

**PROTECT AND PRESERVE SCOTTSDALE
TASK FORCE**

FEBRUARY 22, 2024

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FROM THE CHAIR AND VICE CHAIR

We would like to thank Mayor Ortega and members of the City Council for giving us the honor and privilege to lead this Task Force in order to study and identify a financial solution for the perpetual maintenance, preservation and protection of our city parks and open spaces. The Task Force was created to specifically study the unfunded needs of the city's Indian Bend Wash Greenbelt and other city parks, the McDowell Sonoran Preserve and other community priorities, and to explore extending the expiring 0.20% sales tax rate to accomplish these needs.

We wish to thank our fellow Task Force members for their dedication and commitment to the process of arriving at consensus around our recommendations. The Task Force members brought diverse perspectives to the table and engaged in meaningful dialogue respectfully and effectively as we studied and discussed considerable amounts of information through twenty meetings over the last year.

We also wish to thank all the city staff from the City Treasurer's Office, the Community Services Department, Police and Fire personnel, the City Manager's Office, City Attorney's Office, Communications Office, and the City Clerk's Office who stepped forward to support the efforts of the Task Force, providing their experience and expertise during the development of recommendations contained in this report.

On behalf of the Task Force, we respectfully submit this report with our final recommendations for Council consideration and action. The Task Force has carried out its mission in accordance with the objectives and work plan as set forth by Council Resolution and will be dissolved without further action when the Council makes a decision on whether to send a sales tax question to the voters. While much work remains to be done, we hope that the recommendations included in this report will meaningfully contribute to Council's considerations and decisions for preserving and protecting our city parks and recreational facilities, our McDowell Sonoran Preserve and our citizens' quality of life.

Cynthia Wenstrom
Chair

Raoul Zubia
Vice Chair

MEMBERS OF THE TASK FORCE

Chair and Vice Chair

Cynthia Wenstrom (Chair)

Raoul Zubia (Vice-Chair)

Members

Carla

Nicholas Hartmann

Jace McKeighan

Daniel Schweiker

Mark Winkelman

John Zikias

James Eaneman (resigned February 1, 2024)

EXECUTIVE SUMMARY

Scottsdale is a world class city where residents and visitors enjoy an exceptional quality of life, in part due to the city's parks and recreation facilities and abundant open spaces. The Indian Bend Wash Greenbelt, an 11-mile urban oasis that runs through the heart of Scottsdale was completed and dedicated in 1985 after 20 years of hard work by citizens and city staff to turn a flooding problem into a community asset with acres of park and recreational amenities. In the same spirit, in 1995 and 2004, Scottsdale citizens voted to raise a 0.20% sales tax (the 0.20% Preserve Tax) and a 0.15% sales tax (the 0.15% Preserve Tax) respectively, to acquire over 30,000 acres in the McDowell Sonoran Preserve to protect desert open spaces and its native plants and wildlife, and to construct 12 trailheads and 235 miles of trails in the Preserve for our residents and visitors to enjoy. The city has a responsibility to care for, maintain and protect these wonderful community assets that Scottsdale citizens invested in decades ago, as well as the 982 acres of city parks, 74 athletic fields, 72 tennis/pickleball courts, 35 volleyball courts, 39 basketball courts, dog parks, equestrian facilities and other recreational amenities that make Scottsdale a unique and desirable place to live.

- The Indian Bend Wash Greenbelt parks are now aged, and Task Force members agree that the city's aged parks are in need of rebuilding and revitalization to meet the community's interests, and with the increase in citywide park and recreational facilities, additional funding for on-going maintenance for all city parks is also needed for Scottsdale to remain a world class city.
- For the McDowell Sonoran Preserve, the Task Force believes that additional dedicated funding is needed to ensure the perpetual care and protection of the Preserve and its native plants and wildlife.
- For safety and security of the city's parks and the Preserve, the Task Force believes that an expanded Police park ranger unit and Fire fuel mitigation and technical rescue resources are priority needs requiring additional funding.
- The Task Force also considered drainage and shade improvements and other critical infrastructure improvements for WestWorld, a recreational event facility which includes open space for polo events, equestrian and other events, as needing funding.

The city's total local transaction privilege tax (or sales tax as commonly known) is at a 1.75% rate, of which a portion (the 0.20% Preserve Tax approved by voters in 1995) will expire in 2025. The Task Force explored the option of funding the above identified needs without increasing the city's overall tax rate, by extending and replacing the 0.20% tax rate expiring in 2025 at the same or reduced rate as a viable financial solution.

The Task Force retained EMC Research, an independent consulting firm to conduct a citizen survey to understand community priorities around parks and the Preserve, as well as resident's opinions around the city's fiscal environment. Results of the survey showed that an overwhelming super-majority of Scottsdale voters believe funding Scottsdale parks and recreation facilities and the Preserve without increasing the

tax rate is a good idea. With that information, and after twenty meetings over 12 months of studying and discussing the unfunded needs and funding options, the Task Force developed the following recommendations for Council consideration and action:

(1) Request Voter Approval to Extend and Reduce the 0.20% Tax Rate Expiring in 2025, to 0.15% for 30 Years, Effective July 1, 2025

The Task Force recommends that the Council request voter approval to extend the 0.20% tax rate at a reduced rate of 0.15% for another 30 years, effective July 1, 2025 to fund the unfunded needs identified.

(2) Unfunded Needs to be Funded by the 0.15% Tax

The Task Force recommends that the Council fund the following unfunded needs with the 0.15% tax:

- Improvements to aged city parks prioritizing the Indian Bend Wash Greenbelt parks
- Additional funding for citywide parks and recreation maintenance needs
- Maintenance, preservation and protection of the McDowell Sonoran Preserve
- Fire fuel mitigation and technical rescue for citywide parks and the Preserve
- Police park rangers and security for citywide parks and the Preserve
- Drainage, shade and other critical infrastructure improvements for WestWorld

(3) Distribution of 0.15% Tax Revenues for the Unfunded Needs

The Task Force recommends that the Council distribute the 0.15% tax revenues as follows:

Not more than 25% of the 0.15% tax revenues collected shall be allocated to cover debt service requirements for improvements funded by debt. It is anticipated that the WestWorld improvements proposed will be funded by debt. Distribution of the 0.15% tax revenues after debt requirements are satisfied will be as follows:

- 51% to Park improvement needs with an emphasis on aged parks
- 18% to Preserve maintenance and protection
- 14% to Citywide park maintenance needs
- 10% for Fire fuel mitigation program and technical rescue team
- 7% to Police park ranger unit

(4) Considerations for the 2004 0.15% Preserve Tax Expiring In 2034

The Task Force also considered whether the 0.15% Preserve Tax approved by voters in 2004 and expiring in 2034, can be used for funding the maintenance and protection of the Preserve if excess revenues remain

from this tax after payment of current debt principal and interest. However, the 0.15% Preserve Tax revenues and any excess collected to date, are restricted by voter approval for Preserve land acquisitions and improvements only and cannot be used for maintenance and protection of the Preserve. The city could consider asking voters to authorize future excess collections to be used for maintenance and protection of the Preserve. However given that there will not be room on the November 2024 ballot for such a request to voters, and also given that the 0.15% Preserve Tax is still needed for future debt service and improvements or land acquisitions in the Preserve, **the Task Force recommends that the Council take no action on the 0.15% Preserve Tax expiring in 2034, but to ensure that there is a plan in place for any excess collections resulting after payment of debt principal and interest. And if there is no longer a need to continue collecting the 0.15% Preserve Tax, that Council consider asking voters to terminate the 0.15% tax.**

(5) Recommended Ballot Language

The Task Force drafted ballot language for voter approval and recommends that Council adopted the ballot language included in Appendix C.

Members of the Task Force believe that these recommendations will ensure the citizens' investment in our parks and the Preserve and Scottsdale's quality of life are protected, preserved and maintained for generations to come.

This report provides a summary of considerations by the Task Force including the results of a citizen survey that was conducted. For details on Task Force discussions including the data and materials studied by the Task Force, please follow the link to the Task Force meeting agendas and minutes: [City of Scottsdale - Protect and Preserve Scottsdale Task Force \(scottsdaleaz.gov\)](https://www.scottsdaleaz.gov/protect-and-preserve-scottsdale-task-force)

(6) Adopt an Ordinance to Ensure the City Properly Distributes the 0.15% Tax Revenues and to Ensure Official Oversight for the Spending of the 0.15% Tax Revenues

The Task Force drafted an ordinance and recommends, that Council adopt the ordinance included in Appendix D.

BACKGROUND INFORMATION

This section provides background information, the Task Force's mission, considerations and recommendations.

General Plan 2035

In November 2021, Scottsdale voters approved the city's General Plan 2035 which includes various elements to maintain, preserve and protect the city's parks and recreational facilities and the McDowell Sonoran Preserve. In FY 2021/22 City Council established strategic priorities to implement elements of the General Plan, including exploring extending the 0.20% Preserve Tax expiring in 2025 to fund the perpetual maintenance, preservation and protection of the Indian Bend Wash Greenbelt, McDowell Sonoran Preserve, public safety and other unfunded needs.

Link to voter approved General Plan 2035:

[City of Scottsdale - General Plan \(scottsdaleaz.gov\)](https://www.scottsdaleaz.gov/city-council/general-plan-2035)

The McDowell Sonoran Preserve Taxes (the Preserve Taxes)

In 1995 and in 2004, Scottsdale voters approved a 0.20% tax (the 0.20% Preserve Tax) to fund land acquisition only and a 0.15% tax (the 0.15% Preserve Tax) to fund land acquisition and improvements in the McDowell Sonoran Preserve. Revenues from the 0.20% Preserve Tax and the 0.15% Preserve Tax were used to acquire over 30,000 acres of land in the Preserve and to construct 12 trailheads and 235 miles of trails in the Preserve, and will continue to fund improvements.

The 0.20% Preserve Tax is set to expire in 2025 and the 0.15% Preserve Tax is set to expire in 2034. Revenues collected from these two Preserve taxes are currently used to pay debt service on Preserve land acquired. The debt issued to acquire Preserve land are structured to align with the expiration of the Preserve taxes with all Preserve debt maturing when the 0.15% Preserve Tax expires in 2034.

Master Planning Efforts for Indian Bend Wash Greenbelt and Scottsdale Parks and Recreation

In 2018 the city started master planning efforts for Indian Bend Wash Greenbelt parks as they were approaching 50 years old. The Indian Bend Wash Master Plan -Thomas to McKellips was completed and adopted by the City Council, Design Review Board, and Planning Commission in FY 2019/2020. The city is currently in the process of completing the Indian School Park master plan and the Scottsdale Parks and Recreation master plan.

TASK FORCE MISSION

The Protect and Preserve Scottsdale Task Force

The Protect and Preserve Scottsdale Task Force was established pursuant to Resolution No. 12532, dated September 13, 2022, to explore extending the expiring 0.20% Preserve Tax to fund the perpetual maintenance, preservation and protection of the Indian Bend Wash Greenbelt, McDowell Sonoran Preserve, public safety and other unfunded needs.

City Council selected nine City of Scottsdale residents at the December 6, 2022 Special Meeting to serve on the Task Force. The nine members consist of three residents from Scottsdale's North side, three residents from Scottsdale's South side and three residents from Central Scottsdale.

The City Council adopted Resolution No. 12722 on January 10, 2023 establishing a work plan for the Task Force to govern and guide the efforts of the Task Force to study, define and quantify the unfunded needs of the Indian Bend Wash Greenbelt and other city parks, the Preserve, and other community priority unfunded needs. The work plan also provided direction for the Task Force to conduct a community survey and develop specific recommendations to City Council including a recommended tax rate and suggested ballot language for voter approval if the Task Force recommendation was to replace or extend the expiring 0.20% Preserve Tax.

