered. Scottsdale has been thinking out of the box in its growth plans, and I ask that for a continuance, that delaying this vote will allow a creative solution to please more residents. Thank you.

Mayor Lane: Thank you. Cindy Lee, followed by Charles Crehore. Okay. Very good. Thank you. Then Charles. Followed by Howard Meyers.

[Time: 01:06:26]

Charles Crehore: Mayor Lane and members of the council, since you can't pronounce my name, I assume you don't know me. I came here when the war was over, and I have been a resident of Arizona ever since. I have served as an assistant attorney general under both the republican and the Democratic administration. I was a judge pro tem in the Maricopa County Superior court for 17 years, and when I resided in Paradise Valley, I served on several city of Phoenix commissions. The thing that bothers me is that the vote you're going to take tonight is going to affect an awful lot of people, and I really don't see the need to speed ahead and have a vote at this particular time, because I don't believe that enough people have been advised of this meeting. I am also concerned that this smacks of hide the weenie, a meeting after a national holiday, a meeting that has the effect on many, many people who are not able to be here because it's, after all, summertime, vacation time. People are gone. And I simply don't see the need to speed ahead. So at this moment, when my remarks are finished, I would ask somebody on the council to move to table the hearing until, and I suggest it be after the next election, because there will be new people on the city council at that time, perhaps, and it will give the residents more time to talk to the members of the city council, to the planning and zoning commission, and to try

to get this matter resolved in a matter which will help everybody come to the right result. Thank you very much.

Mayor Lane: Thank you, sir. And pardon me for mispronouncing your name. What is the pronunciation?

Charles Crehore: I'm Charles M.H. Crehore. The "H" is important because if you Google a name, you come up with a guy in California that's a felon, and it's not me.

[Time: 01:09:18]

Mayor Lane: Well, I would have gotten him from what you've got written on here. But thank you, sir. Mr. Howard Myers.

Howard Myers: Thank you. Howard Myers, 6631 East Horned Owl Trail in Scottsdale and I've been involved with this for about 20 years. I was on the Preserve commission in 2002 when this general plan amendment went through, and when all those deals were made, that really allowed us to get what we have. Rezoning the land so it was not suitable for -- so it was suitable for conservation was a critical component in us acquiring the land we have. And we made a deal with the state back then. We changed the general plan to reflect how they would want it done in order to transfer some of the density so we could do all that, and now we're at a point where we have to honor the agreement that we made, and we did make an agreement. We would not have, as I said, most of the land we have in Preserve now had we not made that agreement, and they were our partner back then and they served us well. Is it perfect? is this rezoning perfect? Of course not. There's a lot of things I'd like to see changed. I'd like not to see the resort there where it was moved, but it is part of the entitlement that the state had and its part of the agreement that we made with them, and it is part of the general plan. It also locks in densities, which a lot of people don't understand how important that really is, especially with state trust land, which can really be anything if somebody else comes in and plans it. But the bottom line is we really need to honor the agreement that we made back in 2002 that allowed us to acquire all the land that we have and the Preserve is a magnificent thing that we're all enjoying. Imagine how much development that would be there if we didn't do that. For citizens that may be unhappy with the rezoning, my suggestion is that you talk to the council and ask them to bring forward the McDowell Sonoran Preserve commission presented a plan in March of 2012 of how to complete the Preserve and how to go about that. That's what you really need to do. That's the only way you really Preserve land is to buy it. That's what we learned a long time ago and that's why we made all these deals with the state in order to acquire all that land. The only way you can Preserve it is to own it. Thank you.

[Time: 01:12:03]

Mayor Lane: Thank you, Mr. Myers. That completes our public testimony on the subject. And thank everyone for their input on the subject. Mark, if you'd want to come back, if you want to respond to any of those things maybe that you feel are appropriate, but in any case, we may have questions of you as well. So we completed the public comment. Do I have any -- oh, okay. Yes, go ahead.

Arizona State Land Department Planning and Engineering Manager Mark Edelman: All right. Very good. So I'll just basically repeat myself again that we really appreciated the opportunity to work with community stakeholders to work with the Mayor and council to achieve your vision for the city, to align

our interests within the scope of our various agreements and we've heard them mentioned here tonight, the Arizona Preserve initiative order from 2001, the general plan case from 2002. Again, we have 17 miles of edge adjacent to our property, and that's only 17 miles of developed edge. So we did put a lot of thought, time and effort into our community outreach. Ongoing now since November of 2014. We listened. We learned. We made significant changes. Those have been described here tonight.

As others have pointed out in this conversation, I'm a little concerned that if we start making changes to one part of this plan now, other requests for change will invariably follow, and that can set off a chain reaction that really affects our ability to hold to the promises and expectations that we've made for all of those neighbors along that 17-mile edge. I think that's very important that if -- like I said, if we start tweaking areas, then I think a lot of folks are going to step up and say well, our neighborhood wants something as well. And if we start doing that, then we can't hold to, first of all, the general plan from 2002, and to the expectation that I think have been set throughout the course of all of this, and so really, again, on behalf of our trust beneficiaries, I respectfully request favorable consideration of our proposal this evening.

[Time: 01:14:08]

Mayor Lane: Thank you, Mark. We don't have any questions immediately here from the Council, but let me ask one. How many meetings did we have? I know that we had them up on the board at least starting in September of 2014. How many meetings did we have as outreach meetings before the planning commission?

Preserve Director Kroy Ekblaw: Mayor, members of the Council, we started with three open house meetings that were in three different locations in the community, and then there were at least two major public meetings, question and answer sessions, one up at Legend Trail and one at the Florence Nelson community park. Then there were a number of smaller meetings along the way that would have occurred based upon specific requests of be it individual associations, as the case may be, and there were several that were multiple in that. But as far as major meetings, I would say there were the five, and there were, at various times, E-mails that would go out to advise of upcoming meetings or next steps.

Mayor Lane: So there were five scheduled meetings without considering other meetings. Without those, there were five major meetings starting in September of 2014 and then there was requested meetings from the HOAs or some various organizations.

Preserve Director Kroy Ekblaw: Most of those -- the meetings started in December of '14 and then I think I'd have to double check the exact dates. I think the latest one was May of '15.

Mayor Lane: All right. Very good. On that, what kind -- just generally, what kind of attendance did you have in those?

Preserve Director Kroy Ekblaw: It ranged up to several -- a couple hundred in a couple of those meetings. We had well over a hundred. In some cases over 200.

Mayor Lane: And these were outreach, of course, to get some ideas and that, but how did some of the determining factors that were -- that are being considered right now, the elimination of the commercial

and the distribution of the R-4R, when did that come in? Early? Later? Or not till the end?

Preserve Director Kroy Ekblaw: I think opposition to the commercial started very fast, and held true until the state removed it from there. There is always been an interest, as well, I would say, to the -- to acquire and Preserve as much land as possible for the Preserve itself.

Mayor Lane: Okay. And as far as the R-4R?

Preserve Director Kroy Ekblaw: Oh, I'm sorry, the R-4R, might ask Mark to speak to that as well. There was certainly concern about that area where the R-4R and the commercial were. I would agree with a lot of the characterizations that the focus was probably more on the commercial but I wouldn't say that there wasn't some concern about the R-4R as well.

Mayor Lane: Okay. And the R-4Rs, they were part of the -- we used to refer to them as the floating stars. Is that part of that component?

Preserve Director Kroy Ekblaw: That is correct.

Mayor Lane: So it's part of the original early on.

Arizona State Land Planning and Engineering Manager Mark Edelman: Yes.

Mayor Lane: Mark, do you have any comment in addition to that as far as the --

Arizona State Land Planning and Engineering Manager Mark Edelman: I think Kroy was -- he is essentially correct that it was following the May 2015 meeting and following removal of the 40 acres of PCC commercial on Scottsdale Road that we did take a -- that we looked again at the R-4R pieces, which originally were one 76-acre parcel. We had broken that into a 50-acre parcel up near Legend Trail and a 26-acre parcel on Scottsdale Road, and we opted at that time to rebalance those and to evenly space parcels of 38 acres each.

[Time: 01:18:16]

Mayor Lane: Now, I've been around enough for most of this, I suppose, but I would say that the agreement has a lot of bearing on what the city's obligation may be with regard to state land trust, and, frankly, what the accommodations were made early on in order for us to be able to facilitate under lands for conservation designation, the lands that we now hold in the Preserve, and I understand this is the other side of it. But with this land, which is not part of the API land, of course, the current zoning, is it zoning that stands right now in that zoning?

Arizona State Lands Planning and Engineering Manager Mark Edelman: Mayor Lane and council members, correct, there is current zoning on that land. Jesus showed a slide which demonstrated that, and it goes, I believe it's everything from R-43 acre lots, and these were county zones that were incorporated into the city at the time of annexation, but anything from R-43 to R1-190, so generally residential acre to five-acre lots.

Mayor Lane: But the zoning with the commercial and with the residential stars even though not defined necessarily, are they part of what is available right now if, in fact, there were auctions on it?

Arizona State Land Planning and Engineering Director Mark Edelman: The resort star and the commercial parcel that you refer to -- I'm sorry, Mayor Lane and council -- refers to the general plan amendment, and I don't believe that that zoning exists in hard form from either the city or the county, but I would have to defer to staff to answer that.

Mayor Lane: Okay. So right now, the state does not have the ability to consider that commercial in that R-4R plan.

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane, it's not within the general plan case and so it is not of that menu of uses that, again, as you mention, refers back to the 2001 commissioners' agreement and the 2002 general plan case. Correct.

Mayor Lane: All right. One other thing, I suppose, and this has always been a little bit of a concern any time we've had any kind of dealings, particularly as it relates to the land for conservation and the purchases for the Preserve, and that is the fiduciary responsibility to the state land trust to your fiduciary beneficiaries, or to your beneficiaries, I should simply say. What leeway, what latitude do you have here before it potentially endangers that relationship?

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane, it's difficult to tell because our beneficiaries are several. There is no one person in charge of all schools in Arizona, and no disrespect to Superintendent Douglas, but there isn't -- so the challenges can come from a myriad of areas. Challenges have been brought by the Arizona education association in the past. Center for law and public interest has challenged us over some of our management and so it's hard to say when would any of those interests say enough and we're going to put forth a case or put before the notice of claim to bring this to stop, so I don't have a good answer for you but I know that at some point, someone would look at this, as Cory described in his slide to say we definitely lowered the value on about 16,000 acres of trust land with the hope of increasing value on a further 4,000 acres, and our beneficiaries have accepted that deal, if you will. It remains to be seen how much further we can push. Some may say we've already crossed that threshold by removing 40 acres of commercial land, but no one has brought that case.

Mayor Lane: Thank you. Councilman Smith.

[Time: 01:21:54]

Councilman Smith: Thank you, Mayor. And I think most of my questions are to staff, Mark. But let me ask you a question before I turn to them. A lot of people tonight have spoken about the value in their minds of having a delay, 30 days, 60 days, 90 days, whatever. What is the urgency of July 5, 2016? What are the issues? Or is it just time to resolve this?

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane and Councilman Smith, I would go to the latter, that we've been in this process now for 15 months. The narrative that you have before you is part of your packet was submitted in February of this year. We've been in this process for a long time -- I should say I've been in this process for a long time, and we simply wanted to bring this to Council at the earliest possible date, and was the date we were given.

Councilman Smith: Okay. Thank you. To staff, let me ask a question, and as a preface to this, I guess I'll remind the listening audience when we talk about stars on the map, resort stars, we're talking about, as I understand it, general plan provisions that allow for the development of a resort somewhere some place sometime. We don't know where or when so we put a star there to let it float around. And my question to you, to the staff, is was this a 76-acre star, or was it multiple stars? How many stars did we have on this acreage?

Senior Planner Jesus Murillo: Mayor Lane, Councilman Smith, the star was just shown one as a graphic on the map, and the matrix pointed out 78 acres. So it didn't say whether it would be one or several, it just stated the acreage, and again, that's what was difficult about the case that's first trying to establish the sizes and shapes according to that matrix, but it was not specific on the number, just the acreage.

