

SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT

ACTION REPORT:

TO: Chairman and Board Members
FROM: City Treasurer Office
SUBJECT: ADOPT Resolution No. 40 Approving Proposed Budget and Ordering Hearing, and Resolution No. 41 Adopting FY 2022/23 Budget and Tax Levy for District

DATE: 6/7/22

AGENDA ITEM NO.: 01

STAFF: Gina Kirklin (x25006)

ACTION

- ADOPT Resolution No. 40, approving the proposed District budget for FY 2022/23 and ordering a hearing,
- CALL FOR PUBLIC TESTIMONY on the District budget, and
- ADOPT Resolution No. 41, adopting the District budget for FY 2022/23 and ordering a tax levy.

BACKGROUND

The Scottsdale Waterfront Commercial Community Facilities District (District) 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 2022/23 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 § 48-719(D). 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 \$195,333 for debt service and \$11,497 for operations and maintenance, resulting in an estimated tax rate for existing and future property owners of \$3.3047 per \$100.00 of net assessed limited property value. This is a decrease of \$54,108 from the previous year's combined tax levy and a decrease of \$0.9676 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


Alison Tymkiw
District Manager

- Attachments:
1. Resolution No. 40
Exhibit A - Proposed Budget FY 2022/23
Exhibit B - Notice of Hearing
 2. Resolution No. 41
Exhibit A - Notice of Hearing
Exhibit B - Adopted Budget FY 2022/23
Exhibit C - Tax Levy
Map of District

ACTION TAKEN: Adopt Resolution Nos. 40 and 41 - YES - 7/0

DRAFT

**MINUTES
DISTRICT BOARD
SCOTTSDALE WATERFRONT COMMERCIAL
COMMUNITY FACILITIES DISTRICT
TUESDAY, JUNE 8, 2021**

1. CALL TO ORDER

Chair David D. Ortega called to order a meeting of the District Board of the Scottsdale Waterfront Commercial Community Facilities District at 6:28 P.M. on Tuesday, June 8, 2021, in the City Hall Kiva.

Present: David D. Ortega, Chair
Board Members Tammy Caputi, Tom Durham, Betty Janik, Kathleen S. Littlefield, Linda Milhaven, and Solange Whitehead

Also Present: District Clerk Ben Lane
Community Facilities District Treasurer Sonia Andrews
City Manager Jim Thompson
City Attorney Sherry Scott
City Auditor Sharron Walker

2. APPROVAL OF MINUTES OF TUESDAY, JUNE 16, 2020

Board Member Milhaven made a motion to approve the minutes of Tuesday, June 16, 2020. Board Member Caputi seconded the motion, which carried 7/0, with Chair Ortega and Board Members Caputi, Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

3. ADOPT RESOLUTION NO. 38, WHICH SETS OUT PROPOSED BUDGET AND CALLS FOR PUBLIC HEARING

Board Member Milhaven made a motion to adopt Resolution No. 38, which sets out the proposed budget and calls for a public hearing. Board Member Caputi seconded the motion, which carried 7/0, with Chair Ortega and Board Members Caputi, Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

4. CALL FOR PUBLIC COMMENTS ON THE BUDGET

No public comments were received.

5. ADOPT RESOLUTION NO. 39, WHICH APPROVES THE BUDGET AND SETS TAX LEVY

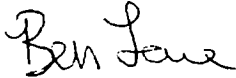
Board Member Milhaven made a motion to adopt Resolution No. 39, which adopts the proposed budget and sets the tax levy. Board Member Durham seconded the motion, which carried 7/0, with Chair Ortega and Board Members Caputi, Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

6. ADJOURNMENT

Board Member Milhaven made a motion to adjourn. Board Member Caputi seconded the motion, which carried 7/0, with Chair Ortega and Board Members Caputi, Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

With no further business to discuss, Chair Ortega adjourned the meeting at 6:30 P.M.

SUBMITTED BY:



Ben Lane
District Clerk

Officially approved by the District Board on _____

DRAFT

Scottsdale Waterfront Commercial Community Facilities District
Tuesday, June 8, 2021

Minutes
Page 3 of 3

C E R T I F I C A T E

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 8th day of June 2021.

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

DATED this _____ day of June 2022.

Ben Lane, District Clerk

SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA

RESOLUTION NO. 40

A RESOLUTION OF THE DISTRICT BOARD OF THE
SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY
FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA APPROVING
A PROPOSED DISTRICT BUDGET FOR FY 2022/23 AND
ORDERING A HEARING ON SUCH BUDGET AS APPROVED

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the Treasurer of the 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 2022/23 (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 2022/23, as required by Section 48-723(C) of the Arizona Revised Statutes; and

WHEREAS, pursuant to Section 48-723(C) of the Arizona Revised Statutes, the District Board filed the Proposed Budget with the City Clerk of the City of Scottsdale, Arizona, who serves as the clerk of the District, prior to May 25, 2022,

NOW, THEREFORE, BE IT RESOLVED by the District Board of the 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, which was published 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.