The Task Force held twenty meetings from February 2023 through February 2024 to study, discuss and evaluate unfunded needs presented by city staff, and to consider various financial strategies to fund the unfunded needs.

Link to Task Force meeting agendas and minutes:

[City of Scottsdale - Protect and Preserve Scottsdale Task Force \(scottsdaleaz.gov\)](https://www.scottsdaleaz.gov/city-council/committees-and-commissions/protect-and-preserve-scottsdale-task-force)

TASK FORCE CONSIDERATIONS

CONSIDERATION OF UNFUNDED NEEDS

The Task force received and considered presentations on the following unfunded needs from city staff as called for in the work plan, or at the request of the Task Force.

Parks Improvement Needs

As noted above, the city's Indian Bend Wash Master Plan -Thomas to McKellips (for Vista Del Camino Park and Eldorado Park) was completed and adopted by the City Council, Design Review Board, and Planning Commission in FY 2019/2020. The master plan identified significant improvement needs from improvements to the irrigation lakes and ponds to renovation of restrooms, ramadas and ballfields and other improvements. In 2018/2019, the city included the improvements to irrigation lakes and ponds in the Vista Del Camino Park in the Bond 2019 program approved by voters in 2019. All other elements of the Indian Bend Wash Master Plan – Thomas to McKellips for the Vista Del Camino Park (52 years old) and Eldorado Park (56 years old) remain unfunded.

The city is currently in the process of completing the Indian School Park Master Plan and the Scottsdale Parks and Recreation Master Plan which are anticipated to be completed in 2024. The Indian School Park is 43 years old. Significant community input has been received and continues to be gathered through these master planning efforts.

Based on these master plans and information provided by staff, the Task Force identified funding improvements to the aged Indian Bend Wash parks, currently estimated at \$248 million, as the immediate top priority, as well as the need to ensure future funding for parks in central and north Scottsdale as those parks age over the next 20-30 years. The city currently has no identified funding for these master plan improvements desired by the community.

Links to city's park and recreation master planning efforts:

[Scottsdale Parks and Recreation Master Plan \(shapescottsdaleparks.com\)](https://shapescottsdaleparks.com)

[City of Scottsdale - Parks & Recreation \(scottsdaleaz.gov\)](https://scottsdaleaz.gov)

[City of Scottsdale - City Construction Projects - Indian Bend Wash Master Plan: Thomas to McKellips \(scottsdaleaz.gov\)](https://scottsdaleaz.gov)

City-Wide Parks and Recreation Maintenance Needs

The Task Force also identified additional funding for on-going maintenance of city-wide parks and recreation facilities as a priority to ensure Scottsdale continues its high standards for its parks and recreation facilities. Funding for city-wide park maintenance is currently limited in the city's General Fund and a current estimate of \$2.8 million was developed and proposed by Parks and Recreation staff as additional annual funding needed to enhance maintenance for city-wide parks and recreational facilities.

Public Safety for City-Wide Parks and the Preserve

The Task Force considered increasing public safety with additional Police park rangers as a priority to ensure the safety of the city-wide parks and the Preserve. The city currently has 3 Police park rangers funded with limited Proposition 207, the Smart and Safe Arizona Act allocations from the state. Expanding the Police park ranger unit and acquiring addition park security equipment would enhance park and Preserve security. Annual funding of approximately \$1.7 million would be needed to fully support the expanded Police park ranger program.

McDowell Sonoran Preserve Protection, Preservation and Maintenance Needs

The Task Force considered increasing funding for wildlife habitat protection, invasive plant management, wildland fire fuel mitigation and other maintenance and protection efforts in the Preserve and other preservation efforts for the Preserve as a critical priority. The city currently has limited funding available through its General Fund and limited available grants for the care and protection of the Preserve. Given the city's investment in acquiring the Preserve and community interest in protecting the Preserve and its native plants and wildlife, a dedicated funding source to consistently fund on-going care and protection of the Preserve is needed. Annual funding of approximately \$3.5 million was presented by staff and approved by the McDowell Sonoran Preserve Commission as the amount needed to fully support an expanded maintenance and protection program for the Preserve.

Fire Fuel Mitigation and Technical Rescue Team for Citywide Parks and the Preserve

The Task Force considered additional funding for the Fire department's fuel mitigation program as well as staffing additional Technical Rescue Team and resources as high priority for the community. The fire fuel mitigation program provides for city-wide fire fuel mitigation working in conjunction with the Preserve Management Objectives to ensure fire mitigation in and around the Preserve. There is currently limited grant funding and limited funding through the city's General Fund for these critical needs. Grant funding for fire fuel mitigation can only be awarded once to a specific area.

Annual dedicated funding of approximately \$2.3 million was presented by staff to fully support the Fire department's city-wide fuel mitigation program and technical rescue efforts.

Public Art Preservation and Maintenance and Art Programs

The Task Force received presentation and public comments to fund public art preservation and maintenance and art programs. The city has a contract arrangement with Scottsdale Arts to fund preservation and maintenance of public art and various art and entertainment programs. Funding for the arts is available through the City's General Fund, Percent for the Arts ordinance and Transient Lodging Tax (as it relates to tourism). Given the city's contractual arrangement with Scottsdale Arts and the funding sources already available for the arts, the Task Force determined that public art and art programs should not be included as a priority for additional funding consideration.

West World Infrastructure Improvements

The Task Force considered funding for certain WestWorld improvements to address drainage issues, shade structures for year-round flex-use, paving and other infrastructure improvements as critical to the success of WestWorld. WestWorld is considered a recreational facility and portions of WestWorld must remain as open space in accordance with the city's agreement with the Bureau of Reclamation. The city has traditionally funded infrastructure improvements for WestWorld through a combination of WestWorld revenues, bond programs, transient lodging sales taxes and the General Fund. There is currently limited or no identified funding for the critical drainage and shade issues and other critical improvements needed for WestWorld, which staff estimated at \$44.2 million.

FINANCIAL CONSIDERATIONS

The city has limited funding for the priorities identified by the Task Force. Grant funding is limited and inconsistent, and the city's General Fund resources are constrained due to funding needed for other core city services. No other sources of funding are currently available. Recent state legislative action to eliminate residential rental tax and reduce state income tax revenues further limits the availability of the city's General Fund to fund these priorities.

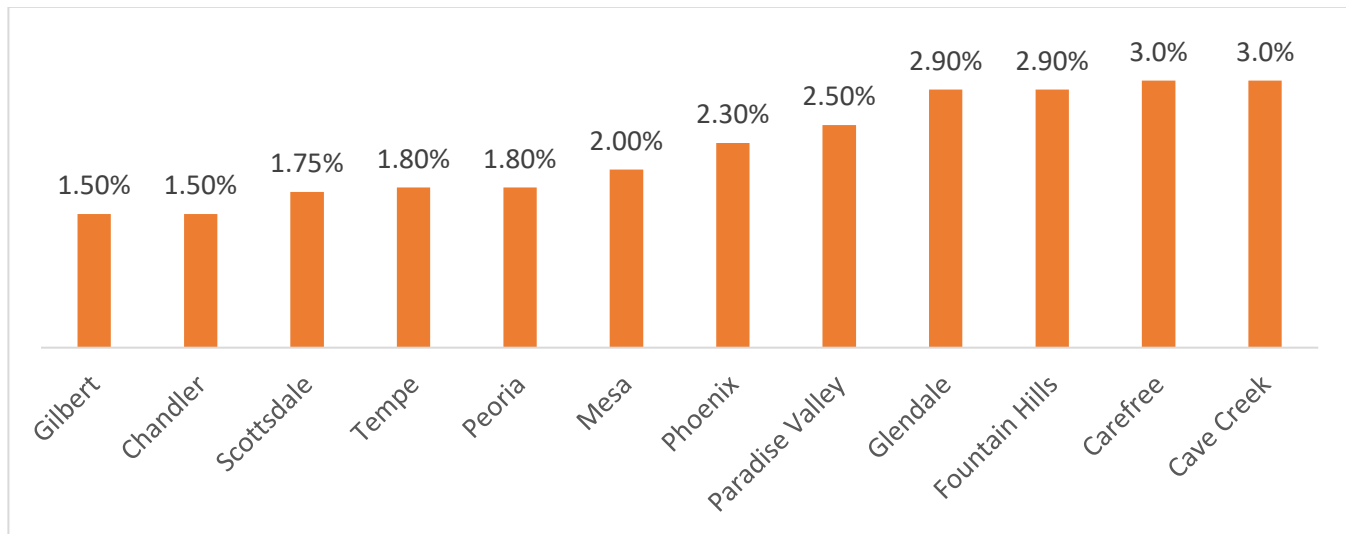
The Task Force considered extending and replacing the 0.20% Preserve Tax to fund the priorities listed above as a reasonable financial strategy to recommend to Council and present to voters. The Task Force reviewed expenditure projections for each priority identified and reviewed revenue projections at various tax rates (0.10%, 0.13%, 0.15% and 0.17%). The Task Force determined that extending the 0.20% tax rate at a reduced rate of 0.15% for 30 years would be a good financial strategy as it provides dedicated funding

for the priority needs identified and significant value to Scottsdale citizens and visitors, while reducing the city’s current total sales tax rate by 0.05% from 1.75% to 1.70%.

Scottsdale’s Low Sales Tax Rate Compared to Other Cities in the Valley

The city has one of the lowest local sales tax rates in the valley and replacing the 0.20% tax rate with a 0.15% tax rate would ensure the city continues to maintain one of the lowest local sales tax rates in the valley.

Table 1: Comparison of Current Local Sales Tax Rates



Cost to Average Household

The 0.15% tax is estimated to cost an average household \$3.71 per month which is a reduction from the current estimated \$4.95 per month with the expiring 0.20% Preserve Tax.

Household cost estimates were based on the consumer expenditure survey published by the U.S. Bureau of Labor Statistics which reported that households in the Phoenix-Mesa-Scottsdale metropolitan area spent an average of \$71,750 per year or \$5,979 per month in 2021-2022. Categories of spending subject to sales tax totaled approximately \$2,375 per month in 2021-2022 (or \$2,473 per month in 2023).

Projections of 0.15% Tax Revenues

A 0.15% tax is estimated to initially generate \$23 million to \$25 million annually to fund the priorities identified by the Task Force. Over a 30-year term, the 0.15% tax is expected to generate sufficient funding for the needs identified and considered by the Task Force. The Task Force studied detail revenues and

expenditure projections based on assumptions of cost escalations and revenue growth. Please refer to the 11-06-23 Task Force meeting agenda for detail projections.

Example of Parks and Open Space Sales Tax in Other Communities

Dedicated parks and preserve sales taxes are utilized in other communities to fund parks and preserve needs. The following represents examples of other communities with a park and preserve sales tax.

City	Parks and Open Space Sales Tax Rate	Total General Sales Tax Rate
Boulder	0.77%	4.50%
Kansas City	0.50%	4.95%
Denver	0.25%	4.13%
Columbia, MO	0.25%	2.00%
St Louis	0.19%	3.07%
<i>Scottsdale (Proposed)</i>	<i>0.15%</i>	<i>1.70%</i>
Colorado Springs	0.10%	3.86%
Phoenix	0.10%	2.30%

Visitor Contribution

According to the Scottsdale Tourism Study – Visitor Statistics, about 12 percent of total sales tax collections in the city in 2022/2023 can be attributed to visitors (includes domestic and international overnight visitors and domestic visitors traveling more than 50 miles that are not part of a normal routine and do not involve an overnight stay).