Councilman Smith: Is it common to take a star and cut it in half? or however you describe this.

Senior Planner Jesus Murillo: Mayor Lane, and again, Councilman Smith, in the past, the way -- and I don't -- maybe long range has a better way of explaining this, but in the past, the resort star shown on the general plan has been different sizes, and in the past, there have been, for example, the diamond -- or Dynamite, 118th Street area, there is a resort star located up a little further into the northwest -- or northeast of that location, and there have been three different resorts that were approved based on that floating star. Now, it is -- when you look at the map, the stars are different sizes, and so that made it even trickier, and I know that that was probably one of the reasons why staff was looking to change something like that for the future. But in the past, there have been multiple resorts be approved off of the same star.

Councilman Smith: I would agree with you. It looks like something to change for the future. But we're stuck with the star, or stars now. Was there an intent in the general plan, or an intent in zoning or an intent in people's minds, or whatever, that a resort star would be a resort?

[Time: 01:26:13]

Councilman Smith: I guess this question is for staff or Mr. Edelman - A lot of conversation has occurred about how you got rid of the commercial down on Scottsdale Road, and as part of the quid pro quo, or whatever, the resort acreage, if that's what it turns out to be, was increased from 26 to 36 acres. Is that correct?

Arizona State Land Planning and Engineering Manager Mark Edelman: 26 to 38. Correct.

Councilman Smith: 26 to 38. I'm sorry. A lot has been made of the meetings that were held with affected parties, and whatever. Did you have a meeting after this increase in the R-4R on Scottsdale Road? Were the residents invited to a meeting that says I've got good news and I got bad news, I got rid of the commercial, but I increased by 50%, almost, the portion that's going to be whatever it turns out to be, townhomes, or whatever it is?

Arizona State Land Planning and Engineering Manager Mark Edelman: I'll take that one. Mayor Lane, Councilman Smith, there was a mass E-mail that went out to all parties on our E-mail. From that mass E-mail, we did receive responses. Specifically Mr. Leary and I corresponded several times in E-mail.

I believe he also corresponded with Kroy. The invitation for meetings has always been out. There were none requested in this case. That E-mail correspondence discontinued about six weeks ago.

Councilman Smith: And another question, and I guess this may be for staff or it may be for you, Mark, I don't know, but Kroy, you made the comment, rightfully so, that the agreement that we made to get attractive pricing, I'll call it, for the Preserve land was coupled with an intention to provide a parity of value for this land that we're now talking about so that the land trust would be made whole. And by the way, I agree completely with honoring our commitment that we've made, and we -- you know, I wasn't here, but I recognize the commitment was made, and I certainly respect the fact that the State Land Department did their part in advance. But honoring that commitment to give them parity of value, I wonder in my mind who decided what to give up -- what the give-up of value was on the Preserve land, or alternatively, what the enhancement of value is to the rezoning requested on this land. Who made that decision that this gives us parity?

Preserve Director Kroy Ekblaw: Mayor, members of council, Councilman Smith, really that process came about first from our application, and then it came from the general plan case itself, and that was the case that of course was -- took about a year, went through extensive public meetings at that time as well, and included really joint applicants of the city planning staff and the State Land Department, and the acceptance by the State Land Department and ultimately the approval by the city council in October of 2002 that established that general plan, which the state, in their acceptance, we interpreted as acceptance of then the value, so to speak, by way of general plan.

Councilman Smith: So the establishment of the parity of value has nothing to do with what we're talking about tonight. You're saying that was established in people's minds way back when we did the general plan with the floating stars and all that sort of thing?

Preserve Director Kroy Ekblaw: Certainly the final step of establishing the zoning consistent with that general plan does formalize that. The state would, and has, valued their land, or appraised their land based upon that agreement, that general plan, whether that was the assumptions for the Preserve acquisitions that have occurred to this point, or for the ones that we have requested upcoming. They are basing those values on the densities that are associated with the general plan and with this zoning case.

Councilman Smith: I hear you, but I thought the values for the Preserve land that we bought are ultimately set by auction.

Preserve Director Kroy Ekblaw: Well, the state establishes an appraisal. And that's the opening bid requirement at an auction.

Councilman Smith: But the appraisal -- is the appraisal then taken into consideration, I'm going to appraise it low because I'm going to get better value over on the other land? Is that the process?

Preserve Director Kroy Ekblaw: They base it based upon what the general plan identifies and the analysis of zoning. That all would go into that analysis. For instance, parcel 1a, which is land suitable for conservation, has been appraised at roughly 21, \$22,000 an acre. Parcel 1, which is a developable parcel, has been appraised at approximately 100,000 an acre.

[Time: 01:31:47]



Councilman Smith: Well, I don't know what my colleagues may think up here. I will reiterate, we made a deal, and I think we need to stick with the deal. I'm not convinced that we have to do it tonight. I know that Mr. Edelman, you're saying that there may be a chain reaction, but I think you've already had a chain reaction, and you've made changes according to the chain reaction. But somebody's in a sense saying let's call timeout. Chain reaction is over now. I'm hearing from a lot of people that -- whether they should have known, did know or didn't care, or whatever the reason, they feel like they're looking at a plan different than what they thought was going to occur. I, for one, would like to afford them the opportunity to have those discussions if they want to have them over the 120 days -- 120-degree days of summer, why, I would allow them to do that.

I don't know whether it's appropriate to make a motion, but I would, I guess, make a motion that we have a 90-day deferral, delay, reschedule, whatever, for this motion -- for this item.

Councilman Phillips: I'll second that.

Mayor Lane: Motion's been made and seconded. Would the second like to speak toward it?

[Time: 01:33:15]

Councilman Phillips: Yes. Thank you, Mayor. And I have made kind of a list of notes from the speaker, so bear with me if it sounds like it's not an order. I tried to put in an order here. One thing is that land south of Legend Trail is gorgeous land. It's full of outcroppings and I can't see anything being built on that because you would have to destroy it to do it. So you have to remember that just because we rezone land doesn't mean somebody's going to buy it and build on it. People can just look at it and say this is not just buildable land and it will never get bought, but there is land that will be bought.

Like you pointed out earlier, the one section there off of Scottsdale Road and Jomax, whoever buys any of those sections, if it did come to auction and they did buy it, they would have to master plan that whole thing. So they're not going to buy that little section and it's going to cost them too much to master plan. It's going to be somebody that buys a big section and does it like that. But that's the way that works. And even so, just because a land is rezoned doesn't mean that bulldozers are waiting. You know, this could be a long process. It could take ten years, 20 years, who knows what, you know, market conditions are, and stuff like that, so it's not like as soon as we agree to this tonight that we go ahead and put the land up for auction and speculators would buy it and start building right away. In fact, they might just buy it and speculate and wait ten years and resell it for more money. Who knows what happens. We've seen along Dynamite Road how long it's taken for that land to develop and some of them were purchased years ago and we have still yet to see anything happen there, so -- and my hope is that nothing ever will happen, but I'm afraid some of it will.

And Mr. Myers, Howard Myers made the comment that -- and we have to remember this, this land is still open to Preserve purchase by the city of Scottsdale. So even though if we did agree to this tonight, we can still buy it. We can still Preserve it. You know, just -- we're just -- we're honoring a commitment to the state by rezoning, and that's what this whole process is all about, but we still plan on buying it, at least I do, and I think we need to pursue an aggressive campaign to purchase this remaining land by any responsible means possible. So that's not off the table. As soon as this gets developed -- or this agreement gets done with the state, we're still looking to buy this land for Preserve. That's what I want to see.

Of course, it's interesting case because it doesn't usually represent the North. You know, Howard Myers and Jim Heitel and Mr. Cappel and those, they're all for this, so it's hard for us to say well, you guys have been the representatives in the past, and you're all for it, so we've seen, you know, I guess we should just go along with what they say. But as a councilman, I feel we have to respect everybody, you know, although I respect other opinions and their homeowners' associations and their groups, there are also singular residents that get together that are part of those groups that have a say, too, and they have a voice, so we have to respect all the residents concerned. And this is a big deal because even though if we don't get this Preserve, there is that possibility that this could be bought and it could be built on. This is our North. We don't want to turn it into a high density area, so I worry about that R-4R. I really do.

[Time: 01:37:04]

Councilman Phillips: I appreciate all the city, state and the residents have done up to this point, and I do have a question if it's possible to, can we Preserve -- and I don't know who would answer -- can we approve the zoning for the 1 and the 1a now so that on the 21st of September we can still approve that but defer the rest of this for the 90 days? Because I know if we defer the whole thing, that's not going to happen. First a meeting of the minds.

City Attorney Bruce Washburn: Short answer, no. It would change the application. It would be different from what had gone through planning and public outreach so it would have to go back through planning. It's not the application that's before the tonight.

Councilman Philips: Okay. Thank you. And that's unfortunate but I still hold my second on the motion. Now that we have this down, I feel like we're 90% there. This is one last time, one last group, and if we can somehow, you know, move this density around to spread it out a little more, I think that would help everybody. Let's give it one more shot. I don't think it's going to be the end of the world if we wait another 90 days after a year and a half. So I'm all for it. Thank you.

Mayor Lane: Thank you, Councilman. Councilwoman Klapp -- I'm sorry, Mr. Washburn, did you have a comment?

City Attorney Bruce Washburn: Yes, Mayor, thank you. I just wanted to clarify the motion. I'm assuming that it's intended that the continuance be for not less than 90 days rather than for exactly 90 days and that we can find a meeting for approximately that time that the matter can be brought back.

Councilman Smith: Very well-said, counselor. That's exactly what I had in mind.

[Time: 01:39:02]

Mayor Lane: Thank you. Councilwoman Klapp?

Councilwoman Klapp: My question relates to 90 days is October 5<sup>th</sup> and parcels 1 and 1a are scheduled to be sold on 9-21. How does this impact the sale of those two properties? these are critical for the Preserve.

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane, Councilwoman Klapp and members of the council, the State Land Department would postpone that auction. We would delay from September 21 until a later date.

Councilwoman Klapp: Okay. That was I think a pretty important factor. I believe that the commitment was made with the State Land Department, and so even though you would thankfully honor moving the sale of 1 and 1a until after October 5<sup>th</sup>, that I believe that we should be deciding the case tonight. I think we've had ample time to reach out to people that are affected by this, and I know everyone didn't follow the case, but that's pretty true of most cases. So my feeling is that I will not support this motion to delay the case for another 90 days. I believe we should honor the commitment that was made and pointed out by many of the people who have been involved in this change since 2002, that we do have a commitment. So I could not, in good conscience, say let's delay it another 90 days because after 90 days, it's probably inevitable we would be ending up doing exactly what we're being asked to do tonight so there's really no reason for delay, in my opinion. So I won't support the motion.

[Time: 01:40:45]

Mayor Lane: Thank you, Councilwoman. Vice Mayor Littlefield?

Vice Mayor Littlefield: Thank you, Mayor. I should have known better when I sat down and listened to this, I said, oh, this is going to be an easy one. This has caused me more heartburn than just about anything that we've done so far this year. This is a continuation of the 2002 agreement with the state land trust. Over the years, they have worked with the city of Scottsdale at our request to reclassify land so that we could afford to buy it and put it in the Preserve. In return for their help, we promised to rezone about 4,000 acres so they could recoup the money they lost in the process. This is in accordance with their state mandate that they get the highest best price for the land when it is sold.

We are honor-bound to uphold that agreement with them. And I tell you now, I believe that we will and must help them attain their mandate. And I will not vote to not honor it either now or in the future. This land will be sold and it will be sold to a developer. That is a given. And it will be sold to a developer either with a plan in place, or without one. And I certainly would prefer one in place. This is a massive up-zoning. I think it's one of the biggest ones I've seen in one piece.

And there are many new residents in this area who may not understand what is at stake or why we are doing it. Listening to the residents tonight, I think that some people have not been aware of what is going on and what is happening in their areas. So although I agree with the mandate and with working with the state trust to keep them whole, I will support a delay of 90 days -- no more -- so that people can get together with the staff and with the state land trust representative and become aware of the whys and the wherefores and what we are doing. I believe for the sake of transparency in our city that this has become necessary.

