

## SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT

### ACTION REPORT:

**TO:** Chairman and Board Members  
**FROM:** City Treasurer Office  
**SUBJECT:** ADOPT Resolution No. 36 Approving Proposed Budget and Ordering Hearing, and Resolution No. 37 Adopting FY 2020/21 Budget and Tax Levy for District

**DATE:** 6/16/20

**AGENDA ITEM NO.:** 01

**STAFF:** Gina Kirklin (x25006)

### ACTION

- ADOPT Resolution No. 36, approving the proposed District budget for FY 2020/21 and ordering a hearing, and
- ADOPT Resolution No. 37, adopting the District budget for FY 2020/21 and ordering a tax levy

### BACKGROUND

The Scottsdale Waterfront Commercial Community Facilities District (CFD) was formed in 2005 to facilitate the financing, acquisition and construction of public infrastructure within the District. To date, \$3,805,000 of tax-exempt bonds have been issued.


The District was responsible for the installation and maintenance of infrastructure, which benefits existing and future residents of the District and the City. An ongoing tax assessment is necessary to pay the debt service on the District's bonds and the District's operation and maintenance expenses.

The FY 2020/21 proposed budget (see Exhibit A of Attachment #1) has been prepared pursuant to the requirements of the Arizona Revised Statutes. The District considers anticipated administrative costs and uncollectable accounts, and may reduce cash balances as needed to comply with Arizona Revised Statutes § 35-458(A). The first Resolution calls for approval of the proposed budget and a public hearing on the proposed budget and the second Resolution adopts the budget subsequent to the hearing (see Exhibit B of Attachment #2). The second Resolution also sets the tax levy for the District.

### FISCAL IMPACT

The District will levy on District property an ad valorem tax of \$213,876 for debt service and \$13,269 for operations and maintenance, resulting in an estimated tax rate for existing and future property owners of \$3.9457 per \$100.00 of net assessed limited property value. This is a decrease of \$91,094 from the previous year's combined tax levy and a decrease of \$1.8499 from the previous year's tax rate published by Maricopa County. The project development agreement fully discloses this tax to all purchasers of property in the District.

  
Gina Kirklin  
Report Author

  
Dave Lipinski  
District Manager

- Attachments:
1. Resolution No. 36
    - Exhibit A - Proposed Budget FY 2020/21
    - Exhibit B - Notice of Hearing
  2. Resolution No. 37
    - Exhibit A - Notice of Hearing
    - Exhibit B - Adopted Budget FY 2020/21
    - Exhibit C - Tax Levy
    - Map of District

ADOPT RESOLUTION 36 - OK - 7/0

**ACTION TAKEN:** ADOPT RESOLUTION 37 - OK - 7/0

SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT  
OF SCOTTSDALE, ARIZONA

RESOLUTION No. 36

A RESOLUTION OF THE DISTRICT BOARD OF SCOTTSDALE  
WATERFRONT COMMERCIAL COMMUNITY FACILITIES  
DISTRICT OF SCOTTSDALE, ARIZONA APPROVING A  
PROPOSED DISTRICT BUDGET FOR FY 2020/21 AND  
ORDERING A HEARING ON SUCH BUDGET AS APPROVED

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the District Treasurer of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona (the "District") prepared and submitted to the Board of Directors of the District (the "District Board") for approval a proposed District budget for FY 2020/21 (the "Proposed Budget"); and

WHEREAS, the Proposed Budget sets forth the annual statements and estimates of the operation and maintenance expenses, together with the debt service payment of the District for FY 2020/21, as required by Section 48-723C of the Arizona Revised Statutes; and

WHEREAS, pursuant to Section 48-723C of the Arizona Revised Statutes, the District Board filed the Proposed Budget with the District Clerk and with the City Clerk of the City of Scottsdale, Arizona, prior to June 3, 2020,

NOW, THEREFORE, BE IT RESOLVED by the District Board of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona as follows:

1. *Approval of Proposed Budget.* The Proposed Budget submitted to the District Board and attached as Exhibit A hereto is hereby approved and a hearing on the Proposed Budget is hereby ordered as required by law.
2. *Notice of Hearing.* Publication of the notice of the public hearing on the Proposed Budget in the form attached hereto as Exhibit B in accordance with the provisions of Section 48-716 of the Arizona Revised Statutes is hereby ratified, approved and adopted.
3. *Effective Date.* This resolution is effective immediately.