Link to Scottsdale Visitor Report:

[2023+Visitor+Report.pdf \(scottsdaleaz.gov\)](https://www.scottsdaleaz.gov/2023+Visitor+Report.pdf)

Consideration of the 2004 0.15% Preserve Tax Expiring in 2034

The Task Force also considered the potential use of the remaining 2004 0.15% Preserve Tax expiring in 2034, for on-going care and maintenance of the Preserve.

As mentioned above, the 0.20% Preserve Tax expiring in 2025 was for land acquisition only, and the 0.15% Preserve Tax expiring in 2034 was to acquire land and to construct improvements in the Preserve. Based on voter approval, these Preserve Taxes can only be used for land acquisition and improvements and cannot for used for on-going maintenance and care of the Preserve or city parks. Future excess collections may potentially be used for on-going maintenance only if voters approve an expanded use of *future revenues* for such purpose.

Revenues collected from these Preserve Taxes are currently used to pay debt service on the land acquired. When the 0.20% Preserve Tax expires in 2025, the remaining 0.15% Preserve Tax is still needed to cover outstanding debt that will mature through 2034 when the 0.15% Preserve Tax expires. Excess revenues collected from the remaining 0.15% Preserve Tax can be used for voter approved purposes or can be used to early retire debt. If debt is retired early and there is no longer any need to continue collecting the remaining 0.15% Preserve Tax, the city can request voter approval to terminate the 0.15% tax earlier than 2034.

Given that there will not be room on the November 2024 ballot for such a request to voters, and also given that the 0.15% Preserve Tax is still needed for debt service and improvements or land acquisitions in the Preserve, the Task Force recommends that the Council take no action on the 0.15% Preserve Tax expiring in 2034, but to ensure that there is a plan in place for any excess collections resulting after payment of debt principal and interest. And if there is no longer a need to continue collecting the 0.15% Preserve Tax, that Council consider asking voters to terminate the 0.15% tax.

CITIZEN SURVEY CONDUCTED BY EMC RESEARCH FOR THE TASK FORCE

The Task Force sought community input by conducting a statistically valid voter survey and also engaged the community through an open participation feedback tool to understand community priorities related to the city's parks and the Preserve as well as the current opinions of Scottsdale residents around the City's fiscal environment. The efforts involved two phases and included 1,733 Scottsdale voters and residents. Results of the survey indicate that Scottsdale voters and residents are supportive of funding parks and Preserve needs and believe that it is a good idea to extend the expiring 0.20% tax rate to do so. The statistically valid survey results showed that:

- 92% of voters agree that Scottsdale's parks and the Preserve improve quality of life and the local economy.
- 62% of voters believe the City needs additional funding to maintain, improve, and operate parks and recreational sites and facilities, and rate many aspects as high priorities for funding.

- 94% of voters respond positively that it's a good idea to fund parks, recreation and Preserve without increasing the tax rate.

An executive summary of the citizen survey is attached and a presentation of survey results, presented by EMC Research, can be found in the 12-18-23 Task Force meeting agenda.

TASK FORCE RECOMMENDATIONS

The Task Force developed and approved the following recommendations to City Council. **There was unanimous vote among current Task Force members on these recommendations.**

Recommendation #1– Request Voter Approval to Extend and Reduce the 0.20% Tax Rate Expiring in 2025, to 0.15% for 30 Years, Effective July 1, 2025

The Task Force recommends that the Council approve a replacement tax for the expiring 0.20% Preserve tax. The replacement would be a 0.15% tax rate effective July 1, 2025 for 30-years, for the preservation, maintenance, and police and fire protection of city-wide parks and the Preserve, and for improvements to aged city parks and recreational facilities including certain improvements to WestWorld. This recommendation will result in a reduction of the City’s total sales tax rate from 1.75% to 1.70%.

Recommendation #2 - Unfunded Needs to be Funded by the 0.15% Tax

The Task Force recommends that the Council fund the following areas of unfunded needs for the City’s parks and the Preserve with this 0.15% tax:

1. Improvements to aged city parks with a priority for the Indian Bend Wash Greenbelt parks
2. Additional citywide parks and recreation maintenance needs
3. Maintenance, preservation and protection of the McDowell Sonoran Preserve
4. Fire fuel mitigation and technical rescue for citywide parks and the Preserve
5. Police park rangers and security for citywide parks and the Preserve
6. Drainage and other critical infrastructure improvements for WestWorld

Recommendation #3 - Distribution of 0.15% Tax Revenues for the Unfunded Needs

The Task Force recommends that the Council appropriately allocate and distribute the 0.15% tax revenues as follows.

Not more than 25% of tax revenues collected shall be allocated to cover debt service requirements for improvements funded by debt. It is anticipated that the WestWorld improvements proposed

will be funded by debt. Allocation of tax revenues after debt requirements are satisfied will be as follows:

- 51% to Park improvement needs with an emphasis on aged parks
- 18% to Preserve maintenance and protection
- 14% to City-wide park maintenance needs
- 10% for Fire fuel mitigation program and technical rescue team
- 7% to Police park ranger unit

Recommendation #4 - Considerations for 2004 0.15% Preserve Tax Expiring in 2034

The Task Force recommends that the Council take no current action on the 2004 0.15% tax, which does not expire until 2034, because this tax is still needed and that the Council study the 0.15% tax annually to determine if the tax is still needed for Preserve improvements and land acquisition or if the debt service can be paid off early and, for Council to decide if this tax can be placed on a future ballot to sunset early. As part of this process, the City Treasurer will provide an annual update to the City Council and McDowell Sonoran Preserve Commission related to the 0.15% tax, which will include information on the fund balance and current and projected funding needs.

Recommendation #5 - Ballot Language for 0.15% Tax

The Task Force recommends the attached ballot language (Appendix C) to request voter approval at the November 2024 ballot.

Recommendation #6 - Adopt an Ordinance to Ensure the City Properly Distributes the 0.15% Tax Revenues and to Ensure Official Oversight for the Spending of the 0.15% Tax Revenues

The Task Force recommends the attached draft ordinance (Appendix D) which enforces distribution of the 0.15% tax revenues by law established by Council ordinance. The ordinance also provides for official oversight for spending of the revenues through the existing Parks and Recreation Commission and McDowell Sonoran Preserve Commission and annual reporting by the City Treasurer.

Appendix A – Task Force Work Plan

PROTECT AND PRESERVE SCOTTSDALE TASK FORCE
Work Plan
 (1/10/2023)

Goal: develop a recommendation to City Council on a financial strategy to protect and preserve Scottsdale’s open spaces and quality of life, through identifying and quantifying the unfunded needs for the protection, preservation and perpetual maintenance of the City’s open spaces (e.g., Indian Bend Wash Greenbelt and McDowell Sonoran Preserve), public safety and other needs.

PHASE	TASK	DESCRIPTION	PRELIMINARY TIMELINE (subject to change)
Determine Community Priorities and Support for Replacing 0.2% Preserve Tax			
Phase 1	1.1	Conduct Preliminary Community Survey Conduct preliminary community survey to determine community’s priorities and support for replacing the 0.2% Preserve tax. Analyze survey results and findings.	Feb-Mar 2023
	1.2	Review and Refine Workplan Based on results of community survey, refine workplan Phases 2-4 as needed. Significant changes to the work plan are subject to Council approval.	
Define and Quantify Priority Unfunded Needs			
Phase 2	2.1	Identify and Quantify Unfunded Needs for the Perpetual Maintenance, Protection and Preservation of the Indian Bend Wash Greenbelt and Other City Public Parks Task involves studying and understanding the perpetual maintenance, protection and preservation needs of the Indian Bend Wash Greenbelt and other public parks in the city, in collaboration with the Parks and Recreation Commission, to identify, define and quantify critical funding needs. (note: The Parks and Recreation Commission may provide recommendations on the operation, use, care and maintenance needs of the city’s public parks in accordance with their purpose as established in Scottsdale Revised Code Chapter 20, Article I)	Apr-Aug 2023
	2.2	Identify and Quantify Unfunded Needs for the Perpetual Maintenance, Protection and Preservation of the McDowell Sonoran Preserve Task involves studying and understanding the perpetual maintenance, protection and preservation needs of the existing Preserve, in collaboration with the McDowell Sonoran Preserve Commission, to identify, define and quantify critical funding needs. (note: The McDowell Sonoran Preserve Commission may provide recommendations on the maintenance, protection and preservation needs of the Preserve in accordance with their purpose as established in Scottsdale Revised Code Chapter 21, Article II.)	

PROTECT AND PRESERVE SCOTTSDALE TASK FORCE
Work Plan
(1/10/2023)

PHASE	TASK	DESCRIPTION	PRELIMINARY TIMELINE (subject to change)
	2.3	Identify and Quantify Other Community Priorities indicated by Community Survey	Task involves identifying, defining and quantifying other community priorities indicated in the community survey.
Develop Funding Recommendations			
Phase 3	3.1	Explore Funding Options for Priority Needs Identified	Explore and consider funding options for needs identified in Phase 1 & 2 (e.g., General Fund, grants, dedicated funding source including replacement of the 0.2% Preserve Tax expiring in 2025).
	3.2	Conduct Community Survey (if needed)	If voter approval is required for funding option(s) considered, task force may consider conducting a community survey on voter support. If community survey is conducted, analyze survey results and findings.
	3.3	Develop Financial Strategy and Funding Recommendations	Task involves developing financial strategy and funding recommendations for priorities and critical needs identified.
Report and Present Recommendations to Council			
Phase 4	4.1	Develop Report and Presentation for Council Consideration	Organize and develop recommendations for City Council consideration. If voter approval is required, recommendation must include recommended ballot question(s), specific tax rate, etc. Recommendations are subject to City Attorney and City Treasurer review to ensure compliance with applicable laws and regulations and city financial policies and practices. Draft report and presentation to City Council.
	4.2	Report and Present to Council	Participate in Council work study session to present findings and recommendations to City Council.
Community Education and Outreach			
Phase 5	5.1	Community Education and Outreach	Assist in community education and outreach as directed and subject to applicable laws.

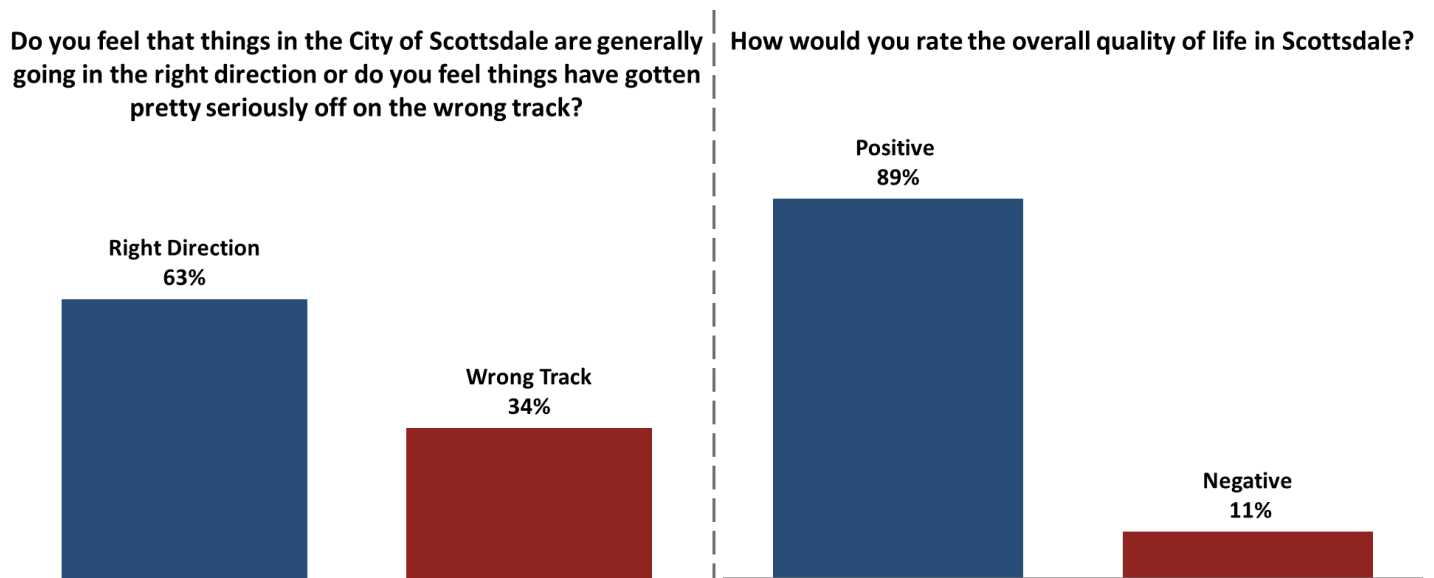
Appendix B – EMS Research Citizen Survey Executive Summary

TO: Protect and Preserve Scottsdale Taskforce
FROM: EMC Research
RE: Survey Results
DATE: February 2, 2024

The following are key takeaways from research investigating community priorities related to Scottsdale’s parks and recreation, the McDowell Sonoran Preserve, and the current opinions of Scottsdale residents around the City’s fiscal environment. The research was conducted from October 19 to November 19, 2023 in two phases – a statistically valid survey, open only to invited Scottsdale voters using random sample methodology, and a public, open participation feedback tool that any interested Scottsdale resident could participate in. The key takeaways below highlight the results of the voter survey, while incorporating comparisons to the open participation feedback tool.

