

CITY COUNCIL REPORT



Meeting Date:	May 6, 2025
General Plan Element:	Collaboration & Engagement/Growth Areas
General Plan Goal	Foster Community Collaboration/Ensure development sensitively responds to neighborhoods, infrastructure and character.

ACTION

Outside Legal Services Contract related to Axon Legislation.

Request to Adopt Resolution No. 13415 to authorize:

- a) Contract No. 2025-077-COS with Greenberg Traurig, LLP (Dominic Draye) to represent the City of Scottsdale in matters arising out of recently passed State legislation, specifically Senate Bill (SB) 1543 (and any other related legal issues surrounding said legislation and Axon's planned future development and zoning);
- b) The City Attorney, or designee, to take and direct any such actions as necessary to defend the City's legal position, including but not limited to filing legal challenges or litigation deemed if determined to be warranted and in the City's best interest; and
- c) A contingency budget transfer of up to \$200,000 to the City Attorney's Operating (Outside Counsel) FY 24/25 Budget.

Background

In September 2020, Axon Enterprises, Inc., a publicly traded tech company, purchased approximately 73 acres of state trust land at auction. This property is located within the City at the corner of Hayden Rd. and State Route 101. The property is within a master planned area known as Crossroads East that is subject to a development agreement between the State and the City. As such, shortly after the purchase, Axon applied to rezone the property from Planned Community (P-C) to Planned Community, Industrial Park (P-C I-1). That rezoning application (Case No. 13-ZN-2020), and the related design application (Case No. 28-DR-2020), also involved requests for approval of a development agreement and development plan that contemplated construction of an international headquarters. In November 2020, both applications were approved by the City Council and the property was zoned Planned Community District, Industrial Park (P-C I-1).

In August 2023, Axon applied to rezone an approximately 45-acre portion of its site to Planned Community, Planned Airpark Core, Airpark Mixed-Use-Residential (P-C PCP AMU-R). That rezoning application (Case No. 13-ZN-2020#2), and the related application for a minor General Plan amendment (Case No. 3-GP-2023), also involved requests for the approval of amendments to the previously approved development agreement and development plan. The contemplated development included constructing a mix of uses including multifamily residential units, a hotel, and retail on this 45-acre portion of the property. Axon represented in their application that the purpose of the rezoning was to facilitate construction of a modern technology campus, and that the residential and commercial uses were intended to support their proposed new headquarters.

In November 2024, the outgoing City Council passed Ordinance No. 4658, which approved Axon's request for rezoning and a minor General Plan amendment for the mixed used component of its

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planned development. Upon becoming effective, the ordinance would allow Axon to build nearly 2,000 multifamily units, a hotel, and mixed retail uses on the rezoned portion of the property (with certain additional conditions, stipulations, development agreements and obligations in place).

Before Ordinance No. 4658 went into effect, a timely petition to refer the ordinance to the voters was certified, staying the ordinance's effectiveness until a referendum election is held. The referendum is expected to be placed on the general election ballot in 2026. With the referendum pending, Axon does not presently have the necessary zoning in place to develop the mixed use (apartment and hotel dwellings) portion of their planned development.

Axon turned to the Arizona State Legislature and lobbied in favor of a new law and SB 1543. SB 1543 would seemingly allow Axon to build its proposed mix use development provided it has vacant land on property allowing a light industrial zoning use, from a zoning perspective, regardless of the City's contrary zoning regulations. Additionally, SB 1543 includes a provision that states it requires the City to consent to amendments to the existing development agreement in order to allow the multifamily residential and hotel uses along with other specific provisions along with various other requirements. SB 1543 passed both houses of the legislature and was then signed into law by the Governor on April 18, 2025. It will go into effect 90 days after the current session of the legislature concludes.

ANALYSIS & ASSESSMENT

Recent Staff Action

Scottsdale lobbied the State of Arizona not to pass SB 1543. Once the bill passed, Scottsdale asked the Governor not to sign it into law. The Governor has since signed it into law. Scottsdale is currently reviewing its legal position given this new law.

Policy Implications (Internal)

The policy of the City Attorney's office is to handle litigation in-house except when (a) specialized expertise not available in the office is required, (b) the office is precluded from providing representation either because there is a conflict of interest or there is some other reason why it would be detrimental to the City for the case to be retained by the office, (c) sharing the cost of counsel with other parties would be beneficial to the City, or (d) resources beyond those available to the office are required. Pursuant to the City Attorney's outside counsel policy, outside counsel with additional expertise and resources is recommended for this matter.

Community Involvement

SB 1543 and Axon's future development of a corporate headquarters campus consisting of a hotel and nearly 2,000 apartments is a matter of strong community interest. Scottsdale voters signed and submitted a certified referendum petition that requires Axon's request for rezoning to enable its planned apartments, hotel and other mixed uses to be sent to the voters for approval or denial. This is a right that was given to the voters under the Arizona State Constitution.

RESOURCE IMPACTS

Available funding

Currently, the City Attorney's operating budget does not have the funds in its outside counsel budget

to pay for this unplanned contract. The City Attorney's Office is requesting a contingency transfer of \$200,000 through the end of the fiscal year to pay for the anticipated outside legal service through the end of FY 24/25.

Future Budget Implications

The City Attorney's Office upcoming 25/26 budget did not anticipate the use of outside counsel on such a complex case. The City Attorney's Office will attempt to pay costs with budget savings in its FY 25/26 budget but may require another contingency transfer in FY 25/26 depending on the future course of this matter.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach

Adopt Resolution 13415.

Proposed Next Steps

If the contract is approved, the law firm of **Greenberg Traurig, LLP** will be paid to provide legal analysis, recommendations and other related services. **The Council will receive further confidential legal advice related to this matter before any further action is taken.**

RESPONSIBLE DEPARTMENT(S)

City Attorney's Office

STAFF CONTACTS (S)

Sherry R. Scott, City Attorney, sscott@scottsdaleaz.gov

APPROVED BY



Sherry R. Scott, City Attorney
(480) 312-2405
sscott@scottsdaleaz.gov

4/25/25
Date

ATTACHMENTS

1. Resolution No. 13415
2. Contract No. 2025-077-COS
3. Senate Bill 1543

RESOLUTION NO. 13415

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA: 1) AUTHORIZING CONTRACT NO. 2025-077-COS WITH GREENBERG TRAURIG, LLP FOR THE REPRESENTATION OF THE CITY ARISING OUT OF SENATE BILL 1543 AND OTHER RELATED LEGAL ISSUES SURROUNDING AXON'S PLANNED FUTURE DEVELOPMENT AND ZONING; 2) AUTHORIZING THE CITY ATTORNEY OR DESIGNEE TO TAKE AND/OR DIRECT ANY SUCH ACTIONS NECESSARY TO DEFEND THE CITY'S LEGAL POSITION, INCLUDING FILING ANY WARRANTED LEGAL CHALLENGES AND/OR LITIGATION DETERMINED TO BE IN THE CITY'S BEST INTEREST; AND 3) AUTHORIZING A CONTINGENCY BUDGET TRANSFER OF UP TO \$200,000 TO THE CITY ATTORNEY'S OPERATING (OUTSIDE COUNSEL) FISCAL YEAR 24/25 BUDGET.