PASSED by the District Board of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona this 16th day of June, 2020.

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Chairman, District Board  
Scottsdale Waterfront Commercial  
Community Facilities District of  
Scottsdale, Arizona

ATTEST:

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Carolyn Jagger, District Clerk  
Scottsdale Waterfront Commercial Community  
Facilities District of Scottsdale, Arizona

APPROVED AS TO FORM:

By   
William A. Hicks III

ATTACHMENTS:

Exhibit A — Proposed Budget FY 2020/21  
Exhibit B — Notice of Hearing

## EXHIBIT A

### SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA

#### PROPOSED BUDGET FY 2020/21

**BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE** **\$ 54,771**

**REVENUES**

Net Assessed Limited Property Value*	5,756,789	
Estimated Tax Rate for Debt Service	\$3.7152	
Property Tax Collections**		213,876

**EXPENSES**

Debt Service	(230,613)	
Trustee Fees	(3,000)	
Total Expenses		<u>(233,613)</u>

**ENDING FUNDS AVAILABLE FOR DEBT SERVICE** **\$ 35,034**

**BEGINNING FUNDS AVAILABLE FOR O&M** **\$ 12,231**

**REVENUES**

Net Assessed Limited Property Value*	5,756,789	
Estimated Tax Rate for Administrative, Operating & Maintenance	\$0.2305	
Property Tax Collections**		13,269

**EXPENSES**

Insurance Premium		
Legal Fees	(5,000)	
Advertising	(600)	
Administrative	(400)	
Total Expenses	(5,500)	
		<u>(11,500)</u>

**ENDING FUNDS AVAILABLE FOR O&M** **\$ 14,000**

\* Source: Maricopa County Assessor's Office, as of February 2020

\*\* Net Assessed Limited Property Value x Estimated Tax Rate/100

## **EXHIBIT B**

### **SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA**

#### **NOTICE OF HEARING**

**REQUIRED BY A.R.S. §§48-716 AND 48-723C  
ON THE PROPOSED BUDGET OF FY 2020/21**

**OF  
SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT  
OF SCOTTSDALE, ARIZONA**

Pursuant to Sections 48-716 and 48-723C of the Arizona Revised Statutes, notice is hereby given that a public hearing on the Proposed Budget of the Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona for FY 2020/21 will be held by the District Board on June 16, 2020, at approximately 5:00 p.m. or immediately following the regular meeting of the Scottsdale City Council, which meeting may be held electronically through Cox Cable Channel 11 and streamed online at [scottsdaleaz.gov](http://scottsdaleaz.gov) (search "live stream"), in the City of Scottsdale City Hall Kiva located at 3939 Drinkwater Blvd., Scottsdale, Arizona, or as stated in the meeting agenda available at [scottsdaleaz.gov](http://scottsdaleaz.gov) (search "Scottsdale Waterfront CFD"). A copy of the Proposed Budget is on file with the Clerk of the City of Scottsdale, Arizona/District Clerk of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona, at the City Hall of the City of Scottsdale, Arizona, 3939 Drinkwater Blvd., Scottsdale, Arizona 85251, telephone number (480) 312-2412. This notice also constitutes notice of the filing of the estimate as required by Section 48-723C, of the Arizona Revised Statutes.

DATED this 26th day of May, 2020.