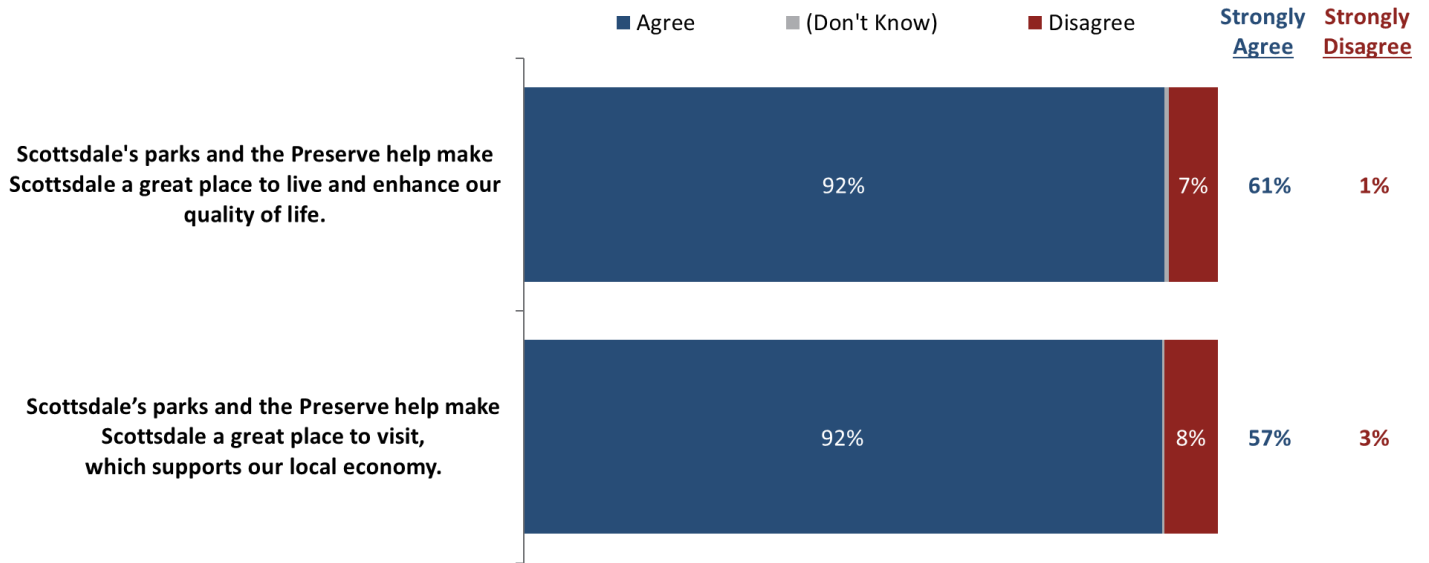
Key Findings

Voters are optimistic about Scottsdale’s direction and the overall quality of life in the city. Almost nine-in-ten (89%) voters rate the city’s quality of life positively, while six-in-ten (63%) say the city is going in the right direction. A majority also rate city government and the financial health of the city positively (67% and 74%, respectively), with about three quarters (78%) saying the city does an “excellent” or “good” job delivering services.



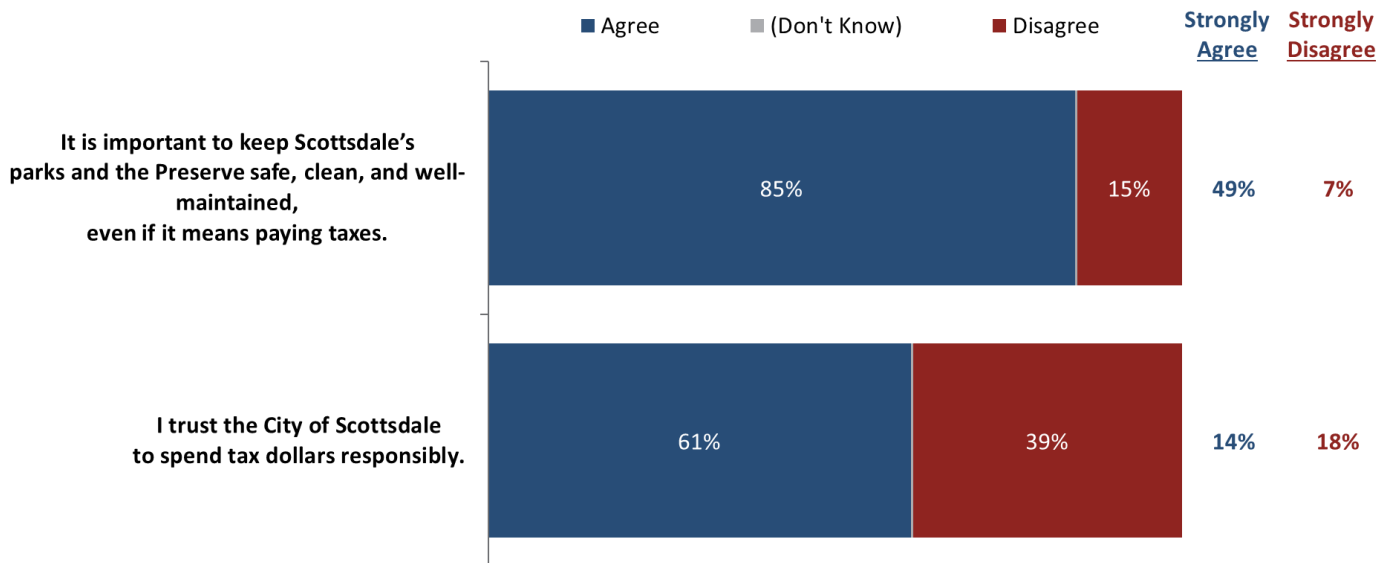
Overall, the **open participation feedback tool participants** held similar sentiments to voters and were positive (91%) about the quality of life in Scottsdale.

Voters see City parks and the McDowell Sonoran Preserve as a contributor to Scottsdale’s high quality of life. Scottsdale voters are in near-unanimous agreement that parks and the Preserve help make Scottsdale both a great place to live and a great place to visit, enhancing the city’s quality of life as well as its economy, with over nine-in-ten (92%) agreeing with both statements.



Open participation feedback tool participants held similar attitudes, with most agreeing Scottsdale's parks and the Preserve enhance Scottsdale's quality of life (96% agree) and enhance the local economy (92% agree).

Voters display some tax sensitivity, with around four-in-ten voters expressing hesitancy around the City's use of tax dollars. While most (85%) agree that parks and open spaces are important to maintain through taxes, fewer, though still majority (61%), show trust in the city to spend tax dollars responsibly.

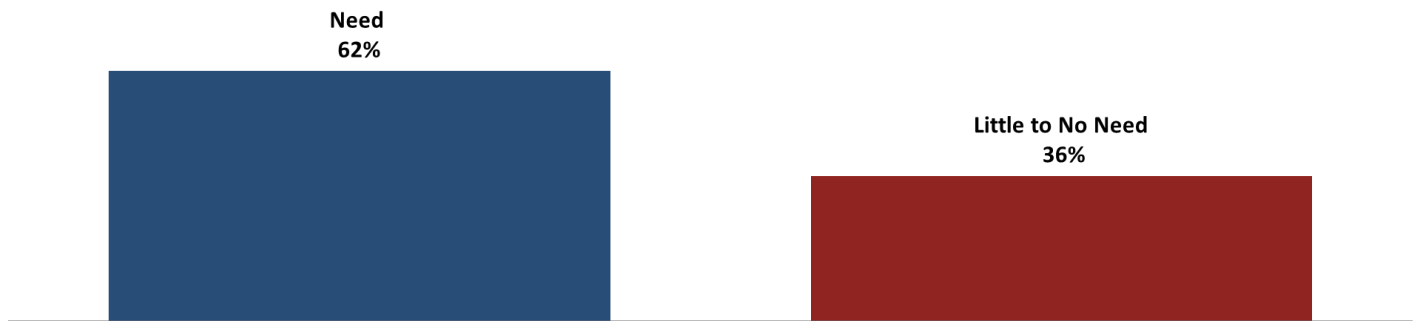


Among open participation feedback tool participants, there was even broader agreement that it's important to maintain parks and the Preserve through taxes (90% agree), and trust in the city to spend tax dollars responsibly was even higher (70% agree).

A majority (62%) of voters believe the City needs additional funding to maintain, improve, and operate parks and recreational sites and facilities, and rate many aspects as high priorities for funding.

Top priorities include protecting nature and wildlife habitats (48% very high priority, 83% total high priority), increasing fire prevention in the McDowell Sonoran Preserve (39% very high priority, 76% total high priority), and improving the city’s parks that are in the worst condition (38% very high priority, 82% total high priority). Maintenance efforts are rated as less of a high priority.

As you may know, the City of Scottsdale owns a number of parks and recreational sites and facilities, including City parks, the McDowell Sonoran Preserve, Indian Bend Wash Greenbelt, and the WestWorld events center. How would you rate the City of Scottsdale’s need for more funding to maintain, improve, and operate these sites and facilities?



While **open participation feedback tool participants’** priorities for parks were largely similar to voter opinions, participants in the open participation tool were more likely to express uncertainty when rating the conditions of the Preserve and City parks.

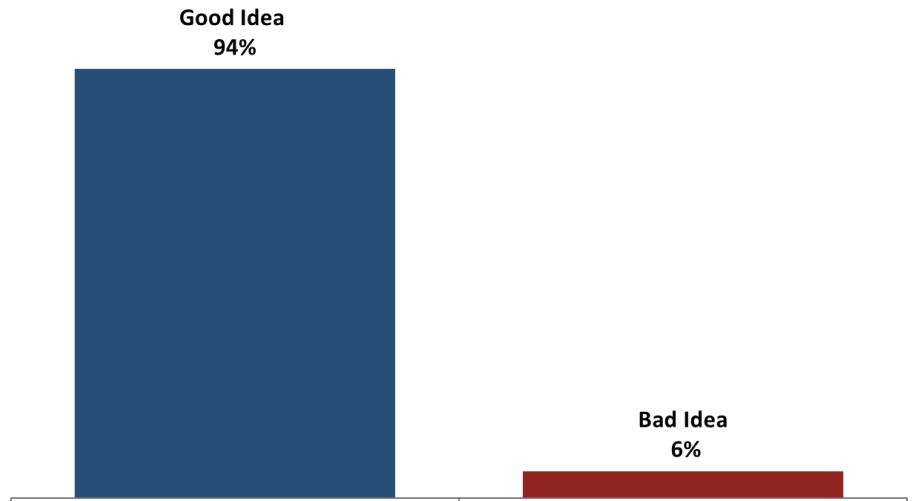
Scottsdale voters report frequently making use of the city’s parks and open spaces. Two-thirds (67%) of Scottsdale voters report visiting a park or other facility at least monthly, and just under half (45%) report visiting one at least once a week. Only a third (33%) of voters indicate visiting a park or facility less than monthly. Among the most visited parks are the Indian Bend Wash Greenbelt with 34% reporting that they visit a few times a month or more. WestWorld events center was the least frequented facility with just 3% saying they visit often.