I understand the citizens who are concerned about this rezoning, and some of them have developed compromised ideas that they want to have looked at, studied, that's fine with me, but the state land trust is the one that needs to put this together so that they are made whole. And I will vote reluctantly to hold for 90 days. I will not hold again. So make sure that you are here. Make sure that you do what you need to do to become aware, to become knowledgeable on what's happening and to get any changes ready by that time. Thank you.

[Time: 01:44:07]

Mayor Lane: Thank you, Vice Mayor. Councilwoman Milhaven?

Councilwoman Milhaven: Thank you, Mayor. Somebody once told me a good compromise means nobody's happy so this must be an amazing compromise.

I want to ask a couple of questions about process. So the thought of reallocating the density, right, so to say we need to maintain the consistent number of units to maintain value, if we make that assumption, but look to transfer that to other areas, and I think Mr. LEARY talked about changing some place from two acres -- one home with two acres expo one home with one acre, which would not be a major general plan amendment. I'm sure someone will stand up and say they think that's a bad idea but let's for the moment talk about if we were to pursue rearranging the density within the 4,000 acres, what would the process be to make that happen? And how long would that take?

Senior Planner Jesus Murillo: Mayor Lane and Councilwoman Milhaven, I think that the bulk of that question should be answered by the state land since they're the ones that have to make the decision, but obviously the reason staff would appreciate answering is that we would just constantly be vigilant that we're not doing that, that we're not pushing the envelope too much to where now we are changing the application once again from what's been provided to the citizens, because at some point in time, that process would have to start over the everything from the legal ad to -- it would essentially be a new application. So staff would be working with our attorneys to make sure that whatever decision is made that we don't cross that threshold, and exactly where and how that density is transferred to or changed, one that would be up to the state land to feel for what their threshold is, and second just sitting here, we need to know what those new residents' opinion is going to be of that new change.

Councilwoman Milhaven: And you're getting way ahead of me. So before we ask him, if, in fact, the state were agreeable to reopening this negotiation, what would the city's process be?

Senior Planner Jesus Murillo: If we do not cross the threshold of this being a new application, we would come back to council for again another presentation and vote. And if we do cross the threshold, then we would have to go back to planning commission, and we would have to re-advertise because it would be a new request, and then we would have to go through the planning commission process again, and then through the city council. I would also have to check with our attorneys to see if -- normally with the case, there's at least one open house required. I would have to check and see if that's still the case or whether we have to follow the same protocol as we did before.

Councilwoman Milhaven: What would constitute a new application?

Senior Planner Jesus Murillo: I will let our zoning administrator answer that one.

Planning and Development Services Director Randy Grant: Mayor Lane, Councilwoman Milhaven, I believe if we're talking about 2 or 300 acres, we would almost have to, in order to maintain a straight face, you know, consider that to be a substantial modification of the zoning request. If we were, you know, shifting a few units here and there on a small number, on a small amount of land, then I think maybe we could do it under the guise that it is a modification but not a substantial modification. I think what we're talking about here this evening is a substantial modification.

Councilwoman Milhaven: That would mean then new notice, new public outreach, public meetings, planning commission, and how long does that process, about?

Planning and Development Services Director Randy Grant: That depends a lot on the significance of the neighborhood input, but I think six months is probably aggressive.

[Time: 01:48:20]

Councilwoman Milhaven: Not 90 days? Okay. Mr. Edelman, would the state be agreeable to restarting the process?

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane and Councilwoman Milhaven, the simple answer is no. We've been in this process for 15 months. I can tell you that there were two rules we were following from the beginning, one was to stay in conformance with the general plan, which we feel we did. And two was that any place that we abutted adjacent properties, property line to property line, not roads in between, but property to property, that we would have lower density than the units that we were adjacent to that had already been developed and it was really a difficult effort to get us even to the place we are today. I don't want to get too maudlin about it, but we are a very small agency. We have 100 full-time employees for nine and a half million acres. I'm one of three planning employees for the entire state. It would simply come down to a matter of where are our resources best applied, and that's always a decision of others above me. So again, as I've said several times, we're coming before you tonight asking for your positive consideration of this proposal.

Councilwoman Milhaven: Thank you, Mr. Edelman. Interesting phrase, where our resources are best applied almost sounds like if we don't get approval today, you'll drop the case all together, and I'm not asking you to answer that question. Because I know that would be putting you in an impossible position.

Arizona State Land Planning and Engineering Manager Mark Edelman: I wouldn't be able to answer if I could.

Councilwoman Milhaven: But somebody, in talking with neighbors over the last couple weeks, somebody reminded me, they said, you know, when you're going to go buy a car and you say no and you walk out to the parking lot and they chase you out to the parking lot, right, you need to be a good negotiator and be willing to sort of stand tall and hold your ground, and the thought about that is yeah, but the other part about being a good negotiator is you need to be willing to walk away and you need to really, really walk away because if you're going to take that firm stand, you're going to take a risk that you're going to lose the deal.

And I think that that's really the risk we're looking at today, is to say, you know, the Preserve -- this next acquisition of parcel 1 and 1a is really, really important to Preserve community and their planning. We've heard signature trailhead there, if we don't approve this tonight, it's a minimum six months, if ever, that we'll be back here to consider this, and so it's ironic that some of the people who spoke today in favor of the rezoning are the very same people who come in front of us with other rezonings and beg us not to do it and so I think that that speaks to the importance of this for the Preserve.

To the folks at Legend Trail, I am certainly sympathetic. That is a beautiful area, but you've also benefitted from the Preserve purchases that this rezoning helped make possible, and so on the one hand, I get it, that that zoning, the density is not consistent with what you saw in your area, but it also made it possible for you to be surrounded by the beautiful Preserve that we have, that land that is adjacent to your community was purchased from the State Land Department, and so that made that possible, so it's a tough trade-off. And it's also puts us in a tough spot when the homeowners' association, while we know they're not legally bound to represent the homeowners, when a homeowners' association comes up and says on behalf of our homeowners, we are asking you to support this, that puts us in a tough spot.

And so while I'm sympathetic, I'm also, as Councilwoman Littlefield said, we're in a tough spot, and I just want to correct one thing for the record, in terms of the Preserve tax we have left, we don't have much money left. The purchase we're talking about, parcel 1 and 1a, that's going to be it, folks. There isn't any more money to purchase any more of the land. Folks talked about I think Mr. Cappel talked about the presentation we got some time back about what it's going to take to purchase the rest of the study boundary, and I was on council at the time, and I remember that was a half a billion dollars to purchase the rest of it, something in that neighborhood. We've already spent a billion dollars for 30,000 acres so we don't have any more money. We'd have to find more tax. I don't know the community has an appetite for it so while we might like to purchase all the rest of the state land, the only thing we're going to be able to purchase is what we have left of parcel 1 and 1a.

I, too, have struggled with what the right answer here is. I don't think that there's any single right answer but I think that this is important enough for the Preserve that I'm going to have to go ahead and I'm not going to support a continuance tonight. Thank you.

[Time: 01:53:14]

Mayor Lane: Thank you, Councilwoman. Councilwoman Korte.

Councilmember Korte: Thank you, Mayor. A couple of questions on the shifting of the R-4r zoning. Help me with that on the timing. When -- so for a long time, there was commercial property down, and if we could get a map up, the map of this rezoning, we can refer to some of those master plan areas. There was commercial down on Scottsdale Road south of Jomax in that area, and there was approximately 50 or 75 acres of R-4r up towards Legend Trail, correct?

Arizona State Land Planning and Engineering Manager Mark Edelman: I'm sorry. I heard the first half of the question.

Councilmember Korte: Okay. This doesn't show the whole -- thanks, Jesus. Some of the initial planning that was presented to the community back in 2015 included commercial property down on that AA-9 master plan, and then also about 76 acres or so of R-4r -- thank you, Jesus -- up around the -- yes. So when was that shifted? When did the commercial property go away and when did the R-4r division happen?

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane and Councilmember Korte, the commercial property that you refer to was down in this area, as you say on Scottsdale Road between Happy Valley and Jomax. That was removed when we came forward with our second submittal, that was last February, so February of this year. Now, the decision was made prior to that --

sorry, 2016. Yes. The decision was made prior to that and I would say the decision was probably made, in my mind, back in may of 2015, when we had our public meeting.

Councilmember Korte: That memorable evening, I understand.

Arizona State Land Planning and Engineering Manager Mark Edelman: Yes, it was. And so commensurate to the removal of the PCC zoning in this area, that was when we also, as I said, took the R-4R from 50 acres in this location and 26 acres in this location to make it an even 38 in both. The R-4R parcel here was also slightly oriented more east/west and North/South to give it a little less profile on Scottsdale road and to follow that yearling Drive alignment that I described previously.

Councilmember Korte: Thank you. So that decision was made in February -- or was brought to the public in February of this year, and there was -- was there any other public process besides E-mails that went out to the E-mail list that had been defined?

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane and Councilmember Korte, no. The E-mail list was advised. There were still meetings going on with community groups and business groups throughout the process, but the E-mail that I can't -- I believe it would have been in late April when an E-mail was sent out advising that that the submittal had been put in and that the date was now set for planning commission.

Councilmember Korte: So you said you continued to have conversations with community members. I assume those community members are representatives that are here tonight, representatives from Winfield Owners' Community Association and Greater Pinnacle Peak, Legend Trail, those are those organizations that have signed off on this, along with the conservancy, and they are in favor of this, and they've signed off on that after all of that was, shall we say, shifted around.

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane, Councilmember Korte, that is correct.

Councilmember Korte: So were they not in favor of that before? Because it seems to me that that shift is much better for those organizations that are farther North than the neighborhoods that are surrounding the southern -- that southern parcel.

Arizona State Land Planning and Engineering Manager Mark Edelman: Mayor Lane, Councilmember Korte, I would allow you to draw your own conclusions on that, although I do know that we have several -- I believe that one of our letters of support came from this area down here, and I couldn't tell you the name. I believe it's happy valley 1 is down in the southern area so I can't speak to whether some folks are benefitted by the change or not. I can honestly say that R-4R did not come up as an issue, in my mind, prior to May of this year.

[Time: 01:58:34]

Councilmember Korte: Okay. Thanks, Mark. To staff, talk about the importance of A and A1 acquisitions and how that fits in to the whole strategy within the Preserve and access to the Preserve.

Preserve Director Kroy Ekblaw: Yes, Mayor and Councilmember Korte, parcel 1, which is the northeast corner of Dynamite, just short of 300 acres, would provide Preserve frontage then along a mile and a

half of arterial streets, is also the location identified, since the access areas master plan approved in the '90s, identifying that as a major trailhead. That speaks to the whole concept of having multiple access points and not relying on a single trailhead that becomes overused in an impact on a neighborhood or overused in a set of just one trail out of that, so it's a part of a series of trailhead plans, and Dynamite would serve that and be a significant access point because of its proximity to the neighborhood closer than those further out and to the east.

The parcel 1a is a parcel along the Rawhide Wash corridor. It really provides additional buffering in the event that we're not successful at acquiring or don't have funds for acquiring any additional lands, there are flood plain impacts, wildlife corridor associated with the raw hide wash itself, and by getting -- and it varies, it probably averages a couple hundred feet in width but it would prevent the encroachment of the development too close to the wash, in some cases right into the wash or right on the embankment of the wash and was identified by the Preserve commission. Both of those parcels going back to 2012, 2013 formally as the next priority, and as I said earlier, they did reconfirm a couple months ago that those remain their next priorities for acquisition.

Councilmember Korte: Which existing trailhead do you see this Dynamite and Pima site alleviating usage?

Preserve Director Kroy Ekblaw: In the immediate, it would be the Browns Ranch trailhead, which opened about a couple years ago and was already reaching capacity this past season on the peak days, and we're evaluating, dependent upon progress that we'll make, as to how fast we might have to expand that. If we did not have Pima Dynamite, we would have to evaluate the size of that. There's also additional trail heads that are in more of a temporary condition out at phrasfield and granite and we would have to evaluate the size and magnitude of those if we were not to have the Pima Dynamite ultimately.