/s/ District Manager  
District Manager  
Scottsdale Waterfront Commercial Community  
Facilities District of Scottsdale, Arizona

SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT  
OF SCOTTSDALE, ARIZONA

RESOLUTION NO. 37

A RESOLUTION OF THE DISTRICT BOARD OF SCOTTSDALE  
WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT OF  
SCOTTSDALE, ARIZONA ADOPTING THE DISTRICT BUDGET FOR FY  
2020/21 AND LEVYING A TAX

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the District Treasurer of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona (the "District") prepared and submitted to the Board of Directors of the District (the "District Board") for approval a proposed District budget for FY 2020/21 (the "Proposed Budget"); and

WHEREAS, the Proposed Budget sets forth the annual statements and estimates of the operation and maintenance expenses, together with the debt service payments of the District for FY 2020/21, as required by Section 48-723C of the Arizona Revised Statutes; and

WHEREAS, on June 16, 2020, the District Board adopted Resolution No. 36, approving the Proposed Budget and ordering a hearing on the Proposed Budget as required by law; and

WHEREAS, as required by Sections 48-716 and 48-723C of the Arizona Revised Statutes, notice of the public hearing on the Proposed Budget and of the filing of the estimate, in the form attached hereto as Exhibit A, was published not less than ten days prior to the date hereof in a newspaper of general circulation in the District and was mailed to the City Clerk of the City of Scottsdale, Arizona; and

WHEREAS, a public hearing was held on the date hereof,

NOW, THEREFORE, BE IT RESOLVED by the District Board of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona as follows:

1. *Adoption of Proposed Budget.* The Proposed Budget in the form attached hereto as Exhibit B is hereby approved and adopted as the final District budget for FY 2020/21.

2. *Tax Levy.* A tax levy (the "Tax Levy") in the form attached hereto as Exhibit C is hereby ordered, approved and adopted and the District Clerk is hereby directed to deliver certified copies of the Tax Levy to the Maricopa County (Arizona) Board of Supervisors, to the Arizona Department of Revenue and to any entity acting as trustee for any District bonds.

3. *Effective Date.* This Resolution is effective immediately.

PASSED by the District Board of Scottsdale Waterfront Commercial Community Facilities  
District of Scottsdale, Arizona this 16th day of June, 2020.

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Chairman, District Board  
Scottsdale Waterfront Commercial  
Community Facilities District of  
Scottsdale, Arizona

ATTEST:

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Carolyn Jagger, District Clerk  
Scottsdale Waterfront Commercial Community  
Facilities District of Scottsdale, Arizona

APPROVED AS TO FORM:

By   
William A. Hicks III

ATTACHMENTS:

Exhibit A — Notice of Hearing  
Exhibit B — Adopted Budget FY 2020/21  
Exhibit C — Tax Levy

**EXHIBIT A**

**SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES  
DISTRICT OF SCOTTSDALE, ARIZONA**

**NOTICE OF HEARING**

**REQUIRED BY A.R.S. §§48-716 AND 48-723C  
ON THE PROPOSED BUDGET OR FY 2020/21**

**OF  
SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT  
OF SCOTTSDALE, ARIZONA**

Pursuant to Sections 48-716 and 48-723C of the Arizona Revised Statutes, notice is hereby given that a public hearing on the Proposed Budget of the Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona for FY 2020/21 will be held by the District Board on June 16, 2020, at approximately 5:00 p.m. or immediately following the regular meeting of the Scottsdale City Council, which meeting may be held electronically through Cox Cable Channel 11 and streamed online at [scottsdaleaz.gov](http://scottsdaleaz.gov) (search "live stream"), in the City of Scottsdale City Hall Kiva located at 3939 Drinkwater Blvd., Scottsdale, Arizona, or as stated in the meeting agenda available at [scottsdaleaz.gov](http://scottsdaleaz.gov) (search "Scottsdale Waterfront CFD"). A copy of the Proposed Budget is on file with the Clerk of the City of Scottsdale, Arizona/District Clerk of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona, at the City Hall of the City of Scottsdale, Arizona, 3939 Drinkwater Blvd., Scottsdale, Arizona 85251, telephone number (480) 312-2412. This notice also constitutes notice of the filing of the estimate as required by Section 48-723C, of the Arizona Revised Statutes.

DATED this 26th day of May, 2020.