Similarly, **open participation feedback tool participants** said they visited the McDowell Sonoran Preserve most frequently, with a third (33%) visiting at least a few times a month, followed closely by 32% who report frequenting the Indian Bend Wash Greenbelt at least a few times a month. Overall visitation numbers were also similar to voters, with just under half (47%) visiting a park or facility at least weekly, another 22% said they visit at least monthly, and only about a third (31%) who visit less than monthly.

Voters respond positively (94% good idea) to the overall idea of funding the Preserve and other Scottsdale parks and recreation facilities without increasing the tax rate. Most voters also see the more specific potential mechanisms of replacing an expiring tax and expanding the allowable uses of another tax as good ideas, but enthusiasm declines slightly (87% good idea) after they learn more about the specifics.

The City of Scottsdale is facing a shortfall in the funding needed to maintain and improve the McDowell Sonoran Preserve and other city parks and recreation facilities and is looking for ways to fund those needs.

If the City found a way to fund maintenance and improvements to the Preserve and other city parks and recreation facilities without increasing the tax rate, would you say this is a very good idea, a somewhat good idea, a somewhat bad idea, or a very bad idea?



Like voters, those who participated in the open participation feedback tool approved of maintaining parks and facilities and believed funding them through replacing and expanding the existing taxes is a good idea. Initially, 91% of participants indicated funding maintenance and improvements is a good idea. However, when exposed to more information about mechanisms, support softens and the final ask resulted in 86% of participants saying it is a good idea.

Methodology

The findings in this memo come from a voter survey conducted by EMC Research from October 19 –25, 2023 among 400 registered voters in the City of Scottsdale. The multi-modal survey included live telephone interviews and email/text invitations to complete the survey online. Telephone interviews were conducted by professional interviewers, landline and mobile phones included. Data are demographically and geographically representative of voters in Scottsdale. The overall margin of error for the poll is ±4.9 percentage points.

Additionally, EMC Research collected and analyzed data from an online open participation feedback tool that was open to all Scottsdale residents October 27—November 19, 2023. The City of Scottsdale distributed the survey through the Polco platform, and 1,333 total responses were collected.



Appendix C – Recommended Ballot Language

Draft Ballot Language
Protect and Preserve Scottsdale Task Force
2024 Tax Rate Extension
(Approved by Task Force at 02-21-2024 Meeting)

Full Text

Question 1 (Proposition XXX)

Proposal Referred to the Voters by the Council of the City of Scottsdale

OFFICIAL TITLE: A CITY CODE AMENDMENT TO EXTEND AND REDUCE SCOTTSDALE’S EXPIRING TRANSACTION PRIVILEGE AND USE TAX RATE TO FUND: 1) IMPROVEMENTS AND MAINTENANCE FOR CITYWIDE PARKS AND RECREATIONAL FACILITIES; 2) MAINTENANCE AND PROTECTION FOR THE MCDOWELL SONORAN PRESERVE; AND 3) INCREASED POLICE AND FIRE RESOURCES RELATED TO CITYWIDE PARKS AND THE PRESERVE.

DESCRIPTIVE TITLE: Authorizes the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years to fund the improvement, maintenance, and protection of citywide parks and recreational facilities and the maintenance and protection of the Preserve as determined by ordinance.

A **“YES”** vote shall have the effect of authorizing the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

A **“NO”** vote shall have the effect of denying the City the authority to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

Tagline Text

Question 1 (Proposition XXX)

Proposal Referred to the Voters by the Council of the City of Scottsdale

SHALL SCOTTSDALE'S CURRENT 0.20% TRANSACTION PRIVILEGE AND USE TAX RATE, EXPIRING JUNE 30, 2025, BE REDUCED TO 0.15% AND EXTENDED FOR 30 YEARS TO FUND IMPROVEMENTS, MAINTENANCE, AND INCREASED POLICE AND FIRE PROTECTION OF CITYWIDE PARKS, RECREATIONAL FACILITIES, AND THE PRESERVE AS DETERMINED BY CITY ORDINANCE?

A **"YES"** vote shall have the effect of authorizing the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

A **"NO"** vote shall have the effect of denying the City the authority to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

Appendix D – Recommended Ordinance for Distribution and Oversight of 0.15% Tax

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, ADDING A NEW SECTION 16-52 TO CHAPTER 16, LICENSES, TAXATION AND MISCELLANEOUS BUSINESS REGULATIONS, ARTICLE III, PRIVILEGE AND USE TAXES, OF THE SCOTTSDALE REVISED CODE (CODE) TO DETERMINE THE SPECIFIC DISTRIBUTION OF REVENUES FROM THE 2024 0.15% TAX AS CONTEMPLATED BY PROPOSITION XXXX; AMENDING SECTION 20-1 OF THE CODE TO UPDATE THE PURPOSE, POWERS, AND DUTIES OF THE PARKS AND RECREATION COMMISSION TO INCLUDE OVERSIGHT OF THE 2024 0.15% TAX RELATED TO PARKS; AMENDING SECTION 21-7 OF THE CODE TO UPDATE THE PURPOSE, POWERS, AND DUTIES OF THE MCDOWELL SONORAN PRESERVE COMMISSION TO INCLUDE OVERSIGHT OF THE 2024 0.15% TAX RELATED TO THE PRESERVE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on November 5, 2024, voters approved Proposition XXXX, a 0.15% transaction privilege and use tax (the “2024 0.15% Tax”) for 30 years to fund the protection, improvement, and maintenance of the City’s parks and recreational facilities and protection and maintenance of the McDowell Sonoran Preserve, as determined by City ordinance;

WHEREAS, as contemplated by Proposition XXXX, the City Council desires to determine and codify the specific distribution of revenues from the 2024 0.15% Tax; and

BE IT ORDAINED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. A new Section 16-52 is hereby added to Scottsdale Revised Code, Chapter 16 (Licenses, Taxation and Miscellaneous Business Regulations), Article III (Privilege and Use Taxes) as follows:

Section 16-52. Use of 2024 0.15% Tax. All revenues generated from the 0.15% tax approved by the voters in 2024 through Proposition XXXX (the “2024 0.15% Tax”) shall be used to protect, improve, and maintain the City’s parks and recreational facilities (which includes limited WestWorld capital improvements), and to protect and maintain the McDowell Sonoran Preserve, for the benefit of all geographic areas within the City, with an emphasis on restoring and updating the Indian Bend Wash Greenbelt and other aged parks. Revenues from the 2024 0.15% Tax shall be distributed as determined by the City Council with the following specific ordinance restrictions:

- A. After Section (B) is satisfied, all other remaining 2024 0.15% Tax revenues shall be distributed as set forth below:
- 51% for City parks improvement needs.
 - 18% for McDowell Sonoran Preserve maintenance and protection.
 - 14% for City parks and recreational facilities maintenance (excluding WestWorld).

- 10% to the Scottsdale Fire Department for City-wide related needs within the purposes of the 2024 0.15% Tax, which specifically includes, but is not limited to, technical rescue team(s) for the McDowell Sonoran Preserve and City parks and for fire fuel mitigation around the McDowell Sonoran Preserve and in and around the City parks for the protection and maintenance of the McDowell Sonoran Preserve and City parks.
 - 7% for increased McDowell Sonoran Preserve and City park police ranger unit(s) and park and McDowell Sonoran Preserve security.
- B. Notwithstanding the above, on an annual basis, the City shall first use the 2024 0.15% Tax revenues to satisfy any debt requirements for debt issued or to be issued to finance specifically included capital projects within the purposes of the 2024 0.15% Tax. Debt requirements will be limited to no more than 25% of the 2024 0.15% Tax revenues on an annual basis.
- C. At the end of each year, any unused 2024 0.15% Tax revenues in each category listed in Section (A) will be carried forward for use in future years within the same category. Any unused 2024 0.15 % Tax revenues listed in Section (B) will be reserved for debt requirements as set forth in Section (B).
- D. Beginning on XXXX, 20XX, and continuing for the term of the 2024 0.15% Tax, the City Treasurer will prepare an annual accounting of the 2024 0.15% Tax for the City Council.

Section 2. A new Subsection (c)(4) is hereby added to Scottsdale Revised Code, Chapter 20 (Parks, Recreation and Cultural Affairs), Article I (General), Section 20-1 (Parks and Recreation Commission), as follows:

(c) The Parks and Recreation Commission shall:

.....

(4) For the term of the 2024 0.15% Tax described in Section 16-52 of the Scottsdale Revised Code, serve as the citizens' oversight committee for the implementation of the 2024 0.15% Tax as it relates to the use of the 2024 0.15% Tax revenues for all park improvements, capital projects, and master plans relating to the use of the 2024 0.15% Tax with an emphasis on restoring and updating the Indian Bend Wash Greenbelt and other aged parks.

Section 3. A new Section (1) is hereby added to Scottsdale Revised Code, Chapter 21 (McDowell Sonoran Preserve), Article II (McDowell Sonoran Preserve Commission), Section 21-7 (Purpose; powers and duties), as follows, with the existing Sections (1) through (8) being renumbered as Sections (2) through (9), respectively:

Sec. 21-7. - Purpose; powers and duties.

The McDowell Sonoran Preserve Commission, with the assistance of City staff, shall be responsible for making recommendations to the City Council on the following matters:

(1) For the term of the 2024 0.15% Tax described in Section 16-52 of the Scottsdale Revised Code, serving as the citizens' oversight committee for the implementation of the 2024 0.15% Tax as it relates to the use of the 2024 0.15% Tax revenues for maintenance and protection of the Preserve. Specifically, the McDowell Sonoran Preserve Commission shall review and recommend to City Council an annual

budget proposal for use of the 2024 0.15% Tax revenues in accordance with master plans and strategies related to:

- (a) Wildlife habitat protection:
 - (i) Invasive Plant removal and management in the Preserve,
 - (ii) Wildland fire fuel reduction and management in the Preserve,
 and
 - (iii) Restoration of disturbed lands in the Preserve,
- (b) Ecological resource plan and natural resource studies, projects, and awareness in support of the Preserve; and/or
- (c) Cultural resource protection and management in the Preserve.

....

Section 4. This Ordinance shall be effective as of _____, 20__.

PASSED AND ADOPTED by the City Council of the City of Scottsdale, Maricopa County, Arizona this ____ day of _____, 202__.