WHEREAS, the City of Scottsdale finds it is in the City's best interest to enter into a Contract for Legal Services with the Law Offices of Greenberg Traurig to provide legal advice and legal services to the City in matters arising out of SB 1543 (and any other related legal issues surrounding Axon's planned future development and zoning).

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The City Council hereby authorizes and directs the Mayor to execute Contract No. 2025-077-COS with Greenberg Traurig, LLP for legal services.

Section 2. The City Council hereby authorizes and directs the City Attorney, or designee, to take any such further actions as necessary to evaluate and defend the City's legal position, including but not limited to filing any legal challenges or litigation, if that is determined to be warranted and in the City's best interest; and

Section 3. The City Council hereby authorizes and directs a contingency budget transfer of up to \$200,000 to the City Attorney's Operating (Outside Counsel) Budget for FY 24/25.

PASSED AND ADOPTED by the Council of the City of Scottsdale this 6th day of May, 2025.

CITY OF SCOTTSDALE, an Arizona
municipal corporation

ATTEST:

Ben Lane, City Clerk

Lisa Borowsky, Mayor

OFFICE OF THE CITY ATTORNEY



Sherry R. Scott, City Attorney

**CONTRACT FOR LEGAL SERVICES
CITY OF SCOTTSDALE**

THIS CONTRACT is made and entered into on this ____ day of May, 2025, by and between the **City of Scottsdale**, a municipal corporation, hereinafter called **CITY**, and the law firm of **Greenberg Traurig, LLP**, hereinafter called **COUNSEL**.

CITY having determined it to be in its best interest to contract with attorneys not in its employ who, by experience and training, are qualified to provide the CITY with representation in matters that may result in litigation, and

CITY having satisfied itself as to the qualifications of COUNSEL as named above.

NOW, THEREFORE, it is agreed between the parties as follows:

1. Scope of Service and Representation. COUNSEL agrees to perform all necessary legal services, including investigation, legal research, preparation of pleadings, legal memoranda and briefs, and appearances in court, and any related appeals in representing CITY arising out of Axon's current and referred zoning ordinance including any related agreements, the pending referendum which will be on the 2026 general election ballot and a legal challenge of legislation known as SB 1543, which amended A.R.S. §9-461.19. Such legal services shall be carried out in cooperation with the City Attorney's Office which shall at all times be apprised of the status of all matters. No major decisions regarding the resolution of the legal issues or litigation, in whole or in part, shall be made without the prior approval of the City Attorney's Office. All offers of compromise made by another party shall be promptly transmitted to CITY through its City Attorney's Office, together with COUNSEL's recommendations.

2. Advice and Status Reporting. COUNSEL shall provide CITY with timely advice of all significant developments arising during performance of their services hereunder orally or in writing, as COUNSEL consider appropriate. COUNSEL shall provide copies of all pleadings and other documents prepared by COUNSEL, including research memoranda prepared by COUNSEL, unless they have been otherwise provided to the City Attorney's Office.

3. Compensation. CITY agrees to pay COUNSEL for services rendered hereunder as follows:

- A. Dominic Draye: \$875.00 per hour.
- B. Phoenix associates - no more than \$500 an hour.
- C. Phoenix paralegals - no more than \$275 an hour.
- D. Attorneys and paralegals from other office locations, must be pre-approved by the City Attorney along with their billing rate.

All other services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any.

4. Term. The term of this Contract shall be for a two (2) year period commencing on the effective date of this Contract. CITY may extend this Contract for a maximum of three (3) additional one (1) year periods upon the approval of the City Attorney.

5. Price Adjustment.

A. Price increases may only be requested by COUNSEL thirty (30) days prior to the annual anniversary date of this Contract. Failure to do so may result in the denial of any increase requested.

B. Any increased rate shall be based upon mutual consent of COUNSEL and the Contract Administrator; however, the Contract Administrator, in conjunction with the City Attorney, shall evaluate COUNSEL's performance, services and records documentation to determine the appropriateness of the increase requested.

C. Price increases will become effective only after approval by the City Attorney.

D. The percentage increase in the unit pricing may not exceed 5% per year.

6. Travel. Approval for travel shall be obtained through the City Attorney's Office prior to departure. Reimbursement shall be made for expenses incurred but shall not exceed the reimbursement amounts listed for travel by the U.S. General Services Administration (www.gsa.gov/travel-resources) unless prior approval has been received from the Contract Administrator to utilize a different method for reimbursement. Where possible, COUNSEL and consultants and experts and subcontractors shall stay at hotels that charge a government rate. Unless required by extenuating circumstances and approved in writing in advance by the Contract Administrator, no first-class travel shall be allowed. When traveling by airplane, whenever possible, reduced fare tickets shall be purchased. Gasoline shall not be billed to CITY except when a rental car is used out-of-state.

7. Reimbursement for Expenses. All costs and other disbursements for outside services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any. All copying charges shall be billed at no more than fifteen cents (\$0.15) per page. To the extent practical, large photocopying tasks will be sent to an outside copy service in an effort to further reduce photocopying costs. The City shall not be billed for telephone or facsimile.

8. Billing Procedures. In addition to the billing procedures set forth elsewhere in this Contract, COUNSEL shall follow these billing procedures:

A. "Unit billing" shall not be done. COUNSEL shall bill only for actual time spent on a task, and each task shall be itemized (e.g., tel. to opposing counsel (.2); extended tel. to Mr. Smith (.3); prepare motion to continue (.3)).

B. Secretarial, word processing or other overtime shall not be billed (e.g., docketing; preparation of documents which are computerized or on a form, such as subpoenas, notices of deposition, independent medical examinations, medical authorizations, trial notices, uniform interrogatories, and requests to produce); only the actual time spent by the attorney reviewing, revising or drafting such documents shall be billed.

C. Whenever possible, attorneys shall minimize time spent consulting with one another and agree to use their best efforts to minimize the costs of the legal representation to CITY. Work on this matter billed by attorneys not listed must be approved by the City Attorney's Office in advance. If COUNSEL believes it necessary to have a staff member, paralegal or more than one attorney present for a deposition, hearing, oral argument, or trial, and intends to bill the CITY for that person's time, permission must be obtained from the Contract Administrator in advance to justify the additional expense.

D. All consultants, experts and subcontractors engaged to provide services to COUNSEL in the performance of this agreement, and the use and extent of those services, shall be approved by the City Attorney's Office prior to them providing the services. Payment of their expenses will be subject to the same terms as paragraphs 7 and 8 above. The CITY may, in its sole discretion, choose to engage said consultants, experts, or subcontractors directly.

E. COUNSEL will submit monthly billings for services rendered and expenses incurred, which shall be paid by the Safety & Risk Management Department. Each bill shall also contain, in addition to information required elsewhere in this Contract: 1) fees and costs incurred in the preceding month; 2) the cumulative total of fees and costs to date; 3) the unbilled amount remaining on the contract.