/s/ District Manager  
District Manager  
Scottsdale Waterfront Commercial Community Facilities  
District of Scottsdale, Arizona



## EXHIBIT B

### SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA

ADOPTED BUDGET FY 2020/21

**BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE** **\$ 54,771**

#### REVENUES

Net Assessed Limited Property Value*	5,756,789	
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#### EXPENSES

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**ENDING FUNDS AVAILABLE FOR DEBT SERVICE** **\$ 35,034**

**BEGINNING FUNDS AVAILABLE FOR O&M** **\$ 12,231**

#### REVENUES

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#### EXPENSES

Insurance Premium		
Legal Fees	(5,000)	
Advertising	(600)	
Administrative	(400)	
Total Expenses	(5,500)	<u>(11,500)</u>

**ENDING FUNDS AVAILABLE FOR O&M**

**\$ 14,000**

\* Source: Maricopa County Assessor's Office, as of February 2020

\*\* Net Assessed Limited Property Value x Estimated Tax Rate/100

## EXHIBIT C

### SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA

#### TAX LEVY

PURSUANT TO RESOLUTION NO. 37 passed on June 16, 2020 by the Board of Directors of Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona (the "District"), it is hereby ordered levying a secondary *ad valorem* tax on all taxable property within the District for FY 2020/21, such tax levy to be apportioned as follows: at a rate sufficient to produce \$213,876 for debt service on outstanding bonds of the District; and at a rate (not to exceed \$0.30 per \$100.00 of net assessed limited property value) sufficient to produce \$13,269 for operation and maintenance expenses of the District. A map of the District is attached hereto as Appendix A.

DATED: June 16, 2020.

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Chairman, District Board  
Scottsdale Waterfront Commercial Community  
Facilities District of Scottsdale, Arizona

ATTEST:

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District Clerk  
Scottsdale Waterfront Commercial Community  
Facilities District of Scottsdale, Arizona

CAMELBACK ROAD

SCOTTSDALE ROAD

LOT 1

LOT 1

LOT 1

ARIZONA CANAL



MARSHALL WAY

DISTRICT MAP

Appendix A

**LEGAL DESCRIPTION**  
SCOTTSDALE WATERFRONT

A PORTION OF THE NORTHEAST QUARTER OF THE  
SOUTHEAST QUARTER OF SECTION 22,  
TOWNSHIP 2 NORTH, RANGE 4 EAST OF THE GILA  
AND SALT RIVER MERIDIAN,  
MARICOPA COUNTY, ARIZONA, BEING MORE  
PARTICULARLY DESCRIBED AS FOLLOWS:

LOT 1 OF THE PLAT FOR SCOTTSDALE WATERFRONT  
AS RECORDED IN BOOK OF MAPS 702,  
PAGE 30, RECORDS OF MARICOPA COUNTY, ARIZONA.

SCOTTSDALE WATERFRONT COMMUNITY FACILITIES DISTRICT

**MINUTES  
DISTRICT BOARD  
SCOTTSDALE WATERFRONT COMMERCIAL  
COMMUNITY FACILITIES DISTRICT  
TUESDAY, JUNE 11, 2019**

**1. CALL TO ORDER**

Chairman W. J. "Jim" Lane called to order a meeting of the District Board of the Scottsdale Waterfront Commercial Community Facilities District at 6:15 P.M. on Tuesday, June 11, 2019, in the City Hall Kiva.

Present: W. J. "Jim" Lane, Chairman  
Board Members Suzanne Klapp, Virginia L. Korte, Kathleen S. Littlefield,  
Linda Milhaven, Guy Phillips, and Solange Whitehead

Also Present: District Clerk Carolyn Jagger  
Community Facilities District Treasurer Jeff Nichols  
City Manager Jim Thompson  
City Auditor Sharron Walker  
City Attorney Bruce Washburn

**2. APPROVAL OF MINUTES OF TUESDAY, JUNE 12, 2018**

Board Member Klapp made a motion to approve the minutes of Tuesday, June 12, 2018. Board Member Phillips seconded the motion, which carried 7/0, with Chairman Lane and Board Members Klapp, Korte, Littlefield, Milhaven, Phillips, and Whitehead voting in the affirmative.