CITY OF SCOTTSDALE, an Arizona
municipal corporation

ATTEST:

Ben Lane, City Clerk

David D. Ortega, Mayor

APPROVED AS TO FORM:

Sherry R. Scott, City Attorney

Appendix E – Letters of Support

To: Cynthia Wenstrom, Chair & Raoul Zubia, Vice Chair
Protect and Preserve Scottsdale Task Force
3939 N. Drinkwater Blvd., Scottsdale, AZ 85251

From: City of Scottsdale Parks & Recreation Commission
3939 N. Drinkwater Blvd., Scottsdale, AZ 85251

Re: Recommendations from the Parks & Recreation Commission for Sustainable Funding for Protecting and Preserving the City's Open Spaces

Dear Chair Wenstrom, Vice Chair Zubia, and Members of the Protect & Preserve Scottsdale Task Force,

The Parks & Recreation Commission recommends that the Protect and Preserve Scottsdale Task Force recommend to the City Council that a sales tax be levied to support funding for protecting and preserving Scottsdale's Open Spaces. This includes the McDowell Sonoran Preserve as well as park and aquatic facilities operated by the City. Specifically, we recommend that the Task Force recommend Council levy a tax at a rate of at least .15%. This tax will provide benefits primarily to Scottsdale's residents, while the cost will be shared by tourists and residents.

At present, there is no financial strategy identified to address the City's, and the Department's, aging infrastructure. The General Fund cannot support these needs. A sales tax offers a clear financial strategy to match expenditures to revenues. It will support the City's current assets, repair them as they approach their end-of-life, and create assets to offer world-class amenities.

To continue as a world-class community with simply better service and a robust tourism industry, the City must provide world-class parks and open spaces. We recommend that tax revenue support current and future capital improvements and maintenance of the Preserve as well as the City's parks, recreation facilities, and aquatic centers. Tax revenues will support:

- **Continued investment** in Scottsdale's existing Parks and Recreation assets, including capital projects and improvements.
- **Future projects and improvements** that are identified in the resident-driven Parks & Recreation Master Plan (as reflected in the City's General Plan).
- **Maintenance needs and asset management**, including staffing, contractual services, and commodities.

To assure the City remains world-class, the Commission supports a Task Force recommendation of a .15% sales tax to City Council. If you have questions or concerns, please contact Kristen Parrish, the Chair of the Parks & Recreation Commission, via email (kristyparrish@gmail.com) or via phone (510.684.8697).

Thank you,

Parks & Recreation Commission

Chair Kristen Parrish, Vice Chair Teresa Kim Quale, Commissioner Michael Vreeland, Commissioner Eric Maschhaupt, Commissioner Maryann McAllen, Commissioner Susan McGarry

MEMORANDUM

To: Mayor and City Council and Protect and Preserve Scottsdale Task Force Chair, Vice-Chair and Members
3939 N. Drinkwater Blvd. Scottsdale, AZ 85251

From: City of Scottsdale McDowell Sonoran Preserve Commission
3939 N. Drinkwater Blvd., Scottsdale, AZ 85251

Re: **Recommendations from the McDowell Sonoran Preserve Commission for Sustainable Funding for Protecting and Preserving the City's Open Spaces**

Date: February 7, 2024

Mayor and members of the City Council, Chair Wenstrom, Vice Chair Zubia, and Members of the Protect & Preserve Scottsdale Task Force,

The McDowell Sonoran Preserve Commission recommends that the City Council support the Protect and Preserve Scottsdale Task Force recommendation for a sales tax to be levied to support funding for protecting and preserving Scottsdale's Open Spaces. This includes the McDowell Sonoran Preserve as well as park and aquatic facilities operated by the City. Specifically, we recommend that the Task Force recommend Council levy a tax at a rate of at least .15%. This tax will provide benefits primarily to Scottsdale's residents, while the cost will be shared by tourists and residents.

At present, there is no financial strategy identified to address the Preserve's long-term care and protection. Approval of this proposal would reduce the reliance on the General Fund for Preserve care and maintenance costs, while providing a clear financial strategy to match expenditures to revenues. The Preserve Commission for the past several years has been researching the yearly costs necessary to provide care and protection for the Preserve which when completed will represent over \$1.6 Billion of investment from the citizens of Scottsdale. The Preserve Commission has provided the Preserve care and protection costs to the Protect and Preserve Scottsdale Task Force, which are fully included in this package being presented to the Council. This proposal will provide the yearly assurance of funding to support this valuable City asset and thereby keep the Preserve protected for generations to come.

To continue as a world-class community with simply better service and a robust tourism industry, the City must provide world-class parks and open spaces. We recommend that tax revenue support for the care and protection of the Preserve as well as current and future capital improvements and maintenance of the City's parks, recreation facilities, and aquatic centers. Tax revenues for the Preserve will support:

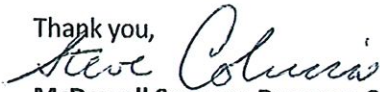
- **Year-round Care and Protection in Scottsdale's McDowell Sonoran Preserve.**
 - Protect Archeologic Resources
 - Preservation of Wildlife Habitat
 - Habitat Protection from:
 - Invasive Plants
 - Wildland fire fuel loads
 - Historic Scars/Disturbance

- **Maintenance needs and asset management**, including staffing, contractual services, and commodities.

The Commission supports a Task Force recommendation of a .15% sales tax to City Council.

If you have questions or concerns, please contact Steve Coluccio, the Chair of the McDowell Sonoran Preserve Commission, via email scoluccio.preservecommission@gmail.com or via phone at 847-207-0109.

Thank you,



McDowell Sonoran Preserve Commission

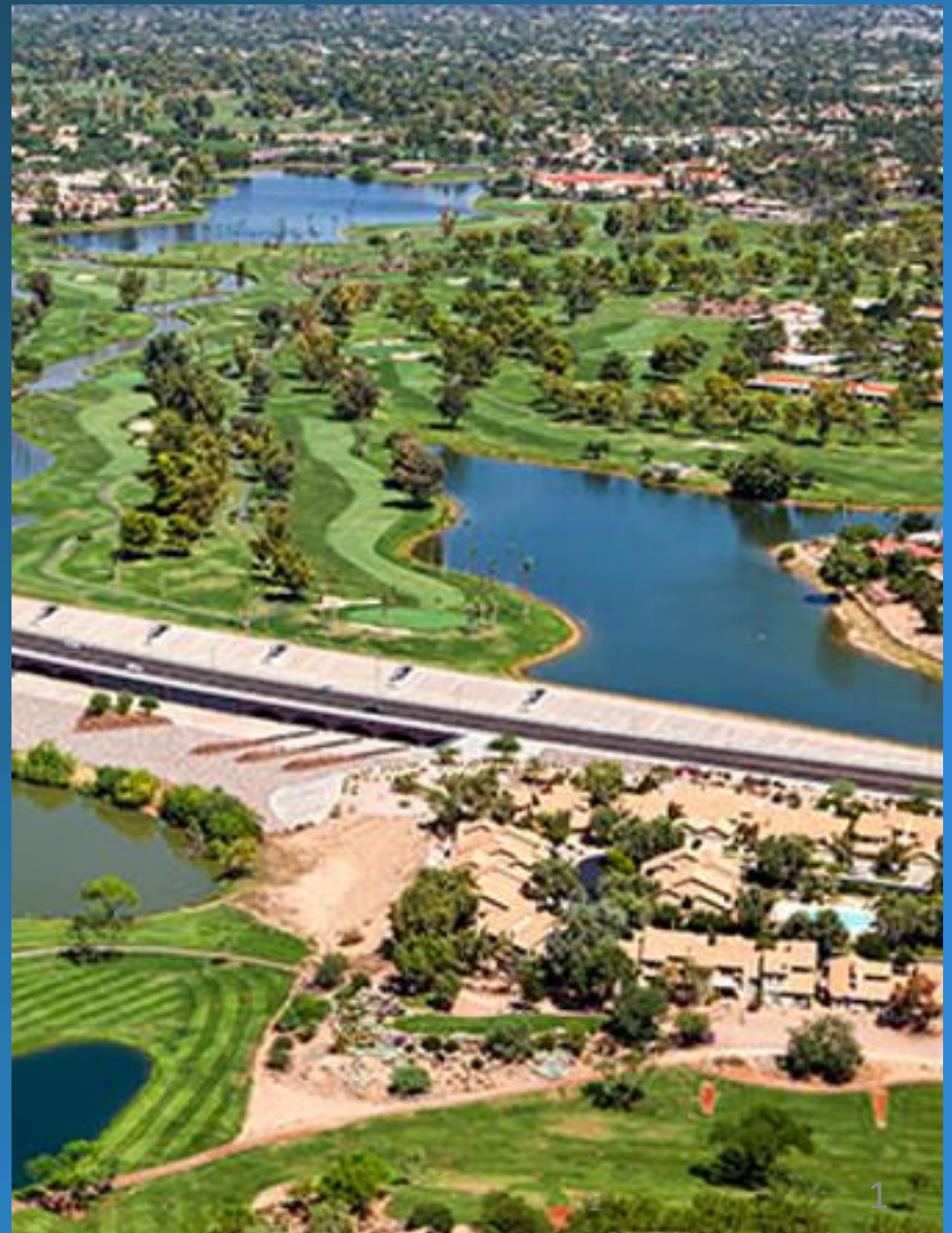
Chair Steve Coluccio

Vice-chair Kerry Olsson

Commissioners Laurie LaPat-Polasko, Marsha Lipps, Mark Hackbarth, Jeff Smith and Savannah Engelking

PROTECT AND PRESERVE SCOTTSDALE TASK FORCE

City Council Work Study
February 27, 2024



TASK FORCE MEMBERS

Long-Term Residents of North, South, and Central Scottsdale

- Cynthia Wenstrom (Chair)
- Carla
- Nicholas Hartmann
- Daniel Schweiker
- John Zikias
- Raoul Zubia (Vice Chair)
- Jace McKeighan
- Mark Winkleman
- James Eaneman (resigned 2/1/24)

TASK FORCE MISSION ESTABLISHED BY COUNCIL (September 2022 -Council Resolution No. 12532)

- To Assist City in Identifying Sustainable Funding to Protect and Preserve Scottsdale's Open Spaces and Quality of Life
- Identify and Quantify Unfunded Needs
- Include Consideration of Extending and Replacing the 0.20% Preserve Tax Expiring on June 30, 2025
- Make Recommendations to Council on a Financial Strategy

TASK FORCE ACCOMPLISHMENTS

Commitment



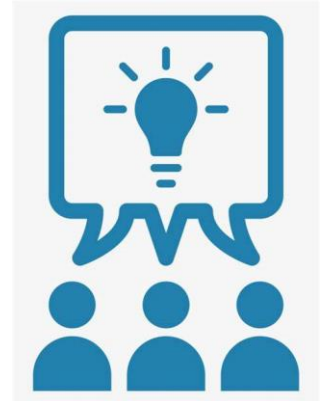
20 meetings held
over 12 months
with > 90%
attendance

Consensus



Current Task Force has
unanimously agreed
upon recommendations
to Council

Collaboration

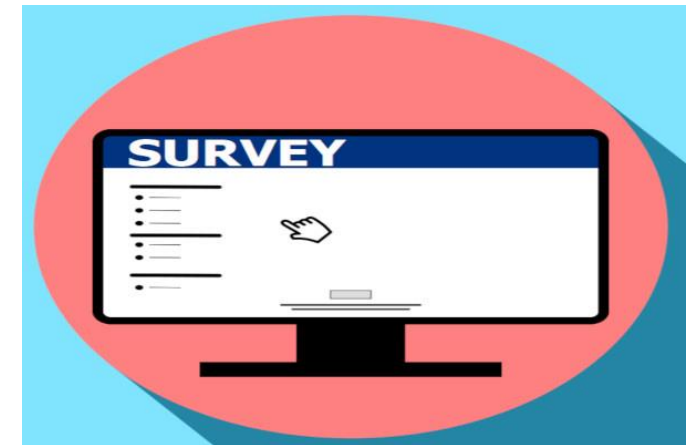


Parks & Recreation
Commission,
McDowell Sonoran
Preserve Commission
and City Departments