COUNSEL will use its best efforts to inform the Contract Administrator eight weeks prior to COUNSEL billing the final fees and costs authorized under this contract. CITY will pay no fees incurred over and above the contract amount without prior authorization from CITY.

9. Maintenance of Records. In compliance with CITY's standard procedure, all work performed in connection with this Contract shall be subject to audit. COUNSEL shall maintain all books, documents, papers, accounting records, and other evidence pertaining to time billed and to costs incurred on a particular lawsuit, and to make such materials available at their offices at all reasonable times during the Contract period and for at least three (3) years from the date of final payment for inspection by CITY or any authorized representatives of CITY, and copies thereof shall be furnished, if requested, at CITY's expense.

10. Conflict of Interest. GT represents a broad group and spectrum of clients in a variety of legal matters. Accordingly, conflicts of interest may arise that, absent an effective conflicts waiver, may adversely affect your ability and the ability of other clients or potential clients to choose GT as their counsel, and possibly preclude GT from representing You or them in pending or future matters. We wish to be fair to all clients, and to assure that they have the right and ability to use us or any other counsel of their choice. Accordingly, this Agreement confirms that:

a. Consent and Waiver. You are comfortable (after having had sufficient opportunity to consider, investigate and consult independent counsel to the extent You may wish) that You are adequately informed about the possibility and nature of such conflicts and potential conflicts and of the risks and consequences or potential consequences of them. Therefore, on the conditions and terms stated in this paragraph, to the fullest extent legally and ethically permissible, You have determined to, and hereby confirm that You do: [i] waive any actual or potential conflict which may be presented or occur as a result of this engagement; [ii] consent to GT's representation now or in the future of other present or future clients on any other matter, whether or not on a basis adverse to You or any of your affiliates including any City of Scottsdale agencies, departments, affiliates, officials, or subdivisions ("Affiliates"); and [iii] promise for yourself or your Affiliates not to assert that this engagement or GT's other

representation of You or your Affiliates is or should be a basis for disqualifying GT from representing any party in any representation -before or otherwise involving the City of Scottsdale and/or its Affiliates.

b. Conditions. The foregoing waiver, consent and promise are conditioned upon and limited by GT's agreement, confirmed hereby, that GT: [i] will screen those attorneys representing You or your affiliates from those attorneys who will represent other clients adversely to You or your Affiliates; and [ii] not use or disclose confidential information of You or your Affiliates which is nonpublic and not known to such other client(s) adversely to You in any such matter or otherwise as may not be permissible under applicable Ethics Rules or any written agreement by GT pertaining to such information.

c. Continuation. Subject to limitations if any under the law and applicable Ethics Rules, these waivers and consents, and the conditions and terms stated above, apply at present as to current and past conflicts and potential conflicts and will continue to do so in the future, including during or after termination of GT's representation of You or your Affiliates as to the Subject Matter and in any other engagement.

11. Reporting Requirements.

A. Upon request of the Contract Administrator, COUNSEL shall provide CITY with a written evaluation containing the following:

1. A summary of the case facts and issues;
2. An evaluation of the potential exposure;
3. An outline of the course of action COUNSEL intends to pursue in the case (e.g., names and/or categories of witnesses to be interviewed or deposed; experts to be retained; motions to be filed; etc.);
4. An estimate of the cost to defend the case through trial;
5. A cost/benefit analysis, including recommendations as to settlement or offers of judgment; and

B. COUNSEL shall furnish to CITY, through the City Attorney's Office copies of all pleadings, motions, disclosure statements, medical reports, investigative reports, and correspondence (other than routine transmittal letters). Depositions, deposition summaries (if created), and answers to interrogatories shall be furnished to CITY through the City Attorney's Office. When, in COUNSEL's opinion, events occur which significantly affect the merits of the lawsuit or exposure of CITY, those events promptly will be made known to CITY through the Contract Administrator.

C. At the request of the City Attorney or Contract Administrator, when a case is complete, COUNSEL shall provide to the City Attorney or Contract Administrator COUNSEL's recommendations for policy or other changes identified through the litigation, and if requested, to meet with CITY staff to discuss the case as it pertains to CITY staff's assigned responsibilities.

12. Additional Investigation. Whenever additional investigation is deemed desirable by COUNSEL and can be provided by use of non-attorney investigators, COUNSEL shall notify CITY through the City Attorney's Office of such need, and CITY may elect, at its option, to conduct such investigation. In this event, CITY shall be solely responsible for the accuracy of the facts or other information developed in response to such requests.

13. Termination. CITY may terminate this Contract upon giving ten (10) days written notice for convenience or cause. Any default by COUNSEL, if COUNSEL fails to comply with any of the conditions of this Contract, or services which provide unsatisfactory performance as judged by the Contract Administrator and City Attorney, and failure to provide CITY, upon request, reasonable assurance of future performance, shall be causes allowing CITY to terminate this Contract. In the event of termination for cause, CITY shall not be liable to COUNSEL for any amount, and COUNSEL shall be liable to CITY for any and all damages sustained by reason of the default which gave rise to the termination. Any notice of cancellation shall specify the particular lawsuit or lawsuits to which it applies, and any lawsuit not particularly specified shall continue to be handled by COUNSEL and, as to those, this Contract will continue in effect; provided, however, the right is retained by CITY to terminate services on any lawsuit by notifying COUNSEL upon ten (10) days written notice. Without limitation of the foregoing, this Contract may be terminated by either party as provided under law or applicable Ethical Rules.

14. Notices. When notice or correspondence related to a case or otherwise required herein is required to be sent to CITY, it shall be sent to the following:

City Attorney's Office
City of Scottsdale
3939 N. Drinkwater Blvd.
Scottsdale, Arizona 85251
Attn: Sherry R Scott, City Attorney

15. Expert Witnesses. Expert witnesses shall be hired only after consultation with and approval of CITY through the City Attorney's Office or Contract Administrator.

16. Appeals. No appeals will be taken from judgment in lawsuits referred to COUNSEL without prior approval of CITY, acting through its City Attorney's Office.

17. Lack of Appropriated Funds. If funds are not appropriated by the City Council to continue this Contract and for the payment of charges hereunder, CITY may terminate this Contract at the end of the current fiscal period. CITY agrees to give written notice of termination to COUNSEL at least thirty (30) days prior to the end of its current fiscal period and will pay to COUNSEL all charges incurred through the end of such period.

18. Indemnification for Liability and Professional Liability.

To the fullest extent permitted by law, COUNSEL, its successors, assigns and guarantors, shall defend, indemnify and hold harmless CITY, its, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses and expenses, including, but not limited to, attorneys' fees, court costs, the cost of appellate proceedings, and all claim adjusting and handling expense, proximately caused by any negligent, or intentional actions, acts, errors, mistakes or omissions caused in whole or part by COUNSEL relating to work or services in the performance of this Contract,

including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

Insurance provisions set forth in this agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude and applicability of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

19. Insurance Representations and Requirements.

General: COUNSEL agrees to comply with all applicable City Ordinances and state and federal laws and regulations.