**3. ADOPT RESOLUTION NO. 33, WHICH SETS OUT PROPOSED BUDGET AND CALLS FOR PUBLIC HEARING**

Board Member Klapp made a motion to adopt Resolution No. 33. Board Member Phillips seconded the motion, which carried 7/0, with Chairman Lane and Board Members Klapp, Korte, Littlefield, Milhaven, Phillips, and Whitehead voting in the affirmative.

**4. CALL FOR PUBLIC COMMENTS ON THE BUDGET**

No public comments were received.

**5. ADOPT RESOLUTION NO. 34, WHICH APPROVES THE BUDGET AND SETS TAX LEVY**

Board Member Klapp made a motion to adopt Resolution No. 34. Board Member Phillips seconded the motion, which carried 7/0, with Chairman Lane and Board Members Klapp, Korte, Littlefield, Milhaven, Phillips, and Whitehead voting in the affirmative.

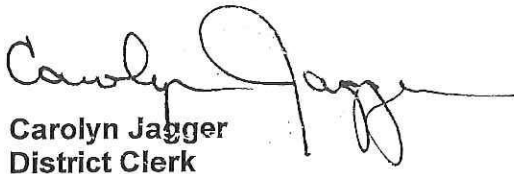
Scottsdale Waterfront Commercial Community Facilities District  
Tuesday, June 11, 2019

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**6. ADJOURNMENT**

With no further business to discuss, Chairman Lane adjourned the meeting at 6:16 P.M.

**SUBMITTED BY:**

  
Carolyn Jagger  
District Clerk

Officially approved by the District Board on \_\_\_\_\_

Scottsdale Waterfront Commercial Community Facilities District  
Tuesday, June 11, 2019

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**CERTIFICATE**

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the District Board of the Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona held on the 11<sup>th</sup> day of June 2019.

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

**DATED** this 16<sup>th</sup> day of June 2020.

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**Carolyn Jagger, District Clerk**

**DRAFT**

**MINUTES  
DISTRICT BOARD  
SCOTTSDALE WATERFRONT COMMERCIAL  
COMMUNITY FACILITIES DISTRICT  
TUESDAY, OCTOBER 22, 2019**

**1. CALL TO ORDER**

Chairman W. J. "Jim" Lane called to order a meeting of the District Board of the Scottsdale Waterfront Commercial Community Facilities District at 6:01 P.M. on Tuesday, October 22, 2019, in the City Hall Kiva.

Present: W. J. "Jim" Lane, Chairman  
Board Members Suzanne Klapp, Virginia L. Korte, Kathleen S. Littlefield,  
Linda Milhaven, Guy Phillips, and Solange Whitehead

Also Present: Community Facilities District Treasurer Jeff Nichols  
City Attorney Sherry Scott  
City Auditor Sharron Walker  
District Clerk Carolyn Jagger  
Acting City Manager Bill Murphy

**2. CALL FOR PUBLIC COMMENTS**

No public comments were received.

**3. ADOPT RESOLUTION NO. 35, AUTHORIZING ISSUANCE OF GENERAL OBLIGATION  
REFUNDING BONDS**

Board Member Korte made a motion to adopt Resolution No. 35. Board Member Milhaven seconded the motion, which carried 7/0, with Chairman Lane and Board Members Klapp, Korte, Littlefield, Milhaven, Phillips, and Whitehead voting in the affirmative.

**4. ADJOURNMENT**

With no further business to discuss, Chairman Lane adjourned the meeting at 6:03 P.M.

**SUBMITTED BY:**

  
Carolyn Jagger  
District Clerk

Officially approved by the District Board on \_\_\_\_\_

**DRAFT**

Scottsdale Waterfront Commercial Community Facilities District  
Tuesday, October 22, 2019

Minutes  
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### **CERTIFICATE**

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the District Board of the Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona held on the 22<sup>nd</sup> day of October 2019.

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

**DATED** this 16<sup>th</sup> day of June 2020.

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**Carolyn Jagger, District Clerk**