

Memorandum

To: Honorable Mayor Borowsky and Members of City Council

From: Greg Caton, City Manager
Erin Perreault, Planning and Development Sr. Director
Tim Curtis, Planning and Development Area Director – Current Planning

Date: February 10, 2026

Subject: In-lieu Parking Related to Cases 5-U P-2025, 6-U P-2025, 1-IP-2025 – Consent Agenda Item #5 – February 10, 2026, City Council Regular Meeting

The purpose of this memorandum is to provide information about the in-lieu parking request associated with Cases 5-U P-2025, 6-U P-2025, and 1-IP-2025 agendized as Consent Agenda Item #5 on the February 10, 2026, regular Scottsdale City Council meeting. Also related to these cases is a request to forward a recommendation of approval to the Arizona Department of Liquor License & Control for a location transfer of a Series 6 (Bar) State liquor license, Case 97-LL-2025 – Consent Agenda Item #3 - as part of the same council meeting.

Old Town Tavern

For years, Old Town Tavern previously operated as a bar with live entertainment at 7320 Scottsdale Mall. Within the last year, the property lease was not renewed and an alternate location for the business was sought and secured immediately to the east at 7330 Scottsdale Mall. With this new location, both Live Entertainment and Bar Conditional Use Permits (CUPs) are required under the Scottsdale Zoning Ordinance, with the new bar and live entertainment location requiring a high number of parking spaces. As no parking exists on site, the in-lieu parking request is being sought to meet CUP parking ordinance requirements.

In-lieu Parking Request

As part of the applicant's request for both Live Entertainment and Bar CUPs and to meet the zoning ordinance parking requirements associated with these CUPs, the applicant is requesting council approval to lease 41 in-lieu parking spaces. At a rate of \$152 per parking spaces, per month, the total amount to lease the 41 in-lieu parking spaces to meet required parking for the business is \$6,232/month and \$74,784/annually. In the past ten years, the largest amount of in-lieu parking approved by council was a request for 21 in-lieu spaces (Majerle's Sports Grill located in the Old Town Entertainment District).

In-lieu Parking Information

The city's in-lieu parking fund information as provided by the city's financial team:

- Since FY12/13, \$808,406 has been paid into the in-lieu parking fund.
- The beginning balance of the fund in FY12/13 was \$141,990.
- Since FY 12/13, the city spent a total of \$264,636 (FY17/18= \$231,185; FY19/20= \$33,451)
- The current balance in the in-lieu parking fund is \$685,760 as of end of December 2025.
- On average, over the last thirteen years the fund collects approximately \$50k per year.

There are 496 in-lieu parking spaces permanently credited to properties in Old Town Scottsdale. There are 64 spaces currently being leased as part of the in-lieu parking program. Prior to 2022, purchasing in-lieu parking credits that run with the land was an option under the ordinance to meet required parking needs. With a parking ordinance change in 2022, only leasing of in-lieu parking credits is available as a tool to meet ordinance parking requirements.

C: Charter Officers
Jeff Walther, Assistant City Manager