Without limiting any obligations or liabilities of COUNSEL, COUNSEL shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of A – VII or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to CITY. Failure to maintain insurance as specified may result in termination of this Contract at CITY's option.

No Representation of Coverage Adequacy: By requiring insurance herein, CITY does not represent that coverage and limits will be adequate to protect COUNSEL. CITY reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this agreement or failure to identify any insurance deficiency shall not relieve COUNSEL from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.

Coverage Term: All insurance required herein shall be maintained in full force and effect or be covered by equivalent insurance until all work or services required to be performed under the terms of subject contract is satisfactorily performed, completed and formally accepted by the CITY, unless specified otherwise in this Contract.

Use of Subcontractors: If any work under this agreement is subcontracted in any way, COUNSEL shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting CITY and COUNSEL. COUNSEL shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

Evidence of Insurance: Prior to commencing any work or services under this Contract, COUNSEL shall furnish CITY with Certificate(s) of Insurance, or formal endorsements as required by this Contract, issued by COUNSEL's insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions, and limits of coverage and that such coverage and provisions are in full force and effect. If a Certificate of Insurance is submitted as verification of coverage, CITY shall reasonably rely upon the Certificate of Insurance as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this agreement. If any of the cited policies expire during the life of this Contract, it shall be COUNSEL's responsibility to forward renewal Certificates within ten (10) days after the renewal

date containing all the aforementioned insurance provisions. Certificates shall specifically cite the following provisions:

1. CITY, its officers, directors, officials and employees shall be named an Additional Insured under the following policies: a) Commercial General Liability; b) Auto Liability; and c) Excess Liability-Follow Form to underlying insurance as required.
2. COUNSEL's insurance shall be primary insurance as respects performance of subject contract.
3. All policies, except Professional Liability insurance and worker's compensation insurance, waive rights of recovery (subrogation) against CITY, its, officers, directors, officials and employees for any claims arising out of work or services performed by COUNSEL under this contract.
4. Certificate shall cite 30-day advance notice of cancellation provision. If standard ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

20. Required Coverage.

Commercial General Liability: COUNSEL shall maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 01 07 98 or equivalent thereof, including but not limited to, separation of insureds clause. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Professional Liability: If the Contract is the subject of any professional services or work, or if COUNSEL engages in any professional services or work adjunct or residual to performing the work under this Contract, COUNSEL shall maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by COUNSEL, or anyone employed by COUNSEL, or anyone for whose acts, mistakes, errors and omissions COUNSEL is legally liable, with a liability insurance limit of not less than \$1,000,000 each claim and \$2,000,000 aggregate claims. COUNSEL shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

Vehicle Liability: COUNSEL shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each accident on COUNSEL's owned, hired, and non-owned vehicles assigned to or used in the performance of the COUNSEL's work or services under this Contract. Coverage will be at least as broad as Insurance Services Office, Inc. coverage code "1" "any auto" policy form CA 00 01 07 97 or equivalent thereof. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Workers' Compensation Insurance: COUNSEL shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of COUNSEL's employees engaged in the performance of work or services under this Contract and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

21. Choice of Law. This Contract shall be governed and interpreted according to the laws of the State of Arizona.

22. Whole Agreement. This Contract constitutes the entire understanding of the parties, and no representations or agreements, oral or written, made prior to its execution shall vary or modify the terms herein.

23. Amendments. Any amendment, modification or variation from the terms of this Contract shall be in writing and shall be effective only after approval of all parties signing the original Contract. Should there be a change in the Contract Administrator, however, CITY will only need to notify COUNSEL in writing.

24. Non-Assignment. Services covered by this Contract shall not be assigned or sublet in whole or in part without the prior written consent of the City Attorney and Contract Administrator.

25. Contract Administrator. The Contract Administrator for CITY shall be the City Attorney or designee. The Contract Administrator shall oversee the execution of this Contract, assist COUNSEL in accessing the organization, audit billings and approve payments. COUNSEL shall channel reports and special requests through the Deputy City Attorney or Assistant City Attorney(s) assigned to COUNSEL's matter(s).

26. Cancellation. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of CITY's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party of the contract in any capacity, or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the contract, unless the notice specifies a later time (A.R.S. § 38-511).

27. Independent Contractor Status. The services COUNSEL provides under the terms of this Contract to CITY are that of an independent contractor, not an employee. CITY will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099. Withholding of income tax is not deducted from contractual payments. As a result of this, COUNSEL may be subject to I.R.S. provisions for payment of estimated income tax. Consult the local I.R.S. office for current information on estimated tax requirements. Failure to

comply may subject COUNSEL to a penalty.

28. Effective Date. The effective date of this agreement shall be the date on which the agreement is executed by the CITY's Mayor and supersedes any prior contract in effect between CITY and COUNSEL.

29. Severability. Should any part of this agreement be declared in a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this agreement, which shall continue in full force and effect, provided that the remainder of this agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties. If possible, the term so affected shall be automatically amended to the fullest extent legally and ethically possible to make it enforceable and valid consistent with its original intent.

30. Immigration Law Compliance. COUNSEL understands and acknowledges the applicability to it of the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. COUNSEL agrees to comply with these laws in performing this Contract and to permit CITY to verify compliance.

Under the provisions of A.R.S. §41-4401, COUNSEL warrants to CITY that COUNSEL and all its subcontractors will comply with all Federal immigration laws and regulations that relate to its employees and that COUNSEL and all its subcontractors now comply with the E-Verify Program under A.R.S. §23-214(A).

A breach of this warranty by COUNSEL or any of its subcontractors will be considered a material breach of this Contract and may subject COUNSEL or subcontractor to penalties up to and including termination of this Contract or any subcontract. COUNSEL will take appropriate steps to assure that all subcontractors comply with the requirements of the E-Verify Program. COUNSEL's failure to assure compliance by all its subcontractors with the E-Verify Program may be considered a material breach of this Contract by CITY.

CITY retains the legal right to seek the papers of any employee of COUNSEL or any subcontractor who works on this Contract to ensure that COUNSEL or any subcontractor is complying with the warranty given above.

CITY may seek randomly written verification of the employment records of COUNSEL and any of its subcontractors to ensure compliance with this warranty. COUNSEL agrees to indemnify, defend and hold CITY harmless for, from and against all losses and liabilities arising from any and all violations of these statutes.

CITY will not consider COUNSEL or any of its subcontractors in material breach of this Contract if COUNSEL and its subcontractors establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. § 23-214(A). The "E-Verify Program" means the employment verification pilot program as jointly administered by the United States Department of Homeland Security and the Social Security Administration or any of its successor programs.

The provisions of this Article must be included in any contract COUNSEL enters into with any and all of its subcontractors who provide services under this Contract or any subcontract.

"Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property. COUNSEL will take appropriate steps to assure that all subcontractors comply with the requirements of the E-Verify Program. COUNSEL's failure to assure compliance by all its' subcontractors with the E-Verify Program may be considered a material breach of this Contract by CITY.

31. Lawful Presence in the United States for Persons. Arizona Revised Statute § 1-502 (H.B. 2008) requires that all PERSONS who will be awarded a contract and apply for public benefit must demonstrate through a signed affidavit and the presentation of a copy of documentation that they are lawfully present in the United States.

PERSONS is defined as NATURAL PERSONS/INDIVIDUALS/SOLE PROPRIETORSHIPS as indicated by your W9 Filing. *(This law does not apply to LLP's, LLC's, PLLC's, Corporations, Limited Partnerships or General Partnerships)*

32. No Preferential Treatment or Discrimination. In accordance with the provisions of Article II, Section 36 of the Arizona Constitution, the City will not grant preferential treatment to or discriminate against any individual or group on the basis of race, sex, color, ethnicity or national origin.

33. Boycott of Israel. COUNSEL certifies that it is not currently engaged in, and for the duration of this Agreement agrees not to engage in, boycott activities as proscribed by A.R.S. § 35-393.

34. Forced Labor of Ethnic Uyghurs Prohibition. COUNSEL certifies that they do not currently and agrees for the duration of the contract that it will not use forced labor of ethnic Uyghurs in the People's Republic of China or any goods or services produced by said forced labor, or any contractors, subcontractors or suppliers that use said forced labor as defined and required in A.R.S. § 35-394. Pursuant to that statute, COUNSEL agrees that if it becomes aware that it is not in compliance with this certification during the term of this contract, that it shall comply with the notice and remedy provisions of A.R.S. § 35-394.

IN WITNESS WHEREOF, the City of Scottsdale, by its Mayor this ____ day of _____, 2025.

City of Scottsdale, a municipal corporation

By: _____

Lisa Borowsky, Mayor

ATTEST:

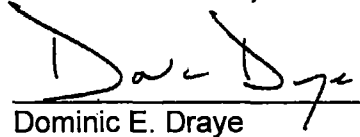
Ben Lane, City Clerk

APPROVED AS TO FORM:


Sherry R. Scott, City Attorney

GREENBERG TRAURIG, LLP

By:


Dominic E. Draye

Its:

Shareholder

Note to Attorneys: Remember to include a copy of your Certificate of Insurance with this Contract for Legal Services.

House Engrossed Senate Bill

~~homestead exemption; equity increase~~
(now: ancillary use; international headquarters campus)

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE BILL 1543

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY
ADDING SECTION 9-461.19; RELATING TO MUNICIPAL PLANNING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 9, chapter 4, article 6, Arizona Revised Statutes,
3 is amended by adding section 9-461.19, to read:

4 9-461.19. Municipal allowed ancillary use: multifamily
5 residential housing; hotel use; regulations;
6 applicability; definitions

7 A. NOTWITHSTANDING ANY OTHER LAW, A MUNICIPALITY WITH A POPULATION
8 OF TWO HUNDRED THOUSAND OR MORE PERSONS BUT NOT MORE THAN FIVE HUNDRED
9 THOUSAND PERSONS SHALL ALLOW HOTEL USE AND MULTIFAMILY RESIDENTIAL HOUSING
10 AS AN ALLOWED ANCILLARY USE ON LAND THAT IS VACANT AS OF THE DATE OF THE
11 BUILDING PERMIT APPLICATION FOR THE ALLOWED ANCILLARY USE IN A ZONING
12 DISTRICT THAT ALLOWS LIGHT INDUSTRIAL USE WITHOUT REQUIRING ANY TYPE OF
13 APPLICATION THAT WILL REQUIRE A PUBLIC HEARING IF THE ANCILLARY USE MEETS
14 BOTH OF THE FOLLOWING CRITERIA:

15 1. THE ANCILLARY USE IS LOCATED WITHIN AN INTERNATIONAL
16 HEADQUARTERS CAMPUS THAT IS SOLELY OWNED BY EITHER A SINGLE ENTITY OR
17 RELATED ENTITIES AT THE TIME THAT DEVELOPMENT OF THE INTERNATIONAL
18 HEADQUARTERS CAMPUS COMMENCES AND, ON COMPLETION, THE INTERNATIONAL
19 HEADQUARTERS ON THE INTERNATIONAL HEADQUARTERS CAMPUS WILL EMPLOY MORE
20 THAN ONE THOUSAND FULL-TIME EMPLOYEES AT AN AVERAGE ANNUAL COMPENSATION OF
21 MORE THAN ONE HUNDRED TWENTY-FIVE PERCENT OF THE MEDIAN WAGE OF THE COUNTY
22 WHERE THE INTERNATIONAL HEADQUARTERS CAMPUS IS LOCATED.

23 2. THE INTERNATIONAL HEADQUARTERS CAMPUS THAT CONTAINS THE
24 ANCILLARY USE IS BOUND BY A RECORDED INSTRUMENT THAT IS ENFORCEABLE BY THE
25 MUNICIPALITY AND THAT DOES BOTH OF THE FOLLOWING:

26 (a) RESTRICTS OCCUPANCY IN AT LEAST THIRTY PERCENT OF THE
27 MULTIFAMILY RESIDENTIAL HOUSING UNITS LOCATED ON THE INTERNATIONAL
28 HEADQUARTERS CAMPUS, WHICH MAY INCLUDE UNITS DESIGNATED PURSUANT TO
29 SUBSECTION I OF THIS SECTION AT THE DISCRETION OF THE DEVELOPER, TO
30 INDIVIDUALS WHO ARE EMPLOYED AT THE INTERNATIONAL HEADQUARTERS, OR WHO ARE
31 POLICE OFFICERS, FIREFIGHTERS, TEACHERS, VETERANS OR HEALTH CARE WORKERS
32 AND WHO WORK WITHIN FIVE MILES OF THE INTERNATIONAL HEADQUARTERS CAMPUS OR
33 WHO ARE THE FAMILIES OF INDIVIDUALS EMPLOYED AT THE INTERNATIONAL
34 HEADQUARTERS. THE RECORDED INSTRUMENT MUST ALSO PROVIDE THAT THE
35 MUNICIPALITY WHERE THE INTERNATIONAL HEADQUARTERS CAMPUS IS LOCATED, IN
36 THE MUNICIPALITY'S SOLE AND ABSOLUTE DISCRETION, MAY WAIVE THE OCCUPANCY
37 REQUIREMENT.