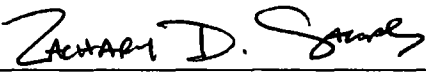
PASSED by the District Board of the Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona this 7th day of June, 2022.

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

ATTEST:

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

APPROVED AS TO FORM:

By 
Zachary D. Sakas, Bond Counsel
Greenberg Traurig, LLP

ATTACHMENTS:

Exhibit A — Proposed Budget FY 2022/23
Exhibit B — Notice of Hearing

EXHIBIT A

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

PROPOSED BUDGET FY 2022/23

BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE **\$ 63,284**

REVENUES

Net Assessed Limited Property Value*	\$6,258,660	
Estimated Tax Rate for Debt Service	\$3.1210	
Property Tax Collections**		195,333

EXPENSES

Debt Service	(230,993)	
Trustee Fees	(2,000)	
Total Expenses		<u>(232,993)</u>

ENDING FUNDS AVAILABLE FOR DEBT SERVICE **\$ 25,624**

BEGINNING FUNDS AVAILABLE FOR O&M **\$ 12,004**

REVENUES

Net Assessed Limited Property Value*	\$6,258,660	
Estimated Tax Rate for Administrative, Operations & Maintenance	\$0.1837	
Property Tax Collections**		11,497

EXPENSES

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

ENDING FUNDS AVAILABLE FOR O&M **\$ 12,001**

* Source: Maricopa County Assessor's Office, as of February 2022

** 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 48-723(C) ON THE PROPOSED BUDGET FOR FY 2022/23

OF

SCOTTSDALE WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT OF SCOTTSDALE, ARIZONA

Pursuant to Sections 48-716 and 48-723(C), 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 2022/23 will be held by the District Board on June 7, 2022, at approximately 5:00 p.m. or immediately following the regular meeting of the Scottsdale City Council in the City of Scottsdale City Hall Kiva,* located at 3939 N. Drinkwater Blvd., Scottsdale, Arizona. 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 N. 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 48-723(C), of the Arizona Revised Statutes.

* Please note that due to the ongoing COVID-19 pandemic, Scottsdale City Council meetings may be held virtually with access by the public limited to virtual attendance through electronic means. However, the meeting is currently planned to be held in person at the City Hall Kiva and also broadcast electronically through Cox Cable Channel 11 and streamed online at <https://www.scottsdaleaz.gov/council/meeting-information/agendas-minutes> for the specific agenda for this meeting and the latest updates regarding meetings and the opportunity for public participation and comment at this meeting.

DATED this 17th day of May, 2022.

/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. 41

A RESOLUTION OF THE DISTRICT BOARD OF THE SCOTTSDALE
WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT OF
SCOTTSDALE, ARIZONA ADOPTING THE DISTRICT BUDGET FOR FY
2022/23 AND LEVYING A TAX

WHEREAS, pursuant to Section 48-716 of the Arizona Revised Statutes, the Treasurer of the 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 2022/23 (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 2022/23, as required by Section 48-723(C) of the Arizona Revised Statutes; and

WHEREAS, on June 7, 2022, the District Board adopted Resolution No. 40, 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 48-723(C) 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 the 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 2022/23.
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 the Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona this 7th day of June, 2022.

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

ATTEST:

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

APPROVED AS TO FORM:

By 
Zachary D. Sakas, Bond Counsel
Greenberg Traurig, LLP

ATTACHMENTS:

Exhibit A — Notice of Hearing
Exhibit B — Adopted Budget FY 2022/23
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 48-723(C)
ON THE PROPOSED BUDGET FOR FY 2022/23**

OF

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

Pursuant to Sections 48-716 and 48-723(C), 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 2022/23 will be held by the District Board on June 7, 2022, at approximately 5:00 p.m. or immediately following the regular meeting of the Scottsdale City Council in the City of Scottsdale City Hall Kiva,* located at 3939 N. Drinkwater Blvd., Scottsdale, Arizona. 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 N. 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 48-723(C), of the Arizona Revised Statutes.

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DATED this 17th day of May, 2022.