Councilmember Korte: So say we continue this tonight and it gets put off for six months, and you say that that's -- you said that was an aggressive time frame, probably it's more like eight months or ten months. Is that what you mean by aggressive?

Planning and Development Services Director Randy Grant: Correct.

[Time: 02:04:10]

Councilmember Korte: Okay. So that really, so we're looking at putting this off for a year. Let's just face that fact. What -- do you see the cost of that land changing in a year?

Preserve Director Kroy Ekblaw: That would have more to do with the market necessarily than the process itself.

Councilmember Korte: But there's a potential for that?

Preserve Director Kroy Ekblaw: There is.

Councilmember Korte: And given that we really -- I mean, quite honestly, you know, it's really honorable to have a vision to buy additional acres that have not been designated as conservation use, and that's very honorable, but I'm not quite sure how practical that is. When we look at being able to



buy acreage today, conservation designated acreage at about 15,000, I believe that's what you said, Kroy.

Preserve Director Kroy Ekblaw: That was probably the average. This area, probably about 22.

Councilmember Korte: Okay. 22 versus a non-designated conservation acreage at about 100,000, you know, that's a four-fold increase in cost and, quite honestly, we don't have those kind of funds, and so it's honorable to say yes, I -- and I want to buy additional acreage, but how much can we afford, and I think that's an important question as we look to the future of our community.

This is a really difficult case. It's been very painful. I think I've had more phone calls and meetings on this particular case than any all year and it doesn't matter what decision is made today, there's going to be 50% that are going to walk away pretty disappointed. I must make a decision which I think is best for Scottsdale, and that's what I always try to do, and putting in jeopardy our ability to buy the 640 acres is not something that I want to do, so I will not be supporting the continuance. And I would also like to call the question.

[Time: 02:05:11]

Mayor Lane: Okay. I don't know exactly where that stops, but I'm going to make my comment. You know, I think one of the things that we, through this conversation, and with many conversations, with a number of citizens on this subject is a lot who have concerns and maybe felt that they didn't have enough exposure to it, and there's others who feel that they understand what's going on, the commitment that we made and what benefit it gave to the city of Scottsdale and the purchasing of this land under land for consideration for conservation, what it meant for us.

In 2008, it was pretty well determined that -- or at least it was the prevailing wisdom that we were not going to be able to do anything close to where we are at right now. We were at 14,000 acres and in the meantime we've purchased 16,000-plus acres to more than double the size of it and we did it within the confines of what we had resources, and in large part that's due to the fact that we struck a deal, or had struck a deal and worked a deal, and I would say state land trust put their neck out a lot further than most people realize here. They do have a fiduciary responsibility to their beneficiaries, and it does call in question from time to time not only how far might they go but even the premise which we're working here, it's not even something we like to talk to very much about in public and mark's probably a little edgy that I'm even going here, but the bottom line is it's an agreement and there is something to be said for two things.

One is a process that I think was fairly thoroughly accomplished. As a matter of fact, I would say very well accomplished, and it was well attended. Far better attended than many things we have on a similar line. And the other is that without that designation, we wouldn't be where we are right now without the purchase of that land. It just would not have happened, that designation.

You know, Mark, I'm just going to insert this question in my stream of thought here, but the parcel A and B right now, they are still considered land -- or should be, I should say, designated for land as considered for conservation. Is that right?

Arizona State Land Department Planning and Engineering Manager Mark Edelman: Mayor Lane, if we're talking about parcel 1 and parcel 1a --

Mayor Lane: Okay. Parcel 1 and 1a, yes.

Arizona State Land Department Planning and Engineering Manager Mark Edelman: Those lands were not included in the commission order of 2001. They were not suitable for commercial conservation.

Mayor Lane: So right now, they're out with their rural designation.

Arizona State Land Department Planning and Engineering Manager Mark Edelman: Mayor Lane, they are considered the same at any other state trust land available for purchase. I believe that the current classification of these lands is either commercial or it might still be grazing.

Mayor Lane: Okay. And so they would carry whatever appraised value that might be put to it would be on that basis of that designation, not land for conservation or suitable for.

Arizona State Land Department Planning and Engineering Manager Mark Edelman: Correct. There's some nuances in there, but essentially correct.

Mayor Lane: Okay. Well, it's one thing, and we certainly -- I think that they're both important purchases to us and frankly the timing is always an issue, but there's two things that I really would want to remind everybody of and I certainly have great understanding and have talked to a number of people about this. Our relationship with the state land trust has been a good one, and frankly, it's been with a lot of hard work in order to get to the kinds of things that we have right now with them and certainly would like to continue. There's certainly still a lot of state land that we want to work closely with them on. For our credibility, our integrity and in a contract or agreement, it becomes challenged. I can tell you for sure that the commission is going to be looking at those kinds of things. Mark, you don't have to answer that, but never the less, I got a letter from her today but the bottom line is that is a primary concern for me. Call me old-fashioned, but I think it's important for us to remember that we do that. We went through a good process.

And here's the other component, and it's been said by others. There's a lot of people who have been involved in this process and recognize exactly how important this is to our city. I mean, this rezoning. Certainly we can label it however we want to, but it has been critically important for us to get where we are today and be the community we are today, and I just -- it bothers me that we potentially try to rework this entire equation on some new set of issues. Undoubtedly, there were hundreds, at least hundreds, at least in the five that we were talking about that CROY mentioned earlier, and then of course the others, but hundreds of people who have understood the process and have come forward with some of these changes and understanding of them. I don't know what happened at planning commission but I do know that that was a unanimous vote to move this forward, and I'm sure that is a public hearing.

It doesn't count for one of the meetings that you're talking about but it's still a public meeting. So as much as I'm always concerned about trying to hear and understand everyone's point of view, there's a lot that can be put in jeopardy by even a continuance on this. Some people may feel that's benign, but, you know, we know that that can be damaging, and it can be a determining factor in the damaging of a relationship, as well as what we seek in this.

So I'm not going to be supporting the motion to continue this. And in hopes that we will be able to work with everybody who has a question. I will say that some of the folks who came to me to talk

about it wanted more to know about how the city was going to adjust and deal with some of these things, and we've set up meetings with staff members in order to make sure that there is a clear understanding on traffic and on road alignment and all of the things that would impact any auction of this land. So that's -- as I say, it's not an easy one, it never is, when you're talking about something as impactful as this is, but I'm hoping we're able to move forward in a positive way, in a good neighborhood.

Councilman Smith. Oh, I'm sorry, that's right, so I guess that at least knocks out you. I'm sorry. Call for question. Do we have a second on that? Okay.

In favor of call for the question then? Okay. We -- the question has been called. So we're ready then for the vote. All those in favor of the motion -- yeah, for the continuance, please indicate by aye. Those who oppose with a nay. That motion fails 4-3, with Vice Mayor Littlefield and Councilman Smith and Councilman Philips proposing a yes on that. So we, with that motion, do I have a motion to proceed?

Time (02:12:43]

Councilmember Korte: Mayor, I move to adopt ordinance no. 4267 and adopt resolution no. 10504 and adopt resolution no. 10518.

Mayor Lane: Motion's been made and seconded by councilmember Klapp. Seeing no further comments. Oh, I'm sorry, yes, the second.

Councilwoman Klapp: Since I didn't say a whole lot the first time around, I would just thank the state land trust and -- for all the work that you've done with the city over the course of all these years and I think the Mayor put it the best, and what I had in mind myself is that if there's anything I believe in, it's in honoring commitments. I'm old-fashioned in that way also and I believe that the work that you've done with the -- with all the parties over the course of these years and most recent years, has shown considerable sensitivity to the issues. I know we've not made them all happy, but the removal of commercial, the concessions made around Legend Trail and many of the other concessions made are very much appreciated by many of the people. That's why you've got the support of so many people that have been involved in the Preserve movement for so many, many years, is that you've made -- you've understood how critical it was to the people that were concerned about the Preserve to make this planning process work for everyone so that we can continue to buy what little land we can up to the point when we're out of money, and so from that perspective, I was willing to make a second to this motion because I think it's the best move we can make tonight is to get this process moving forward, and that we can go in and try to buy 1 and 1a on September the 21st. Thank you.

Mayor Lane: Thank you, Councilwoman. Councilman Smith, to this motion?

Councilman Smith: Thank you, Mayor. I just want to clarify for the record that I'm probably older than anybody up here and certainly more old-fashioned. I don't know how we end up putting people in to categories of old-fashioned and not old-fashioned in terms of approving this. I certainly stipulate that it is our responsibility to honor the agreement that we've made with the State Land Department. I continue to believe the time would have been used judiciously for the plan. But I do honor the commitment. I will be honoring the commitment tonight. I will be voting for the plan.

Mayor Lane: Thank you, Councilman. Seeing no further comments then I think we are ready to vote for the motion to approve. All those in favor please indicate by aye. Those opposed with a nay. Motion is 6-1 with Councilman Philips opposing.

**ITEM 22 – TRANSPORTATION MASTER PLAN**

[Time: 02:16:23]

Mayor Lane: All right. Well, thank everyone who has spoken on this item, and for all the input, we very much appreciate it. And we'll move on to our next item. If you are here for the state land trust item, if you would be so kind, if you could leave quietly, or if you'd like, stay around for our next item. But moving right along, we have item 22. This is transportation master plan. We have Mr. Basha, our transportation director here, to present. Mr. Basha, welcome.

Transportation Director Paul Basha: Thank you, Mayor and members of the city council. The 2016 transportation master plan is before you this evening as a proposed for adoption. It is the result of approximately 15 months of effort by the Transportation Commission and the transportation department. I don't know what's going on with the PowerPoint. We should be at the first slide. Not the last slide.

The Transportation Commission and transportation department presented this transportation master plan to you in study session on April 12th. The council discussed and deliberated the master plan extensively, and had two different suggested changes. So this evening, I will only present those two suggested changes. The purpose of the 2016 transportation master plan is to supersede the existing 2008 transportation master plan so if and when the council adopts the 2016 transportation master plan, the 2008 transportation master plan will no longer be enforced.

The first topic of the two that the council directed the transportation department to change involves the Preserve area, the Transportation Commission recommendation was to eliminate 128th Street in this portion of the Preserve, and it also designated Dynamite Boulevard east of 118th Street to be one motor vehicle Lane and one bicycle Lane, one wide bicycle lane for direction. The city council recommended -- excuse me, the city council directed the transportation department to change those two provisions of the proposed transportation master plan so Dynamite Boulevard east of 118th Street is now designated as a four-lane minor arterial, two lanes in each direction. 128th street is through the Preserve.

Better said, we have existing city/street right-of-way for this street currently and on either side of that 55 feet of right-of-way that Preserve exists. That 55 feet of street right-of-way is not sufficiently wide to construct a standard width street but it would be wide to -- it would be sufficient to construct a narrow street. So the council direction is before you this evening. Repeating, Dynamite Boulevard is four lanes, 128th Street at this location.

The second topic that the council directed the transportation department to modify was two paragraphs, the previous two paragraphs in the Transportation Commission recommended master plan included investigation into potential rail or modern streetcar options in the future. The council directed us to eliminate any consideration of rail and modern streetcar, and as you can see in this proposed language, it reads consider cost-effective, multi-modal transportation options, excluding rail and modern streetcar. So that is in the transportation master plan for your review and potential approval this evening.

We are recommending to the council that the council adopt resolution 10508, adopting the 2016 transportation master plan. The resolution does specifically identify eight policies which are on page 2 of the transportation master plan, which we discussed on April 12th, and also the Shea Boulevard and 96th Street to 144th Street access policy which is on page 3 of the transportation master plan. Mayor, I'd be happy to answer any questions the council may have.