38 (b) PROHIBITS AN AGREEMENT FOR OCCUPANCY OF ANY MULTIFAMILY
39 RESIDENTIAL HOUSING UNIT WITHIN THE INTERNATIONAL HEADQUARTERS CAMPUS FOR
40 A PERIOD OF LESS THAN NINETY CONSECUTIVE DAYS AND LIMITS OCCUPANCY TO THE
41 SAME OCCUPANTS FOR THE ENTIRETY OF THE NINETY CONSECUTIVE DAYS UNLESS A
42 TENANT OF THE MULTIFAMILY RESIDENTIAL HOUSING UNIT IS AN EMPLOYEE OR
43 CONTRACTOR OF AN ENTITY LOCATED WITHIN THE INTERNATIONAL HEADQUARTERS
44 CAMPUS AND THAT EMPLOYEE OR CONTRACTOR PERFORMS JOB DUTIES AT THE
45 INTERNATIONAL HEADQUARTERS. THIS SUBDIVISION DOES NOT APPLY TO
46 MULTIFAMILY HOUSING DEVELOPMENTS THAT ARE PLATTED FOR INDIVIDUAL OWNERSHIP
47 OF UNITS.

1 B. AN ANCILLARY USE IS SUBJECT TO COMPLIANCE WITH GENERALLY
2 APPLICABLE MUNICIPAL BUILDING CODES AND FIRE CODES AND THE OBJECTIVE
3 DEVELOPMENT STANDARDS PURSUANT TO SUBSECTION E OF THIS SECTION.

4 C. THE GOVERNING BODY OF THE MUNICIPALITY MAY NOT UNREASONABLY
5 WITHHOLD A BUILDING PERMIT OR UNREASONABLY DELAY A BUILDING INSPECTION OR
6 A CERTIFICATE OF OCCUPANCY FOR AN ANCILLARY USE THAT COMPLIES WITH ONE OF
7 THE FOLLOWING:

8 1. FOR INTERNATIONAL HEADQUARTERS CAMPUSES THAT INCLUDE MULTIFAMILY
9 RESIDENTIAL HOUSING UNITS AS AN ANCILLARY USE PURSUANT TO THIS SECTION, A
10 MUNICIPALITY SHALL ALLOW A NUMBER OF MULTIFAMILY RESIDENTIAL UNITS WITHIN
11 THE INTERNATIONAL HEADQUARTERS CAMPUS THAT ARE EQUAL TO TWENTY-SEVEN UNITS
12 PER GROSS ACRE BASED ON THE TOTAL GROSS ACREAGE OF THE INTERNATIONAL
13 HEADQUARTERS CAMPUS.

14 2. FOR CAMPUSES THAT INCLUDE HOTEL USE AS AN ANCILLARY USE PURSUANT
15 TO THIS SECTION, A MUNICIPALITY SHALL ALLOW A NUMBER OF HOTEL ROOMS WITHIN
16 THE INTERNATIONAL HEADQUARTERS CAMPUS EQUAL TO TEN HOTEL ROOMS PER GROSS
17 ACRE BASED ON THE TOTAL GROSS ACREAGE OF THE INTERNATIONAL HEADQUARTERS
18 CAMPUS. AT LEAST TEN PERCENT OF THE HOTEL ROOMS WITHIN THE INTERNATIONAL
19 HEADQUARTERS CAMPUS SHALL BE ALLOWED AS FOR-SALE RESIDENTIAL UNITS WITHIN
20 THE HOTEL.

21 D. FOR CAMPUSES THAT INCLUDE HOTEL USE OR MULTIFAMILY RESIDENTIAL
22 HOUSING UNITS AS AN ANCILLARY USE PURSUANT TO THIS SECTION, A MUNICIPALITY
23 SHALL ALLOW COMPLEMENTARY RETAIL AND RESTAURANT USE WITHIN THE
24 INTERNATIONAL HEADQUARTERS CAMPUS.

25 E. THE FOLLOWING OBJECTIVE STANDARDS APPLY TO AN ANCILLARY USE
26 BUILDING DEVELOPED PURSUANT TO THIS SECTION:

27 1. A MUNICIPALITY MAY LIMIT THE HEIGHT OF THE ANCILLARY USE
28 BUILDING TO TWO STORIES IN AN INTERNATIONAL HEADQUARTERS CAMPUS SITE THAT
29 IS LOCATED DIRECTLY ADJACENT TO AND WITHIN ONE HUNDRED FEET OF AN AREA
30 THAT IS ZONED FOR SINGLE-FAMILY RESIDENTIAL USE.

31 2. EXCEPT PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION, A
32 MUNICIPALITY MAY NOT RESTRICT THE MAXIMUM HEIGHT OF THE ANCILLARY USE
33 BUILDING TO LESS THAN SIX STORIES, NOT INCLUDING MECHANICAL SCREENING OR
34 ROOFTOP APPURTENANCES.

35 3. ANY UTILITY PROVIDER THAT MAY PROVIDE UTILITY SERVICE TO THE
36 ANCILLARY USE DEVELOPMENT MAY REVIEW CONSTRUCTION DOCUMENTS TO REASONABLY
37 ENSURE ADEQUATE WATER AND SEWER CAPACITY IMPACTED BY THE PROPOSED
38 ANCILLARY USE DEVELOPMENT.

39 4. EXISTING MUNICIPAL ZONING ORDINANCES FOR SETBACK AND PARKING
40 REQUIREMENTS FOR THE PROPOSED ANCILLARY USE DEVELOPMENT APPLY.

41 F. A BUILDING PERMIT FOR AN ANCILLARY USE BUILDING DEVELOPED
42 PURSUANT TO THIS SECTION MAY NOT BE OBTAINED UNTIL THE MUNICIPALITY ISSUES
43 A BUILDING PERMIT FOR CONSTRUCTION OF THE INTERNATIONAL HEADQUARTERS
44 BUILDING. A CERTIFICATE OF OCCUPANCY MAY NOT BE GRANTED FOR AN ANCILLARY
45 USE BUILDING DEVELOPED PURSUANT TO THIS SECTION BEFORE THE MUNICIPALITY
46 GRANTS A CERTIFICATE OF OCCUPANCY FOR THE INTERNATIONAL HEADQUARTERS
47 BUILDING.

1 G. NOTWITHSTANDING SUBSECTION F OF THIS SECTION, IF SUBSTANTIAL
2 CONSTRUCTION OF THE INTERNATIONAL HEADQUARTERS BUILDING HAS COMMENCED, A
3 CERTIFICATE OF OCCUPANCY SHALL BE GRANTED FOR AN ANCILLARY USE BUILDING
4 DEVELOPED PURSUANT TO THIS SECTION BEFORE THE MUNICIPALITY GRANTS A
5 CERTIFICATE OF OCCUPANCY FOR THE INTERNATIONAL HEADQUARTERS BUILDING IF
6 THE STATE LAND DEPARTMENT HAS RECEIVED A BOND, A LETTER OF CREDIT OR ANY
7 OTHER SUFFICIENT FINANCIAL ASSURANCE THAT, IN THE REASONABLE DISCRETION OF
8 THE STATE LAND COMMISSIONER, PROVIDES FOR PAYMENT TO THE STATE LAND TRUST
9 OF AN AMOUNT EQUAL TO THE MARKET SALE VALUE OF THE LAND AND IMPROVEMENTS
10 CONTAINING THE ANCILLARY USE DEVELOPMENT, LESS DEVELOPMENT COSTS, IF THE
11 MUNICIPALITY DOES NOT GRANT A PERMANENT CERTIFICATE OF OCCUPANCY FOR THE
12 INTERNATIONAL HEADQUARTERS BUILDING WITHIN FIVE YEARS AFTER GRANTING THE
13 CERTIFICATE OF OCCUPANCY FOR THE ANCILLARY USE BUILDING.