TASK FORCE SOUGHT CITIZEN INPUT

Input from 1,733 Scottsdale residents

- Used EMC Research, an independent survey and research firm
- 400 live and online interviews, open only to invited voters through random sample (statistically valid survey)
- 1,333 open participation online feedback



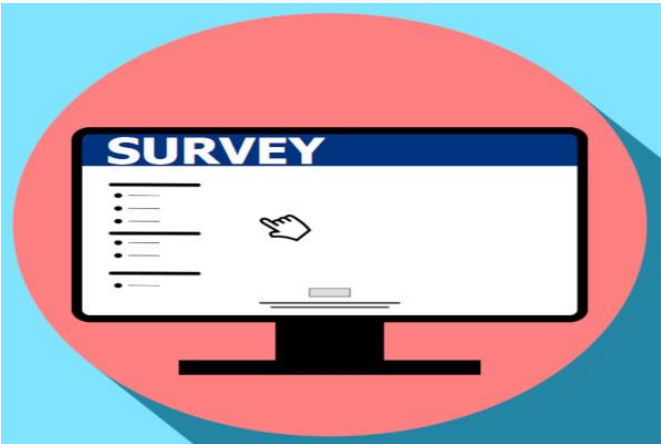
CITIZEN SURVEY RESULTS



92%

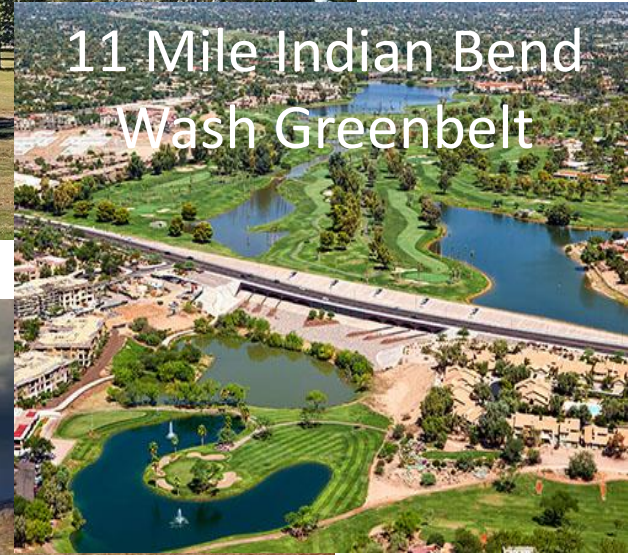
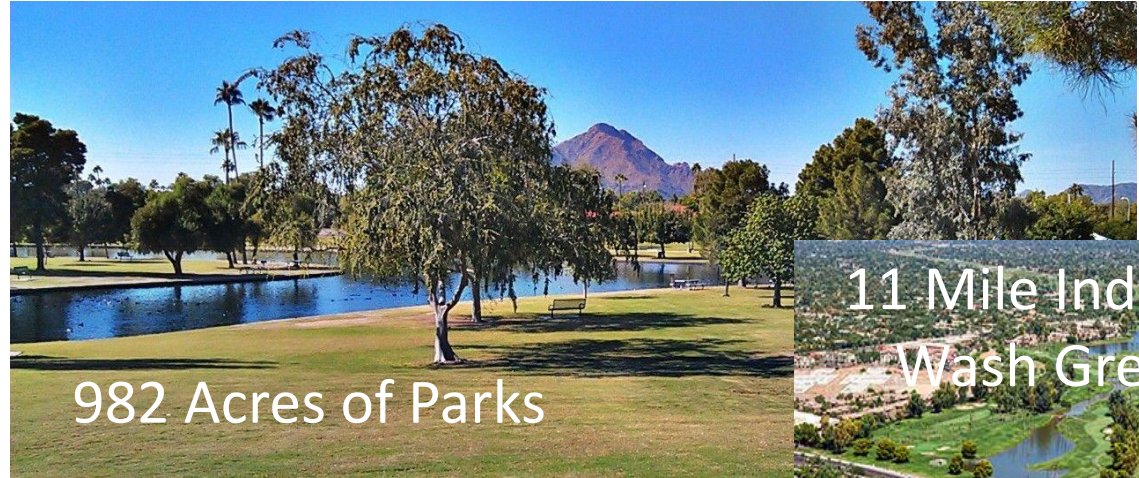
Voters Overwhelmingly Agree
Scottsdale's Parks and Preserve
Improve Quality of Life and Local
Economy

Source: EMC Research results from statistically valid survey



CITY'S RESPONSIBILITY

The City has a responsibility to care for, maintain and protect these wonderful community assets that Scottsdale citizens invested in over last 30-60 years



TASK FORCE RECOMMENDATIONS

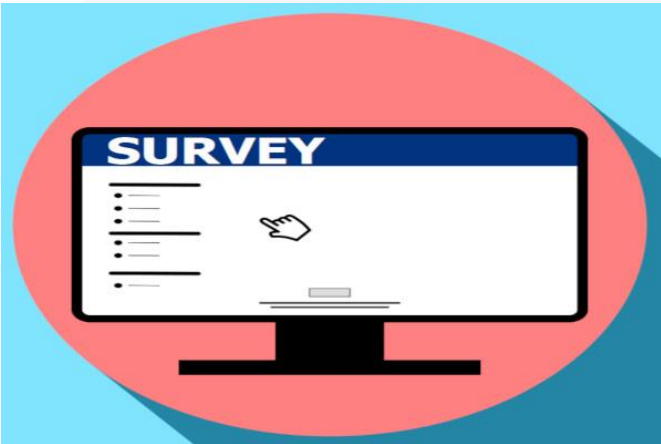


CITIZEN SURVEY



94%

Voters Agree It Is A Good Idea to
Fund Parks, Recreation and
Preserve Without Increasing the
Tax Rate



Source: EMC Research results from statistically valid survey

TASK FORCE RECOMMENDATION #1

**Request Voter Approval to
Extend the 0.20% Expiring Tax Rate
at Reduced Rate of 0.15%
for 30 Years Effective July 1,2025**

TASK FORCE RECOMMENDATION #2

Unfunded needs to be funded by the 0.15% tax

- (1) Improvements to aged Indian Bend Wash parks and other citywide parks, and additional funding for citywide park maintenance



TASK FORCE RECOMMENDATION #2

Unfunded needs to be funded by the 0.15% tax

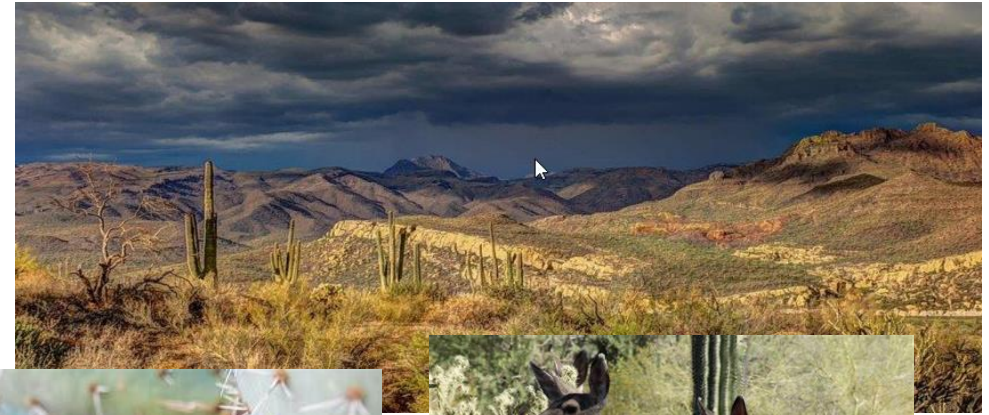
- (2) Increase Police park rangers for enhanced citywide education, response, and enforcement activities



TASK FORCE RECOMMENDATION #2

Unfunded needs to be funded by the 0.15% tax

(3) Increase and dedicate funding for care and protection of the McDowell Sonoran Preserve