[Time: 02:21:37]

Mayor Lane: Thank you, Mr. Basha. We have some public comments right at the moment, so I will go ahead and go to that, but please stand by. We'll have obviously some questions from the council as well. Got a number of cards, but not so significant. I'll leave it at three minutes, but I would ask if you don't need the full time, please go ahead and offer that back. We'll start with Tom Mason. Followed by French Thompson.

Tom Mason: Mayor and Council, Tom Mason, 40-year resident of Arcadia, Scottsdale. I may come across a little harsh this evening, but this rail options never seems to go away. It's always behind the scene, and Councilman Philips, yes, you still want to drive a hard stake through the heart of that. So it's not just a bad idea, it's a disaster waiting to happen. We have several members in this council who adhere to an ideology of deceit, who refuse to take no for an answer. Throughout the year 2006, a dedicated group of individuals called Scottsdale citizens transportation study committee brought together four of the top five national experts on multimodal transportation systems in the United States and abroad. They reviewed, studied and reported on the feasibility of implementing a rail system in Scottsdale. They determined fixed rail transit was not conducive to Scottsdale. Two years later, 2008, I was appointed by Councilman Tony Nelssen to the McDowell road source to come up with solutions on how to revitalize South Scottsdale. Virginia Korte also served on that task force. With all the positive input that came out of over five months of deliberation, Ms. Korte waited until the end, when everyone was gearing down, to talk about her favorite topic. She wanted to have fixed rail transit in Scottsdale at one of the task force recommendations. The task force, chaired by Scottsdale Healthcare CEO voted no. Going on eight years later, that's today, and Korte now teamed with fellow chamber Linda Milhaven is at it again.

Ask yourself this question. Do they really believe removing two Lanes of traffic and destroying businesses all along Scottsdale road for the purpose of running a crime delivery system -- I mean train -- down the middle will actually ease traffic congestion and pollution? of course not. But remember, they adhere to an ideology of defeat. If you listen to the work study session, where the majority on the council already asked that fixed rail would be eliminated and I see it has been eliminated, but you realize why Korte and Milhaven didn't want to remove that rail option. Light rail is their only option. Don't doubt me. It's their plan. Their main objective, their number one priority. It will never go away. I assume that would include the bomb-sniffing dogs. For you and me, it would be willful suspension of common sense, but request for an open dialogue is nothing more than brow beating the public into submission. This has been her M/O since she was president of the chairman and I was counterpart with her realtors, I know the game. Mayor and council members, enough. Don't fall into this trap. It's time to start rebuilding the public's trust in Scottsdale city government. Stick to your previous decision of removing the fixed rail option. The city will be better for it and I thank you for your time.

[Time: 02:25:32]

Mayor Lane: Thank you, Mr. Mason.

Tom Mason: Oh, no questions?

Mayor Lane: That's not the forum. Mr. French Thompson, followed by Louis Giorduno.

French Thompson: Good evening, Mayor Lane and council members. My name is French Thompson. I'm a business owner of 20 years on Main Street downtown Scottsdale. I've lived in Scottsdale for over 30 years. I love Scottsdale. I think this is one of the nicest cities I've ever lived in. I lived in Phoenix. I've lived in Tempe. I've lived in several in Colorado. We're in the middle of technology. We're in the middle of change in technology. We're dealing with stuff like Uber. We're dealing with future driverless cars where I've been reading articles about future driverless trucks that are delivering, you know, goods all over the country. But the things I'm not reading about is putting trains in the middle of cities anymore. It's an antiquated technology that has no adaptability for demand and no adaptability for an express train going past the slower ones that are making stops all along.

I saw an E-mail where one of the council members is publicly campaigning that people come down here to support a light rail being added back to this after, you know, the majority of the council said please don't put light rail in this master plan, and I just don't understand the antiquity of going back a hundred years to put a train on the middle of Scottsdale. It just -- we've got technology coming up there that you don't even know what it is and you want to go back a hundred years. It's the most illogical thing that I can even think of and I read all the time about what's going on in the future. I used to read science fiction. You know, that little phone I've got over there, Dick Tracy had it on his wrist. Well, we have it on our wrists now. We're going to have driverless cars in Scottsdale. We're going to have Uber that's going around with no drivers in it. But a train? I don't even want to call it light rail because it's really a train, and there's no adaptability for it at all for either demand or where it goes. If you have all these other techniques that are at your disposal, I just -- it boggles my mind that anybody would want to go back a hundred years so I just request that you do not put that back in our general plan. Thank you.

[Time: 02:28:15]

Mayor Lane: Thank you, Mr. Thompson. Next would be Mr. Giorduno.

Louis Giorduno: Well, first of all, I just would like to thank the Mayor and the council members for their service to the community, and I would just like to say from the outset that I'm not in favor of any particular transportation solution, just the ones that work, and my idea of a workable transportation system is one that's integrated and one that's flexible. Integrated because Scottsdale doesn't live in a bubble. Scottsdale is part of -- you know, one of the largest metropolitan areas in the country. So integrated in terms of comprehensive maps, transportation system, that doesn't just move people around the city, but, you know, the city -- [Inaudible]. And flexible, not just, you know, for the people who are here now, but the ones that are going to come. So I'm not sure that limiting options, and particularly for a period of ten to 20 years, is wise. So why would you limit your options? As I said, I'm in favor of what works, and it's possible that, you know, it's likely a combination of things and not any one solution. Driverless cars or buses or, you know, bicycles or, I don't know, it could be all of those things, it depends, but my understanding of light rail is that it works when you reach a tipping point on things like buses and cars since we can't move large amounts of people down fixed corridors during high peaks. Will we get there in 20 years? I don't know. I certainly don't want to limit my options.

So, you know, like I said, I live in South Scottsdale and I can see what's going on. There's an awful lot of new housing going up and some of it's high density, which that's fine, you know, good, we need the tax base. It's good to have. I wouldn't go crazy with the density, but those people are going to be here and, you know, they've gotta move around and we owe it to those people moving into this area to have some flexible system that meets, you know, their needs and is sustainable now and in the future. So as I said, I don't know what the answer is, maybe it's light rail, maybe it's driverless cars, but I wouldn't limit my options. So with all due respect, I would advocate that you not limit the options. Even though we don't know what they may be. That's all I got to say.

[Time: 02:31:10]

Mayor Lane: Thank you. Next is Bob Pejman, who has an additional card. Bob, if you'd like, additional card from Bop Cappel, if you'd like four minutes, you've got it.

Bob Pejman: Thank you, Mayor. Council members, my name is Bob Pejman. I own Pejman Gallery in downtown Scottsdale and first I want to thank the five council members that directed the transportation department to exclude any mention of rail from the transportation master plan. It is rather disappointing that the other two council members insist on having it in, especially Councilmember Korte, who relentlessly is pursuing this. But, you know, Ms. Korte is basing her pro-rail platform on two premises that are simply not true. One is that the rail route has not been determined, and the other one is that it will take at least 25-plus years to break ground on this. Now, Scottsdale Road, for the record, is federally designated, high capacity transit corridor that's slated for the fixed rail. So to state that the rail routes have not been designated are simply not true. They have been designated by the federal government. It will be Scottsdale Road. Make no mistake about it. It will be Scottsdale Road. And when she's saying that this will be 25-plus years, that's not simply true either. If this is passed in a matter of five years, planning and construction can start on this, providing there's money and you'll find money somewhere, I'm sure. You know, about a month ago, the airport had a meeting -- actually, the chamber of commerce hosted a meeting with the airport merchants to discuss light rail. So if you connect the dots, everything I just told you and the fact that they're discussing light rail up there means that light rail has to somehow magically go from the ASU to the airport without touching Scottsdale Road. So are we really, really that stupid to believe that? And I'm not.

So if we put all of this to a public referendum to really say this is going to go up Scottsdale road, it is not going to be 25 years, it's going to be say five years, do you really think you have the public support on this? By misleading the public that it's not on Scottsdale road, and it will take 25 years, perhaps, but we will spend the money on the PR campaign to expose that, so if it comes to a referendum in the future, we're prepared to handle it. The other thing that I want to cover is that there's a major disconnect between fixed rail and its affect on tourism. Let me put this up for a second. You've seen this before, the infamous rendition of Scottsdale -- of the fixed rail being on Scottsdale Road. Actually, this photo is very, very sugar-coated because two Lanes will be eliminated here.

So I pose this question to the tourism development commission and the other members in the tourism industry that are advocating fixed rail. Do you think this is really good for tourism? to have this monstrosity go in the middle of Scottsdale Road from McDowell technically all the way up to the airport, destroying the resort feel of Scottsdale road, eliminating left turns in many, many, many areas, and just having this unsightly appearance of this thing going up. It is -- it's really bad for tourism. It is not going to help tourism, and furthermore, it will add to the traffic by eliminating a Lane in each direction. It will

add to the traffic. It will not alleviate the traffic. So I would say if you truly want to improve transportation options here, consider something else, not fixed rail. Thank you.

[Time: 02:35:31]

Mayor Lane: Thank you. Our next is Sonnie Kirtley followed by Patty Badenoch.

Sonnie Kirtley: Good evening, Mayor Lane, Vice Mayor Littlefield and council members. My name is Sonnie Kirtley. I'm chairman of COG, the Coalition of Greater Scottsdale. We have to thank the transportation department. These people are incredible. They spent hours over the last 15 months -- seems like longer than that, Mr. Basha. Director Basha, Jim Bartlett, people I've mentioned here, Madeline, they came out at night. There's no compensatory time for employees who came after 5:00. They came out at night throughout the last two years meeting with organizations, meeting with neighborhoods. They would come out and meet with the three and four people that I had arranged in the neighborhood with a traffic concern. They're phenomenal. So we really thank them. These are some of the issues that they covered in their very intensive transportation master plan that you have a copy of. I read every single statistic in it. It's awesome. Every question is answered.

One of the things that might come up this evening, besides being impressed with the transportation plan, it might be mentioned this evening, that while Tucson has a modern streetcar, I'm not sure how modern this is, the arrows point to things like overhead wires here, here, going in the other direction, rails here, here, here, here, and in the street. Same place that traffic, cars, bikes, and so on. Here's another look at Tucson. This one shows trains going in both directions. This train receding, this coming towards you. Again, overhead lines, not terrifically attractive. But guess what Scottsdale has. The modern trolley. It is absolutely beautiful. Our transportation department has purchased some absolutely beautiful, comfortable, air conditioned trolleys. These little babies are flexible. They'll go any route. If the density in a certain area changes, you have more customers to ride, no rails needed, no wires needed, get those wheels rolling in the right direction. Very low environmental impact. Not only that, this is the best part, they're cheaper to operate. And you know what? they're uniquely Scottsdale's. Scottsdale is special. This keeps us special. You want something going down to meet the light rail in Tempe or at 44th Street at the airport, get these wheels rolling. Get these routes set up. Community support, you bet. We are proud of our trolleys. Our tourists recognize them. This is Scottsdale. This is us. Thank you.

[Time: 02:38:54]

Mayor Lane: Thank you. Next is Patty Badenoch, followed by Craig Cantoni.

Patty Badenoch: Good evening, Mayor and council, Patty Badenoch, 42 years residence here in Scottsdale. I found an article in the Arizona Republic written June 18, and the headline says "Light Rail is an Arizona Success Story and There's More to Come." And it's written by a gentleman by the name of Roy Miller, member of the Phoenix citizen Transportation Commission. And he writes, "I will confess that any time government takes billions of dollars from taxpayers and spends it on any project, there will certainly be successes, that is a few who will benefit. However, by any rational analysis from the taxpayers' point of view, the allegation is nonsense. Light rail is a 19th century solution to a 21st century problem that will yield red ink forever. Even the leftists and the central planners who brought you light rail never predicted that it would make money or that even more than a very small percentage of valley residents would ever ride in it. So how is this turkey rated as a success? this can only be



claimed by looking at the winners, not the losers. The great philosopher Frederick Bassia showed us this faulty analysis in his book, "The law," where he spoke of the seen and unseen effects, the shiny trains running along the track and few people who ride them are the scenes, and the great things that could have been accomplished with the billions wasted on the trains are the unseen. Because the densest areas of the valley have already been covered, the situation will only worsen. That is the more we build, the more money we will lose. It is hard for the average taxpayer to accept this fact, but the reality is taxpayers benefit. If we stop the trains now and abandon this wasteful experiment." This is from a gentleman member of the Phoenix citizens Transportation Commission, Roy Miller. Thank you.