14 H. A MUNICIPALITY SHALL CONSENT TO AMENDMENTS TO EXISTING
15 DEVELOPMENT AGREEMENTS TO WHICH THE MUNICIPALITY IS A SIGNATORY THAT ARE
16 REASONABLY NECESSARY TO ALLOW FOR THE DEVELOPMENT OF HOTEL USE OR
17 MULTIFAMILY RESIDENTIAL USE AS AN ANCILLARY USE PURSUANT TO THIS SECTION.

18 I. FOR TEN YEARS AFTER THE DEVELOPMENT OF AN ALLOWED ANCILLARY USE
19 DEVELOPMENT PURSUANT TO THIS SECTION, THE DEVELOPER SHALL DESIGNATE AT
20 LEAST FIVE PERCENT OF THE TOTAL FOR-RENT MULTIFAMILY RESIDENTIAL DWELLINGS
21 AS AFFORDABLE UNITS. AT THE DEVELOPER'S DISCRETION, THE UNITS SHALL BE
22 RESTRICTED PURSUANT TO SUBSECTION A, PARAGRAPH 2, SUBDIVISION (a) OF THIS
23 SECTION AS LOW-INCOME HOUSING OR MIDDLE-INCOME HOUSING, OR A MIXTURE OF
24 BOTH LOW-INCOME HOUSING AND MIDDLE-INCOME HOUSING AND MAY BE CONTAINED
25 WITHIN ONE BUILDING OR WITHIN MULTIPLE BUILDINGS.

26 J. THIS SECTION DOES NOT APPLY TO LAND IN THE TERRITORY IN THE
27 VICINITY OF A MILITARY AIRPORT OR ANCILLARY MILITARY FACILITY AS DEFINED
28 IN SECTION 28-8461.

29 K. FOR THE PURPOSES OF THIS SECTION:

30 1. "BUILDING CODE" HAS THE SAME MEANING PRESCRIBED IN SECTION
31 9-1301.

32 2. "INTERNATIONAL HEADQUARTERS" MEANS A PRINCIPAL CENTRAL
33 ADMINISTRATIVE OFFICE WHERE PRIMARY HEADQUARTERS-RELATED FUNCTIONS AND
34 SERVICES ARE PERFORMED, INCLUDING FINANCIAL, PERSONNEL, ADMINISTRATIVE,
35 LEGAL, HUMAN RESOURCES, INFORMATION TECHNOLOGY, PLANNING AND SIMILAR
36 BUSINESS FUNCTIONS, AND THAT DOES NOT REPORT TO ANY PARENT COMPANY OUTSIDE
37 OF THIS STATE.

38 3. "INTERNATIONAL HEADQUARTERS BUILDING" MEANS THE PRIMARY BUILDING
39 THAT CONTAINS THE INTERNATIONAL HEADQUARTERS ON THE INTERNATIONAL
40 HEADQUARTERS CAMPUS.

41 4. "INTERNATIONAL HEADQUARTERS CAMPUS" MEANS A CONTIGUOUS AREA OF
42 NOT LESS THAN FORTY GROSS ACRES, PORTIONS OF WHICH MAY BE SEPARATED BY
43 PUBLIC RIGHTS-OF-WAY, ON WHICH AN INTERNATIONAL HEADQUARTERS IS LOCATED
44 AND WHICH MAY INCLUDE ANCILLARY USE PURSUANT TO THIS SECTION.

45 5. "LIGHT INDUSTRIAL USE" INCLUDES LIGHT MANUFACTURING,
46 SEMICONDUCTOR PRODUCTION, LAW ENFORCEMENT SUPPORT, MILITARY RESEARCH AND
47 DEVELOPMENT AND AERONAUTICAL USE.

1 6. "LOW-INCOME HOUSING" MEANS HOUSING THAT IS FOR A PERSON OR
2 PERSONS WHOSE HOUSEHOLD INCOME DOES NOT EXCEED EIGHTY PERCENT OF THE AREA
3 MEDIAN INCOME.

4 7. "MIDDLE-INCOME HOUSING" MEANS HOUSING THAT IS FOR A PERSON OR
5 PERSONS WHOSE HOUSEHOLD INCOME DOES NOT EXCEED ONE HUNDRED TWENTY PERCENT
6 OF THE AREA MEDIAN INCOME.

7 8. "RELATED ENTITIES" MEANS ENTITIES THAT HAVE MORE THAN FIFTY
8 PERCENT DIRECT OR INDIRECT COMMON OWNERSHIP.

9 9. "ZONING DISTRICT" MEANS A ZONING DISTRICT, PLANNED COMMUNITY
10 DISTRICT, PLANNED AREA DEVELOPMENT OR PLANNED UNIT DEVELOPMENT.

11 Sec. 2. Severability

12 If a provision of this act or its application to any person or
13 circumstance is held invalid, the invalidity does not affect other
14 provisions or applications of the act that can be given effect without the
15 invalid provision or application, and to this end the provisions of this
16 act are severable.

17 Sec. 3. Legislative findings

18 The legislature finds:

19 1. That it is in the significant and legitimate public interest of
20 this state to encourage the location or relocation of corporate
21 headquarters to this state.

22 2. That the development of corporate international headquarters
23 campuses as defined in section 9-461.19, Arizona Revised Statutes, as
24 added by this act, that include primary commercial uses as well as
25 ancillary residential uses contribute greatly to the economic prosperity
26 and health of this state.

27 3. That it is necessary to adopt a uniform law governing
28 international headquarters campuses as defined in section 9-461.19,
29 Arizona Revised Statutes, as added by this act, to encourage the
30 development of corporate international headquarters campuses throughout
31 this state.

From: [Paul Sagnella](#)
To: [City Council](#)
Subject: SB1543
Date: Monday, April 28, 2025 11:07:14 AM

External Email: Please use caution if opening links or attachments!

Mayor & City Council,

According to the city's agenda, the council will vote to approve a contract with Greenberg Traurig's Dominic Draye, the former Solicitor General of Arizona, who specializes in constitutional law. The contract calls for Draye to analyze SB1543 and provide legal recommendations for Scottsdale.

It is truly unfortunate that it has come to this but it would appear that we have to fight as hard as we can so that the majority of our citizens can be heard over the wishes of one entity that has hoodwinked the State legislature and the governor into approving and signing this piece of legislation that disenfranchises Scottsdale citizens.

I encourage all of you to vote to approve this contract.

Paul Sagnella
Scottsdale, AZ

From: melissa@premiumadministration.com
To: [City Council](#)
Subject: I do not support hiring Counsel to fight the state of Arizona over Axon Campus
Date: Tuesday, April 29, 2025 11:41:00 AM

External Email: Please use caution if opening links or attachments!