/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 2022/23

BEGINNING FUNDS AVAILABLE FOR DEBT SERVICE		\$ 63,284
REVENUES		
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BEGINNING FUNDS AVAILABLE FOR O&M		\$ 12,004
REVENUES		
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EXPENSES		
Insurance Premium	(5,000)	
Legal Fees	(600)	
Advertising	(500)	
Administrative	(5,400)	
Total Expenses		<u>(11,500)</u>
ENDING FUNDS AVAILABLE FOR O&M		\$ <u>12,001</u>

* Source: Maricopa County Assessor's Office, as of February 2022

** 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. 41 passed on June 7, 2022 by the Board of Directors of the Scottsdale Waterfront Commercial Community Facilities District of Scottsdale, Arizona (the "District"), it is hereby ordered levying an *ad valorem* tax on the net assessed limited property value of all taxable property within the District for FY 2022/23, such tax levy to be apportioned as follows: at a rate sufficient to produce \$195,333 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 \$11,497 for operation and maintenance expenses of the District. A map of the District is attached hereto as Appendix A.

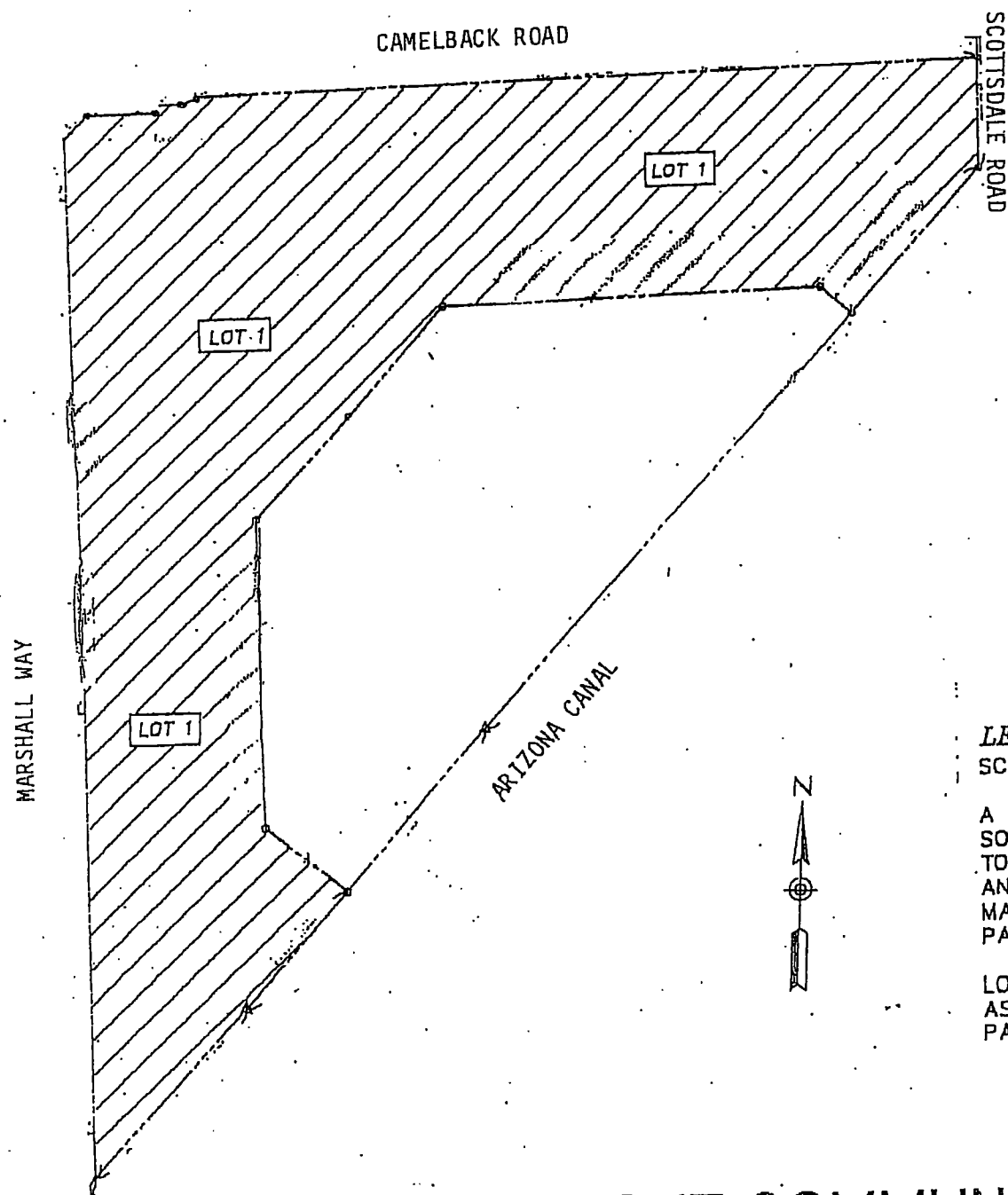
DATED: June 7, 2022.

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

ATTEST:

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

DISTRICT MAP



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