[Time: 02:41:24]

Mayor Lane: Thank you. Craig Cantoni, followed by Becky Fenger.

Greg Cantoni: Thank you, Mayor, council members. I'm not part of any group. I live a block from Scottsdale Road. I've been on various HOA boards and I'm currently live in an HOA there. Haven't coordinated with anybody but I see that my remarks have already been said, but I'll say them again. Okay? I'm opposed to any kind of rail ever being in the master plan. I'd like a stake driven through its heart so it never reappears, and the reasons are the following: The first is each time a rider takes light rail, he gets a \$12 subsidy. He gets a subsidy from non-riders and my feeling is if light rail is economic you don't need the subsidy. So clearly it is uneconomic. Proponents of light rail also say that it brings economic development. Really, the only thing it does in economic terms is take money from some people and give it to other people, and rob development from one part of the city and bring it to another part of the city. Haven't we had enough failed economic development schemes? ride sharing apps are the new technology.

If Scottsdale wants to be hip and innovative, it should be a leader in the new technology instead of being a copycat in the old technology. The world is decentralizing and evolving. Top-down planning and central control are giving way to bottom-up creativity, flexibility and freedom. Light rail is a monument to old thinking. But if sometime in the future the old thinking were somehow to prevail, and here's what I suggest that the council does. It does a pilot test on Scottsdale road for a year, and the pilot test would be as follows: You close two Lanes of traffic, you close a lot of the cross streets and then you wait to see what happens to traffic and public opinion. What will happen, I will guarantee you, is you will have massive traffic jams and the citizens will grab their pitch forks and start heading down here to city hall. Fortunately they'll never get here because of the traffic jams. Thank you.

[Time: 02:44:01]

Mayor Lane: Thank you. Becky Fenger. Followed by Praveen Jain.

Becky Fenger: My name is Becky Fenger and I am the official spokesman for Scottsdale transportation, Scottsdale citizens transportation study committee and I'm a 20-year veteran of all these master plans. And lest you say, when we're through speaking here, well, we told you people we were eliminating it from the master plan, huh-uh, don't believe it. Years ago, Robert Ledger, the editor of the Scottsdale Republic, said to us in print, can't you people ever give up? Scottsdale citizens have said twice now they do not want light rail! So you can go home! That's why I won't believe it until the day that it is not there. Did you all know that the entire light rail system in the valley was built on lies? Lies, lies and more lies. The biggest lie there was is being told that building light rail or modern streetcar would

bring -- would lower -- reduce congestion and air pollution. AHA. And actually, valley metro had hidden the figures that show it actually increases light rail that increases pollution and congestion. They hid it so deep in their final environmental impact statement to the feds they thought we would never find it. Well, we did find it and we were anxious to tell people, why would you spend billions to buy yourself more pollution and congestion plus all the millions of dollars in the maintenance and the operation deficits. So the next big lie -- oh, by the way, the mainstream media hid that fact, would not print it. You like that one? Then the next lie was that that's how Phoenix rested \$32 billion from the taxpayers, by saying -- this was their whole campaign -- for every dollar that you spend, you will get back \$7 in economic development and investments, private and public sector. That whole thing, and I have the paper, the study, that shows that was a lie. That didn't materialize. Many of the projects were pulled back, eliminated, and a lot of those -- this was only on wishes, supposition, that we want \$7.1 billion of developments along the rail lines. That was supposition, and it was pulled back and it did not happen. And a lot of those projects were not even related to rail, like the expansion of the state convention center or new high school. Lies, lies again. I'm asking --

Mayor Lane: Becky, if you could, please.

Becky Fenger: Okay. One question. I'm asking each and every one of you, if I can show you, and believe me, I can, that light rail will increase pollution and congestion, and I offered on television \$4,000 to fancy researchers at ASU and others to say if you can prove me wrong, I will hand you \$4,000 cash, and no one could do it. Thank you.

[Time: 02:48:09]

Mayor Lane: Thank you. Next up Praveen Jain followed by Pat Flynn.

Praveen Jain: That was close. 3006 Scottsdale Road, Scottsdale, Arizona, 85251. So I, on behalf of 37 other merchants located on both sides of Scottsdale Road between McDowell Road and Osborn Road, and 206 residents request you, Mayor Lane and city council members, please, please, please keep your decision to remove any fixed rail option as part of the Scottsdale transportation master plan. You did it one time at the study session. Please do not change your mind.

I just want to let you know that in a YouTube video which was produced in June of 2015 by Channel 11, there is a pre-rehearsed discussion led by Councilwoman Korte and along going with transportation director Basha and two other consultants, which probably were paid by our tax money. They shared six pictures of empty lots along Scottsdale Road between McDowell and Osborn Roads, and they conveniently ignore taking picture of all the other established businesses which are not empty lots. They both ask the question, is this what we are trying to protect? No. I'm here to tell you that Mr. Basha and Ms. Korte, we are not trying to protect anything but probably your own personal agendas. You are suggesting to city council to write a death sentence to all those thriving businesses along Scottsdale road, and nobody, and I repeat nobody, gives you right, Ms. Korte, to drive this -- or deliver this death sentence to the local thriving businesses. You tell me what crimes have we committed. We are lawful, tax-paying businesses to make a living and servicing Scottsdale residents. In the same YouTube video, it is stated that connected means fixed rail. Last I checked English dictionary, even though English is not my first language, but I go by Oxford dictionary, connected and fixed rail are not synonymous. But the hired consultants probably paid, sang to that sheet of music.

So please, don't waste that time. Don't have them sing to your music because that's not true. Do not repeat the same mistakes that Phoenix, Tempe, Mesa made and other speakers before me have already said, don't think 19th century technology is going to solve the 21st century issues.

The express bus service that you propose between the Thunderbird Road Park and Ride and Scottsdale Fashion Square, why don't you duplicate the same thing. And on any route, that's a flexible option rather than a fixed rail option. It's only a \$600,000 bus. Everybody was affected by the recent economic downturn. All merchants, along with their family members located on Scottsdale Road between McDowell and Osborn, made substantial personal sacrifices during this period. We were very fortunate to survive the downturn and we are expressing our gratitude to the residents of Scottsdale who really supported us.

Mayor Lane: Mr. Jain, if you could, your time is expired, if you could wrap it up, please.

Praveen Jain: Okay. So please, please, please do not pass that death sentence and do not kill us again and we do not want to live next to those high voltage, ugly light rail lines because we did not buy property to live next to those high voltage, health, cancer-causing lines.

[Time: 02:52:14]

Mayor Lane: Thank you. Pat Flynn, followed by Marilyn Atkinson.

Pat Flynn: Mayor, council members, thank you for this opportunity. This is probably going to be the quickest this has ever said to anybody. Mr. Basha answered half the questions that I was going to present tonight. But I do have some questions I hope you asked him. Number one is 118<sup>th</sup> Street, 128<sup>th</sup> Street are they going to be minor collectors? He mentioned something about 128<sup>th</sup> being pretty narrow. The other thing that wasn't mentioned was reclassifying Happy Valley Road as a collector. And the other one that is down the road but with all the homes being built out at Trilogy, 1,440 plus widening of Dynamite Rio Verde has to happen. But thank you for your time and I understand the work you guys go through.

[Time: 02:53:37]

Mayor Lane: Thank you, Mr. Flynn. Marilyn Atkinson, followed by Barry Graham.

Marilyn Atkinson: I'm here tonight representing 215 individual merchants and property owners in downtown old town Scottsdale. Some of the signatures are, you may know them by name, it's myself, the Song family, Saba's, Richard Garcia, Cavalliere and Gilbert Ortega. We are exasperated to say the least with this on again/off again dialogue regarding rail that has gone on for over ten years. We want this nightmare to end. For our sanity, health and the uncertainties we face every day regarding the future of our businesses, would you please let the downtown/old town merchants and property owners know just how much they are truly appreciated, and keep out the fixed rail component of the transportation master plan.

We would be eternally grateful and we very much support trolleys. People like the trolleys, they ride the trolleys. They're flexible. They're a great asset for downtown and they would be a great asset for the city. They would not cause devastation to properties during the time of construction if you do a rail

system. We've all seen how that blighted areas. So we are very grateful that at this point we have rail out of the transportation master plan and we hope you will continue to support that. Thank you.

[Time: 02:55:31]

Mayor Lane: Thank you. Barry Graham followed by Paulette Morganstern.

Barry Graham: Barry Graham, 7842, East Monterosa Street. Thank you, Mayor, members of council. One of the things that is separated Scottsdale from so many other places is our ability to plan ahead. Most would call that vision. As you make your final considerations of the transportation master plan this evening, I urge you to consider all the city's needs over the next 20 years and to try to protect -- predict every transportation solution to meet those needs. Also, think back 20 years ago to 1996 and just how much our city has changed. Going forward it would be very short-sighted to let today's politics impact the needs and lives of future residents. Scottsdale didn't become the great city that it is by drawing lines in the sand, and limiting discussion about important topics like transportation. Our leaders came together and planned for an evolving city that people not only want to visit, but work and live. I ask you to look beyond today's political differences and to contemplate the Scottsdale of the future. Please don't be content with a temporary solution that addresses a near-term issue while sacrificing smart, long-range planning. Thank you for your time and attention.

[Time: 02:57:27]

Mayor Lane: Thank you, Mr. Graham. Next is Paulette Morganstern, followed by Wward Atkinson.

Paulette Morganstern: Good evening, Mayor Lane, council people, thank you very much for this opportunity. I know that it's important to have certain things fixed. Cats, dogs, some other things. But following up on the gentleman before me's discussion about an evolving city, I think an evolving city has to be flexible, not fixed. Agenda items 14 and 15 actually create new revenue. Working on a rail system of any kind would cost taxpayers an awful lot of money and we are crying about having not enough money to buy more land for the Preserve. Why don't we think about using the money for light rail, moving it to a pocket that would pay for more land in the Preserve. That's being flexible, and I hope you all will keep that in mind. Thank you.

[time: 02:59:05]

Mayor Lane: Thank you, Ms. Morganstern. Next is Ward Atkinson followed by Howard Myers.

Ward Atkinson: Good evening, Mayor Lane and council members. I'd like to take just a couple of quick minutes and talk about a little different aspect of this issue. I've been a businessman and a land holder in Scottsdale for over 30 years, and have gone through the rebuild the Thomas Road and Scottsdale Road a couple of times that's been very detrimental to our business and so I thought I would give you a little bit of background of what we're out to do and what may take place. I don't know if this chart I had a PowerPoint but I don't know if this chart will show up. With the black lines and what I did is I used the Google mapping capabilities that are now available on your internet. The black lines are the width of -- the street width all across the bottom, or feet, I should say distance in feet, and then also we have up in there each time we have a black one, this is Scottsdale and Thomas and this is the information about 19th Avenue. The bottom line is that we've got streets that have been built for over the years that are so wide we're now down to the point in Scottsdale road that we've digressed right up to the closeness of

each of the properties. You've got new apartment complexes going on Scottsdale road and so you begin to look at the dimensions that you're looking at and I don't know if that shows up too well or not, but on the north side of Scottsdale Road up here at this point, our last widening effort was 102 feet in width is what we've got there to get in our traffic, right hand and left-hand turn Lanes and southbound traffic. On the South side of the street, we have a distance of 103 feet.