Dear Council Members,

I do not support hiring Counsel to fight the state of Arizona over Axon Campus.

Melissa Kemp

Melissa Kemp, CFP® Professional, AEP®, CNAP, CAP®
FPA Arizona

www.FPAAz.org

PO Box 4130 Scottsdale AZ 85261
480 - 483 - 9035 (office main line)

Questions about the chapter? Call in to a Monday Hubble

	<p>HUBbles</p> <p>Zoom in! Zoom.us//j/7101316685</p> <p>Networking. Connections. Ideas. Access.</p> <p>Your Virtual Gateway to all things FPAAZ</p>	<p>Mondays</p> <p>11:30_{am} - 12:30_{pm} MST</p> <p>except on holidays or the 5th Monday of any month</p> <p>drop-in format</p> <p>members and non-members welcome</p>
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From: [Ben Connors](#)
To: [City Council](#); [Borowsky, Lisa](#)
Subject: Please oppose Axon Headquarters plans
Date: Tuesday, April 29, 2025 1:05:26 PM

External Email: Please use caution if opening links or attachments!

I support hiring outside legal counsel to combat Axon headquarters plans. They are trying to subvert the will of the people, and the constitution. Please invest in legal resources to combat this attack on Scottsdale's quality.

<https://www.azfamily.com/2025/04/28/scottsdale-city-council-vote-hiring-counsel-combat-axon-headquarters/>

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Best regards,
Ben Connors
ben.connors@gmail.com
Mobile +1 650.400.3374
[LinkedIn](#)

From: [Susan](#)
To: [City Council](#)
Subject: Lawyer for Axon Lawsuit
Date: Thursday, May 1, 2025 9:38:01 AM

External Email: Please use caution if opening links or attachments!

Ladies/Gentlemen:

I fully support your hiring an attorney to represent Scottsdale in our fight against SB1543, which allows Axon to expand corporate HQ and add 1900 apartments and a hotel.

Susan Leeper
North Scottsdale resident since 1992
602-300-3739

Sent with [Proton Mail](#) secure email.

From: [Jim Fifield](#)
To: [City Council](#)
Subject: Axon development
Date: Thursday, May 1, 2025 5:41:25 PM

External Email: Please use caution if opening links or attachments!

Although I had mixed feelings about this development now that the state has set up an approval process bypassing the ballot initiative I am opposed to spending City tax payer dollars in litigation to fight the State and Axon development. Although an inconvenience the development will create jobs and wealth for the City. I also oppose spending city dollars to try and challenge City versus State rights. Please oppose and resolution to hire attorneys specifically to oppose Axon development and the state. If you want to challenge state rights in the matter let the City Attorney file something basic.

Thank you

From: notifications@cognitoforms.com on behalf of [City of Scottsdale](#)
To: [Cordova, Rommel](#)
Subject: City Council Public Written Comment Form - Kevin Watson
Date: Friday, May 2, 2025 10:22:21 AM

External Email: Please use caution if opening links or attachments!

City of Scottsdale

Web Scottsdale City Council Meeting Written Comment Form

[Open Form](#)

Entry Details

Agenda Item

MEETING DATE 5/6/2025

WHICH AGENDA ITEM WOULD YOU LIKE TO COMMENT ON? 19. Outside Legal Services Contract Related to Axon Legislation

Name

FULL NAME Kevin Watson

Contact Information

PHONE (480) 980-1225

EMAIL kevin.watson318@gmail.com

ADDRESS 3030 N Hayden Rd, Unit 36 85251

CITY Scottsdale

Comment

COMMENT Watching the city of Scottsdale fight so

aggressively against progress and new housing development is one of the most disappointing actions I've seen a local government take. Whether they realize it or not, Scottsdale (and the Phoenix metro at large) has rapidly become one of the most unaffordable place to live in. Housing prices have soared, and what was once a charming western city is now increasingly inaccessible—a playground for rich Californians.

Using taxpayer dollars to block the construction of high-quality apartments on what is currently a dirt lot next to a freeway is indefensible. It mirrors the behavior of a cartel—artificially restricting supply to inflate demand. The result? Existing homeowners grow wealthier, while everyone else continues to struggle with rising costs and limited options.

This is not just poor policy—it's a deliberate attempt to suppress the free market, diminish Scottsdale's future, and cater to a narrow group of retirees more concerned with boosting their Zillow "zestimates" than ensuring their grandchildren can afford to live in the community. Spending \$200,000 in public funds on this kind of obstruction is shameful.

From: 1joepilot@cox.net
To: [City Council](#)
Subject: Very Telling Interview with Rep. Joseph Chaplik, Apr 10, 2025
Date: Saturday, May 3, 2025 7:53:11 AM

External Email: Please use caution if opening links or attachments!

<https://www.youtube.com/watch?v=2LU9x88Jc0g>

Please, take the time to listen to Rep. Chaplik's interview.

Axon's intentions and tactics as described by Rep. Chaplik are alarming, to say the least.

Please listen carefully to Rep. Chaplik's description of the particulars of Axon's tactics at the State Capitol and, now, this reprehensible law destroying voting rights of our entire State.

The City of Scottsdale ***MUST*** commit to doing whatever it takes to defeat this appalling attack.

I believe Axon will drive the legal fight all the way to the Arizona Supreme Court. ***Regardless***, this is it. Now or never.

The real life implications of this "law" as written, and disgracefully signed, spell a genuine "do-or-die" challenge for the City of Scottsdale.

And a limited number of other Arizona cities, as well.

But not sure whether we can coordinate this fight with them. And/or share expenses.

I would not normally be so blunt with the members of this or any other City Council but, I have lived through and witnessed San Diego, once regarded as “America’s Finest City”, fall into an unlivable, and in some cases squalid, disgrace. Any city can, and too many do, fall from grace.

The actions of Axon have forced Scottsdale to the precipice.

Now or never.

From: notifications@cognitoforms.com on behalf of [City of Scottsdale](#)
To: [Cordova, Rommel](#)
Subject: City Council Public Written Comment Form - Umberto Santoni
Date: Tuesday, May 6, 2025 8:20:07 AM

External Email: Please use caution if opening links or attachments!

City of Scottsdale

Web Scottsdale City Council Meeting Written Comment Form

[Open Form](#)

Entry Details

Agenda Item

MEETING DATE 5/6/2025

WHICH AGENDA ITEM WOULD YOU LIKE TO COMMENT ON? 19. Outside Legal Services Contract Related to Axon Legislation

Name

FULL NAME Umberto Santoni

Contact Information

EMAIL votive.favors8a@icloud.com

CITY Scottsdale

Comment

COMMENT I don't support wasting \$200,000 for the city to pursue this issue. The city has already approved Axon's development. If Scottsdale residents think that SB 1543 infringes on their rights to a referendum then those residents can pursue legal

action. It is not the role of the city of Scottsdale government to represent individual residents in their legal matters.