Now, to give you a comparison if you have not driven across 19th Avenue and Glendale, the dimensions of 19th Avenue and Glendale are 111 feet on the north side and they're 121 feet on the south side. So right off the bat, we're not even going to meet the width that they have to put in at that particular point. The other thing I want you to note is here's McDonald's right up to the edge of the street. Here's Chase bank. We know there's new project going on over here. We don't know what that is and here is the shopping plaza in the other corner. They're right up there. Are you going to go in and take and devastate these businesses that are in there and take them away? Because I'm going to show you what it looks like over in Glendale. When you get over to Glendale and 19th Avenue and I don't know how that's projecting up there at the moment but you see this land is completely vacant. There's nothing there at this point, and as I say on the North side of the street, it's 211 feet wide, and on the South side, it's 121 feet wide, and so you go in there and you keep saying I've gotta have all this distance. This other gray line through this intersection here, it varies up and down 19th Avenue between 28 feet and 34 feet in width so we've gotta find all this land that we're looking for. The other one that's kind of interesting to watch in that same area is that -- and that may not be showing up too well but that big long thing right there, that's the loading station for all our people to get on and off the trains, and it only happens to be 250 feet long, and it's 40 feet wide, and the width of Glendale Avenue is 121 or 120 feet, I think it's 120 feet at this point. There's no way you're going to get 120 feet in width and not wipe out an apartment building, a storefront or whatever else.

Mayor Lane: Mr. Atkinson, I'm sorry, your time has expired, so if you could wrap up, please.

Ward Atkinson: The only thing I was going to say, Mr. Mayor, you and the council members have received a PowerPoint and a PDF file of that and I'd like to make it available to all the people. Thank you.

[Time: 03:03:07]

Mayor Lane: All right. Thank you, sir. Howard Myers. Howard, were you last last time? It's strictly coincidental. Maybe it's to leave us with the greatest impact.

Howard Myers: You're trying to keep me here is what you're trying to do, I think. I guess I'm last. I'm going to give you a little reprieve from the light rail thing even though I agree with all of the comments about it. I'm going to talk about 128th Street. And of course this is important to the Preserve to at least abandon the portion that goes through the Preserve, which is right here for major traffic, you could leave it open for emergencies. We recommend, what the transportation department recommended, and that is to complete 118th Street first, which is this blue line, and that would provide the additional connection you need into that area. You're going to have to do that anyway. You're going to have to spend money to do that anyway, so why spend more money to improve 128th temporarily, or even to improve it good enough for regular traffic would cost you a lot more money because the land is a lot more rugged there so it's just a waste of city funds to do two of those. You can provide as many north/south connections as you want between Ranch Gate and Dynamite. Nobody's going to take any one of them because they're not headed in that direction, they're headed southwest and so they're

going to be taking Happy Valley or Jomax, which are the yellow lines and the green lines. Very little traffic, as I said, we'll go down to Dynamite, regardless of how many you build so why not just complete 118th first, which you have to do anyway and then forget about the other one, and it will save you a lot of money. It makes the other connection you need, and I think the transportation department is already recommending that so we recommend it also.

Now, having said that, I'll jump on to light rail. Basically, citizens don't want it, merchants don't want it. It will destroy the look and feel of Scottsdale. It will destroy the business in its path, certainly when it's constructed. It will bring more crime to the area and I think you had an excellent E-mail from somebody who moved away because of all the crime it brought in. I thought that was just excellent and it brought up that point so well. But the main thing, too, is it just costs way too much. The initial construction costs, even if it's subsidized, is still going to cost the city heavily. Where is that money going to come from? Who will absorb the operational costs, which is way over. I mean, even in cities which have high population densities that might actually support light rail, it has to be heavily subsidized. So where is that money going to come from? Is the chamber going to give you that money? All the people who want it, are they going to give you all that money? No. It's going to be us citizens who have to pay for it. So the data, everything I said here, the data on the internet is easy to find, and easy to access, and once you search the facts I think you'll see light rail isn't a solution to the transportation problem, it is the transportation problem. Thank you.

Mayor Lane: Thank you, Mr. Myers. And that does conclude or public testimony on the item. And we'll start with Councilwoman Korte.

[Time: 03:06:30]

Councilmember Korte: Thank you, Mayor. I have a couple questions, Paul. Can we first talk about 128th Street? I know that that goes right through the Preserve. There was some conversation, I believe, in our study session around making very temporary improvements for -- well, actually, I can't remember what we did, but I thought that there was some conversation around making that temporary or improving 118th street and 128th street remained closed except to emergency vehicles. Can you help me with that one?

Transportation Director Paul Basha: Mayor Lane, councilwoman Korte, yes, your memory is correct, we did discuss 118th Street and 128th Street both. We -- the transportation department has committed to including 118th Street from where it currently terminates just south of Jomax Road north to Dynamite Boulevard in the next five-year capital improvement plan. It certainly won't be in the first or second year of the five-year plan but we will at least recommend to the council that it be sometime within that five-year plan. We also discussed 128th Street at that study session, and the recommendation of the Transportation Commission and the transportation department was to construct 128th Street as an emergency access only. 20 feet wide, no wider, no shorter, just 28 feet wide. And then barricaded off with locked gates that the fire department or police department could unlock when necessary. At that meeting, the council suggested that that road should be open to the public and it should be classified a minor collector and that's what we have in the transportation master plan before you.

During that study session, it was suggested that construction traffic for the new developments adjacent to 128th Street south of Ranch Gate Road should have access to 128th Street. Subsequent to the April 12th meeting, the transportation department and planning department did discuss that topic with the developer of Cavalier ranch and the developer has committed to studying carefully 128th Street in its

current condition, and has indicated they think they might be able to use it as a dirt road and not need pavement. They have committed to try and utilize existing 128th Street and not use either 118th Street or happy valley road for the construction of Cavalier ranch.

Councilmember Korte: Thank you, Paul. So am I looking at this correctly, by making 128th Street a minor collector, correct, is that the minor collector in the draft plan, that that's -- this really, in response to construction activity, is that what we're looking at?

Transportation Director Paul Basha: Mayor Lane, Councilmember Korte, yes, that was the request from some of the people who live in the vicinity.

Councilmember Korte: And that construction activity is a short-term issue. Is that correct? Within a four, five-year period?

Transportation Director Paul Basha: Councilmember Korte, it is certainly a short-term effort but the Cavalier Ranch has approval for 450 homes. That construction would be in short durations of perhaps six months to 18 months, but staggered over the next 20 years.

[Time: 03:11:28]

Councilmember Korte: I am going to -- well, I believe that 128th Street should be non-improved. It should remain locked only to emergency vehicles, and because I see it as a long-term solution to a short term problem and I don't think that that's good policy. I've got a couple more questions, though, Paul. Regarding rail technologies, so say that by some miracle that this community approved some type of rail connectivity to maybe come in to Sky Song, what is the time frame of that?

Transportation Director Paul Basha: Mayor Lane, councilmember Korte, as we discussed during the Transportation Commission deliberations on light rail, if Scottsdale were to today decide to include light rail sometime in the future, it would be a minimum of 20 years into the future. And that is a fact because of the funding mechanism. There's considerable competition for rail technology funds throughout metropolitan Phoenix and throughout the country, and in metropolitan Phoenix, funding has been committed through the year 2035 already. There's simply no available funding before 2035 in metropolitan Phoenix. There are too many metropolitan areas throughout the country that are highly desirous of rail technology, and we simply would not be able to obtain federal funds until after 2035.

Councilmember Korte: 2035. Regarding another issue. Is Scottsdale a federally designated corridor, transportation corridor?

Transportation Director Paul Basha: Mayor Lane, Councilmember Korte, I'm not aware of that designation at all. The 2008 transportation master plan does designate Scottsdale Road as a high capacity transit corridor, and that specifically identifies light rail, modern streetcar, or perhaps dedicated bus rapid transit line. The 2016 transportation master plan, one adopted by the council, would supersede that 2008 transportation master plan, and therefore that designation by the city for a rail line in Scottsdale road would disappear.

Councilmember Korte: Is there such a thing as a federally designated transportation corridor?

Transportation Director Paul Basha: Councilmember Korte, yes, there is. I'm not certain if those are the exact words, but yes, the federal transit authority does designate corridors through a highly involved analysis process that considers other alternatives of -- including technology and routes, but it begins with the -- the term is locally preferred location.

Councilmember Korte: Was that something that perhaps MAG had designated at one time back in 2005 when we were talking about all these in 2006?

Transportation Director Paul Basha: Councilmember Korte, the Maricopa Association of Governments would only designate a street or a route or any transportation facility at the request of a city and with the approval of a city. They would not do so otherwise.

Councilmember Korte: Thank you. Well, it did come as no surprise to our audience to people looking or watching at home that I am very concerned that rail technologies are completely excluded from our transportation master plan. This transportation master plan is a policy. It's not a plan. And I believe that citizens expect us to make decisions about both short-term and long-term policies based on the best and most accurate information available. I believe it's our responsibility to do our due diligence by exploring every option before reaching a decision on each policy, and that's why I do not agree to exclude light rail because I believe that we deserve to have every tool in the tool box when we start talking about meeting the needs of our transportation -- meeting the transportation needs of our citizens.

You know, we have never done an assessment of our needs of our citizens regarding transportation, and even if we had done in 2005, you know, our community is very, very different. 40% increase in population. The multi-housing, the vibrant downtown that we have now, it is very different than it was in 2005, and our citizens deserve to better understand the needs of our city. Our citizens, our elderly, our businesses, our workforce, and our tourists.

You know, someone said that tourism would be not fatally, but negatively impacted by light rail. Well, I'm not even talking about light rail. I'm just talking about options. I'm just talking about tools, and it just -- I find it interesting that our convention and visitor bureau here in Scottsdale and our tourism development commission, they unanimously voted, back in about two weeks ago to reinsert language around rail technologies into the transportation master plan, and our convention and visitor bureau have identified that transit technology to be one of the three initiatives that they've embraced this year and they will continue to embrace it because they talk to their visitors. They understand what our tourists need, and our tourists are looking for a different option to get from the airport instead of renting a car.

We've talked about flexibility and options. That's what I'm talking about is flexibility and options. It's really premature to talk about technologies because we have yet to identify what our needs are. And I believe that the most important thing we could do, we can do, or we must do is connect our city with our neighboring communities because we import 83% of our workforce every day. That's in downtown, that's 43,000 employees downtown every day, and at the airport, it's 45,000 employees, and you would think -- so say that 75% of them come in by cars, and how many vehicles is that? Well, it's in the 30s. 30,000 vehicles every day. Maybe there's some other options. Now, I don't know what those are, but I think that we need to maintain every tool we have in the tool box so that we have the flexibility 20 or 25 years down the road. We don't know what our needs are 20 to 25 years down the road.



But this is a policy. It's not a plan. It's not a route. It's not a program. It's a policy.

And with that, I would like to make a motion that we direct staff to amend the transportation master plan to revise the language on page 31 to remove the words "Excluding rail and modern streetcar" in the first paragraph under transit element.

Councilwoman Milhaven: Second.

[Time: 03:20:29]

Mayor Lane: Motion's been made and seconded by Councilwoman Milhaven. Would you like to speak to it?

Councilwoman Milhaven: Sure. I know this is probably a moot conversation tonight. We've got five people that are going to leave the plan the way it is. But I think it's important that we keep this conversation open. Right?

A master plan is not a commitment to do or not do anything. It's a guiding document to guide staff and so for those who think that this is going to stop the conversation around considering all modes, I think you're going to be greatly disappointed because those of us who think it's a good idea and the citizens in this community who support us and tell us that they think it's a good idea want us to continue the conversation so we'll continue to do that. This council can't bind any future council, and so I'm going to continue talking about it. No one here is talking about rail up Scottsdale Road. When we had the work study, I tried to propose what if we said nothing north of McDowell Road because I think it's important for us to consider connecting to SkySong. From the airport would be a huge, in my opinion, benefit to the community and I think community deserves to get the facts around what that would cost and what the benefits would be to do that and so I am very supportive of all modes and considering all technologies. I'm not considering putting light rail up Scottsdale. I'm advocating having a conversation.

I would also like to point out that a difference of opinion is not deceitful. So to be perfectly clear, I'm not going to support this master plan to make it perfectly clear how strongly I feel about the need to have a comprehensive all modes conversation.

I do, however, want to thank the Transportation Commission for their great work and know that my no vote for this plan, which, because we know this motion is not going to go anywhere, is not a reflection of the great work that you did but rather I think an important signal to say I continue to be committed to a comprehensive community conversation around all modes options, and at the end of the day, nothing is going to happen in this community without a citizen initiative.

So Mr. Pejman talked about if there's a citizen initiative, they would campaign against it. Good. Do that. That's the American way because nothing is going to happen with transportation in this community without a citizen vote because we don't have the money to do anything. So that's all I have to say for now.

[Time: 03:23:15]

Mayor Lane: Thank you, Councilwoman. Motion is made is and seconded, but we do have some other speakers. I don't know whether it's on this motion, but I start with Councilman Philips if he has a comment.

Councilman Philips: Thank you, Mayor. I'm not going to bore you with more rhetoric. I'm going to make an alternate motion that we adopt resolution no. 10508.

Councilwoman Klapp: Second.

Mayor Lane: Motion made and seconded. Would the second like to speak?

Councilwoman Klapp: I do want to make a comment that I felt since we had the last meeting on the plan, and I thank Sonnie Kirtley for bringing up all the good things that are in the plan because we seemed to just focus on one thing and not celebrate all the other good things that are in the plan such as the circulators you mentioned that fill in the senior center and the circulator in the air park and many of the other things that are in the plan, and unfortunately, it seems that the conversation related to the plan has been the major focus has been on rail and modern streetcar.

So I want to see this plan go forward so we can make some things happen that are in that plan that are critical to the city of Scottsdale, and if we would add this clause back in, that's all we would be talking about. There would be no other conversation but that so my feeling is that we have a plan that yes, has excluded light rail and modern streetcar but it has a lot of other great options in it. It means that we can have more buses and trolleys on the road and I am struck by a conversation that I overheard at a meeting I was at since I'm on the valley metro PTA board and one of the councilmen there was complaining about out in the best valley how they didn't have enough buses in certain neighborhoods out there and he's reminded that because they have spent money on extending light rail into his city, that there's no money left for the bus routes, and so if he wanted bus routes, then he would have to sacrifice light rail. We have more bus routes. We have trolley routes.

We have other options in Scottsdale because we haven't tried to add light rail and we've spent money where I believe the citizens most want it, and that's why I believe the transportation master plan as it's currently crafted in its present iteration is the one that we should be supporting now and supporting it in the community because I think the majority of community members want it. I understand the arguments from the people who would like to add light rail and modern streetcar into the equation but I think we can have lots of conversations about many modes of transportation that haven't even been brought up yet if we consider that those things are important to this plan and try not to focus so much on the things that almost everybody in this room is against.

[Time: 03:26:08]

Mayor Lane: Thank you, Councilwoman. Councilman Smith.

Councilman Smith: Thank you, Mayor. A couple of things, and I assume we're talking about the alternate motion, which is to keep what we saw on the screen. I support that. Obviously. I think it is important for us as some speakers have said tonight to have flexibility in our future transportation options, and the one thing that one can say with absolute certainty is that the least flexible thing that you can do is lay iron tracks four feet eight and a half inches wide up the street. And hope that people will ride it. I think I made the comment at the work study session that's the dilemma that a.m. track,

that's the problem they have is that now their trains are on tracks that go where no business or citizen wants them so they have ridership problems. We have to have flexibility.

I applaud the Transportation Commission as well as the transportation department for putting together a very thoughtful plan of needs that we have at the present time. I've urged them to try to project what those needs are going to be in the future because that's really what we're planning for. We're not planning for today. We're planning for a highly unknown future, and sitting on the Maricopa Association of Governments transportation policy commission as I do, I know that they're struggling with the same thing. What is the future going to be with the changes in work habits, the changes in shopping habits, the changes in living habits. What are going to be the transportation needs of the future. And the last thing we want to do is try to figure out some highly inflexible solution to a very fluid, dynamic and changing future.

I want to segue, though, since we're talking about approving everything on the screen, I want to segue for a minute to talk about the 128th street questions and issues and whatever. I want to remind the listeners if they were not privy to the conversation that we had at the work study, changing 128th Street to a regular road, if you will, a minor collector, was not something at least in my mind that we were doing for purposes of accommodating the construction crews at the time. We had a great deal of discussion about what the needs of the residents will be there, and simply escaping from their home site in the case of a fire or for any other reason to leave home, and the need to have 128th Street established as if you will a second exit, a second way out of dodge. That was a big part of the discussion. It was -- we also talked some about how it was a bit absurd, if you will, to talk about the migration plans of animals, which would somehow not be interrupted if we finish this as an emergency road but would be interrupted if we finished it as a regular road for the benefit of citizens.

And I guess I would say, too, we had some discussion over the nuance of the word "Through," talking about 128th Street going through the Preserve. The reality, of course, is -- did you say something, Mayor -- I thought somebody said something in the background. The reality is 128th Street was a designated street before we acquired the Preserve land to the east and west of it so the Preserve is encompassing 128th Street. It's on both sides of it. But 128th Street was, if you will, there first.

So I think it's important to keep that aspect to the plan, and obviously I support the elimination of the light rail, the inflexible options, and encourage the transportation department to study the future, be as flexible as we can in responding to it. Thank you, Mayor.

[Time: 03:30:45]

Mayor Lane: Thank you, Councilman. Vice Mayor Littlefield.

Vice Mayor Littlefield: Thank you, Mayor. Well, mostly what I wanted to say has been said and very eloquently by Councilman Smith. I do have one thing to add a little bit on the light rail issue. Scottsdale Road is the designated corridor. I know this for a fact. It is designated by the federal transit authority. Mr. Basha is correct. And I know this because my husband when he was on the council about eight years ago or so tried to get it removed from the designated corridor. You probably remember that, Tom. And he couldn't do it. The council at that time refused to do it so it is still there and it is still designated. So that part is true.

I will support the alternate motion. I don't believe that light rail is appropriate for Scottsdale for all the reasons that have been mentioned up here. Using the money for that just basically says we have no other options and we have an option that's old and that's rigid and that we can't change once it's put in and I don't think that's what we want here in Scottsdale.

As far as 128th Street is concerned, since we're going with the whole thing that we're looking at, that was approved last time because 118th street is not completed. It has a dead end at the end right next to a wash and you can't go through it so they're going to have three major construction development programs going on up there with one street going through to it and if we don't have 128th Street open for that, then they're all going to go down through the village and through the little streets that are not meant for development trucks and aren't built for them. And this project or these projects are anticipated to go on for ten to 20 years so it was my understanding that they were going to leave 128th Street open. They were going to build out the street as per the stipulations and the contracts with the developers that they would do that at their cost, and they would use that street, at least until 118th street is completed, and they have an alternative so that the villages are not impacted by all of this. And so I will continue to vote for that. Also because I don't believe that it's good for the citizens and the residents not to have that street open.

The fact that it goes through part of the Preserve on the corridor is true. Part of the reason why eventually it will probably be closed down, but we have that also on Dynamite. So it's not like it's a one and only thing -- one and only time that's happened. Hopefully that will be closed down eventually but we need it open right now and we need it repaired so that it can be used. Thank you.

[Time: 03:33:46]

Mayor Lane: Thank you, vice Mayor. And I, too, will be supporting the alternative motion. And for a lot of obvious reasons. One is this has all been discussed before and we're frankly in that -- not only that mode, but frankly with the understanding that 128th Street, it was going to be going -- we were going to complete it through as a road. There was some talk about getting an offer that seems ridiculous. Now, as far as just the ingress and egress out of that community, we've seen from a number of citizens the extent of confinement that will cause eventually having that road closed down so I am fully in agreement with what we established the last time we discussed this, and that is to leave 128th street open and to develop it for traffic at whatever level is necessary.

The other is the more obvious one and that's the light rail. We discussed this last time and I think one of the concerns -- there's many concerns about this and a lot of them were voiced by a number of people who have spoken here at the podium to us tonight. Not the least of which is the availability of funds for something that doesn't respond to our needs. We talk about flexibility and in this day and age with technology and the things that change with what our available options are, it's incredible to be thinking about a means of transportation that in some instances -- in L.A. they've gone through this cycle twice, put the tracks down, tore them up, put the tracks down, tore them up, generally in 25, 30-year cycles. We're at the end of a cycle for some of this right now and you look around and you'll see when you're talking about even a commitment with what was proposed originally, but for the master -- the transportation plan, coming up from just from Tempe, just to McDowell road, nearly \$100 million a mile now and Tempe has voiced their objections to their paying for that stent of about four miles from their closest connection. Nearly \$800 million and it doesn't even respond by our own -- transportation plan doesn't even respond to the traffic conditions that we're trying to address right now. Whether we get

federal funds or not, you still have a matching funds, matching funds that are required from us that would sap everything we have.

Councilwoman Klapp talked a little bit about not having the available routes for buses. It would sap into just about anything we were trying to do. And something else gets sacrificed, much less potential for increased taxes on this, too. Again, not answering to the question. So I'm as firm about my position as far as the light rail exclusion as I was previously. I think it's something that it becomes a distraction. We've heard the two advocates here on the dais talk about it. It's not a matter of just having the flexibility of looking at other technologies. This is the technology of the establishment right now and what is being pushed. Talk about as far as even Maricopa Association of Government, we don't have any money, there's frankly hardly any money for anybody else. Phoenix has raised taxes so that their tax rate is probably the highest in the state and they are essentially putting about \$3 billion into expanding their routes. So it's a commitment they've made and maybe it works for them.

And so one final item that we discussed, when we dealt with this a number of years ago, the mass transit corridor is designated -- maybe it's designated by us, but mag absolutely has Scottsdale Road as our high capacity mass transit corridor. That's it. And we were talking about whether it's bus, rapid transit or light rail, that's the route that it would go. We have not changed that. We actually did look into it. I think as Vice Mayor mentioned a little earlier, and that's not to be. So I think -- well, there's no reason really to go on any further on this other than to say that I certainly support the alternative motion. Councilwoman Korte.

[Time: 03:38:16]

Councilmember Korte: Thank you, Mayor. I will not be supporting the motion. However, I wanted the transportation staff and our Transportation Commission to know that I so respect the work that you do, and I believe that this transportation master plan is a good piece of work. I just philosophically cannot support it tonight.

Mayor Lane: Thank you, Councilwoman. Well, that completes the request to speak on this topic at this point in time, so seeing no further questions, I think we're then ready to vote for the alternative motion which is to accept the plan as it's been presented to us. Those in favor please indicate by aye, those opposed with a nay. Motion passes 5-2, with Councilwoman Milhaven and Councilwoman Korte opposing. I want to thank everybody for their comments and considerations on any sides you might have taken. It's great to have the input and this is where we land, but thank you very much for all of that. Thank you to staff and Mr. Basha. Now, in spite of anything else, we certainly do appreciate the work that you've done in this regard.

That wraps up our regular agenda items. I'm presuming we have no further public comment cards or citizen petitions. No, I'm sorry, ma'am, that would be out of order. I'm sorry about that. You can talk to us later if you'd like.

#### **MAYOR AND COUNCIL ITEMS**

[Time: 03:40:04]

Councilwoman Milhaven: Mayor, I'd like to make a motion to ask staff to agendaize an item for possible direction from council to consider initiating the process to consider designating happy valley east of the school as a no truck route.

Mayor Lane: Okay.

Councilwoman Milhaven: Motion to agendaize discussion to initiate the process around making that a no truck route.

Councilmember Korte: Second.

Mayor Lane: All right. The motion has been made and seconded and this isn't generally a matter of discussion at this point in time, it's just an offer to agendaize so not looking for additional comment. But I think we're then ready to vote. Those in favor of doing just exactly that, please indicate by aye and those opposed with a nay. That motion to agendaize as has been indicated is unanimous, 7-0. Thank you very much, Councilwoman.

#### **ADJOURNMENT**

[Time: 03:40:59]

Mayor Lane: And I will accept is that motion to adjourn, do I have a second.

Councilmembers: Second.

Mayor Lane: Okay. All those in favor please indicate by aye. We are adjourned. Thank you all very much.