TASK FORCE RECOMMENDATION #2

Unfunded needs to be funded by the 0.15% tax

- (4) Increase funding for citywide fire fuel mitigation and technical rescue



TASK FORCE RECOMMENDATION #2

Unfunded needs to be funded by the 0.15% tax

(5) Drainage, shade and other critical infrastructure improvements for WestWorld



TASK FORCE RECOMMENDATION #3

Distribute 0.15% Tax Revenues by Ordinance

51%

Indian Bend
Wash and Other
Citywide Park
Improvements

14%

Park and
Recreation
Maintenance

18%

McDowell
Sonoran
Preserve Care
and Protection

7%

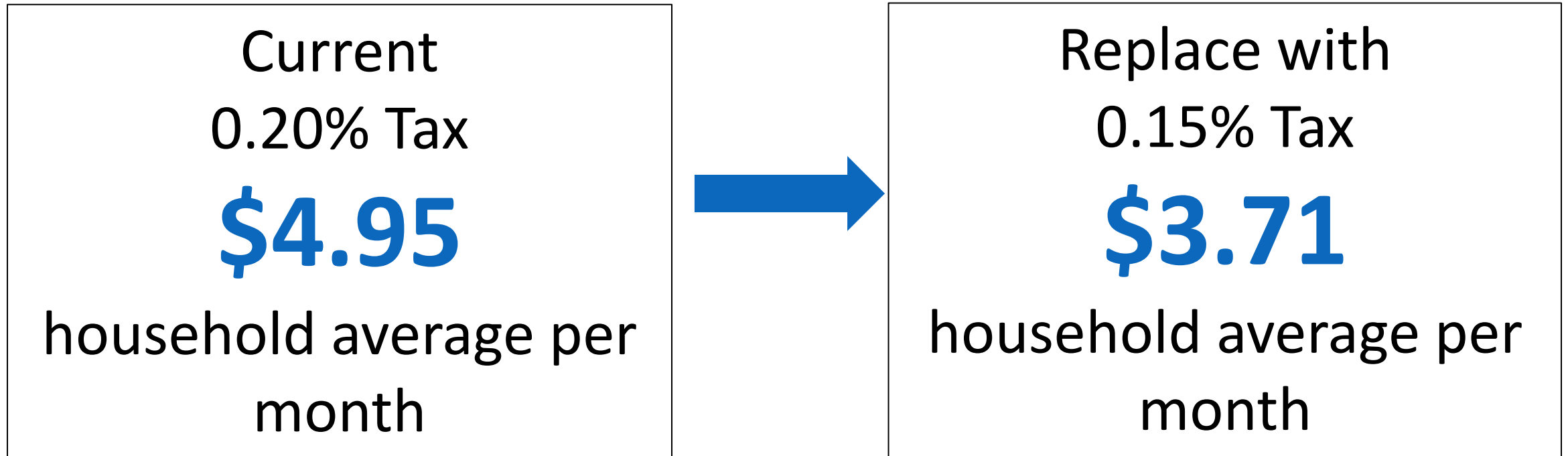
Police Park
Rangers

10%

Fire Fuel
Mitigation
and
Technical
Rescue

< 25% for Debt Requirements for WestWorld Infrastructure Improvements

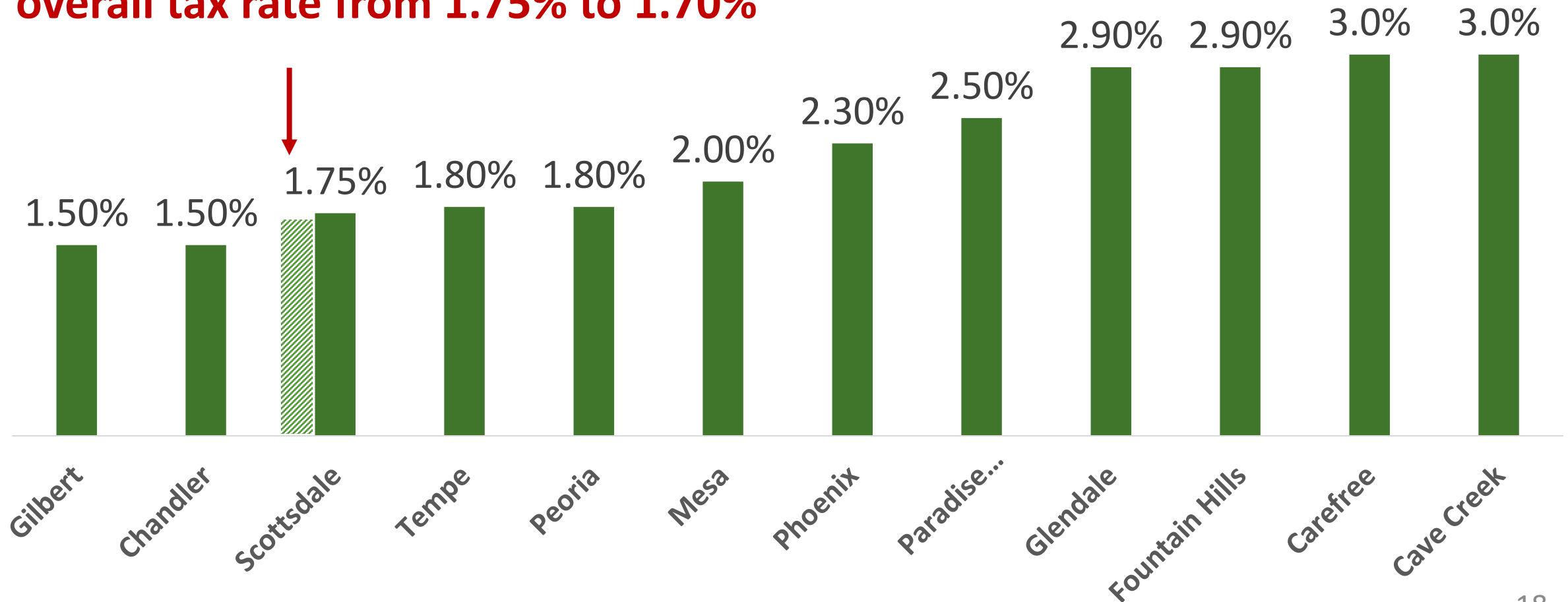
SIGNIFICANT VALUE TO OUR CITIZENS AND VISITORS FOR NET REDUCTION IN TAXES



Note: Amounts based on Average Annual Household Expenditures subject to sales tax using Consumer Expenditure Survey for Phoenix MSA, U.S. Bureau of Labor Statistics September 2023 Release.

SCOTTSDALE HAS ONE OF THE LOWEST CITY SALES TAX RATES IN THE VALLEY

Task Force Recommendation reduces overall tax rate from 1.75% to 1.70%



VISITOR CONTRIBUTION



In FY21/22
Visitors Contributed
12%
of Sales Tax Revenues

Source: Applied Economics Tourism Report – October 2023. Percent excludes transient lodging tax (bed tax).

DEPARTMENT PRESENTATIONS



PUBLIC SAFETY-Police
Richard Slavin,
Assistant Police Chief



CURRENT PARK AND PRESERVE SECURITY



- Currently there are 3 Police Park Rangers for 43 parks, 5 urban lakes, and 30,580 acres of the Preserve with 11 trailheads that extend 232 miles of trail
- Additional equipment needed to support the expanded unit
- Restricted funding from State Prop 207 allocations currently funding the Police Park Ranger Unit

PROPOSED PARK AND PRESERVE SECURITY

	Proposed	Current Estimated Costs
Staffing	6 Rangers 1 Sergeant 1 RTCC Tech	\$1,013,000/yr (\$143,000 one-time costs)
Contractual services	Veterinary services for six horses	\$60,000/yr
Equipment	Horse, bicycle, drones and other equipment	\$70,000/yr (\$399,000 every 3-5 years)
Vehicles	(2) Trucks, ATF/Side-by-Side, Trailer	\$210,500 (\$203,500 one-time costs)

PROPOSED PARK AND PRESERVE SECURITY

- **The Park & Preserve Unit**
 - *Enhances Public Trust – Safety and Well-being*
 - Provides a specialized level of service to include search and rescue operations, crime prevention, homeless outreach, protection of natural resources, and community education in our open spaces.
 - The Park & Preserve Unit supports Safety and Open Space Elements of the General Plan 2035



PROPOSED PARK AND PRESERVE SECURITY

- **Current services are limited because of**
 - 3 positions and no unit specific supervisor
 - Scheduling availability is limited over the course of the week
 - Split focus between enforcement, education, outreach, and rescue operations
- **If additional funding isn't identified:**
 - Crime prevention and enforcement support at parks, preserves, trails, and search and rescue will be dependent on patrol staff availability and other calls that are occurring.
 - Increased response times in open spaces
 - Reduced education and community involvement
 - Availability and coverage will be limited across the city and over the week because the size of the unit will stay the same

PROPOSED PARK AND PRESERVE SECURITY

- **This funding would allow the Park & Preserve Unit to:**
 - Add more positions to expand coverage both across the city and over the week; and
 - Ensure technical skills, knowledge specific to our open spaces, archeological locations, and desert landscape are provided and understood to protect and educate users; and
 - Provide sufficient tools and resources (bikes, mounted support, outdoor equipment, drones, etc.).

COMMUNITY SERVICES

Nick Molinari,

Community Services Assistant Executive Director

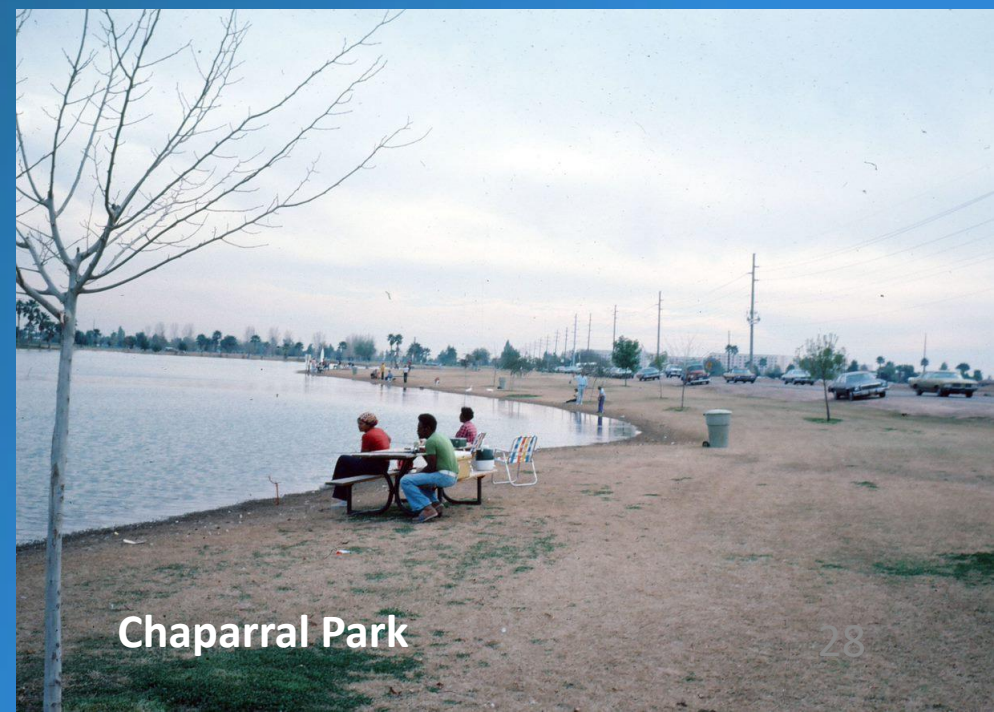




Eldorado Park



Chesnutt Park



Chaparral Park



**INDIAN BEND WASH
VISITOR CENTER
1979**

MAJOR
WILLIAM C. JENKINS

COUNCILMEN
RICHARD V. CAMPANA
DIANE D. CURACK
WILLIE AXLINE BENTLEY
WILSON H. HARRIS, JR.
JEFF SCHUBERT
CHARLIE SMITH

A COOPERATIVE PROJECT OF THE CITY OF SCOTTSDALE,
UNITED STATES ARMY CORPS OF ENGINEERS, FLOOD
CONTROL DISTRICT OF MARICOPA COUNTY AND THE
LAND AND WATER CONSERVATION FUND.

**INDIAN SCHOOL PARK
CONTROL CENTER
1979**

MAJOR
WILLIAM C. JENKINS

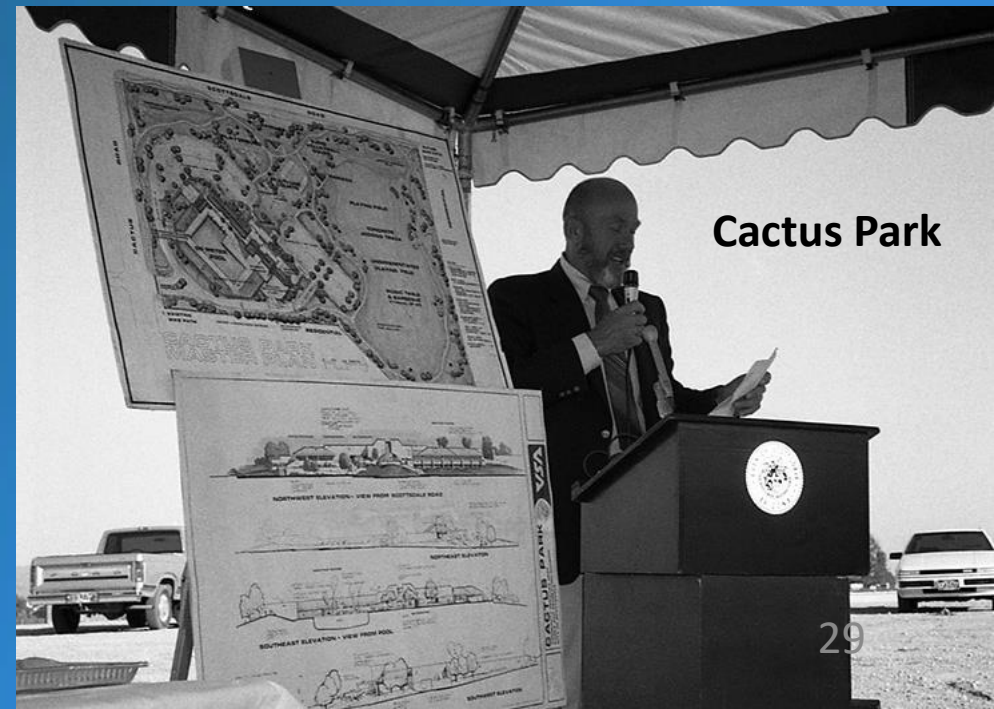
COUNCILMEN
RICHARD V. CAMPANA
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A COOPERATIVE PROJECT OF THE CITY OF SCOTTSDALE,
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Indian School Park



Eldorado Park



Cactus Park

DEPARTMENT APPROACH TO RECOMMENDED IMPROVEMENTS



City Council-Approved Work Plan

Scottsdale General Plan 2035

- **Recreation Element**

Develop plans for the maintenance, renovation, and enhancement of community recreational facilities, and invest necessary resources to keep assets sustainable. (R.17)

- **Open Space Element**

Renovate, renew, and upgrade city parks and recreation facilities in response to changing community demographics, priorities, and needs. (OS 8.6)

Age & Condition of Parks

DEPARTMENT APPROACH TO COST ESTIMATES

- Address the most critical needs while maintaining the tax at 0.15%
- Targeted and phased improvements based on approved master plan projects and tax collection

Current Range for New Park Construction/Full Renovation – \$3-\$3.8 Million Per Acre

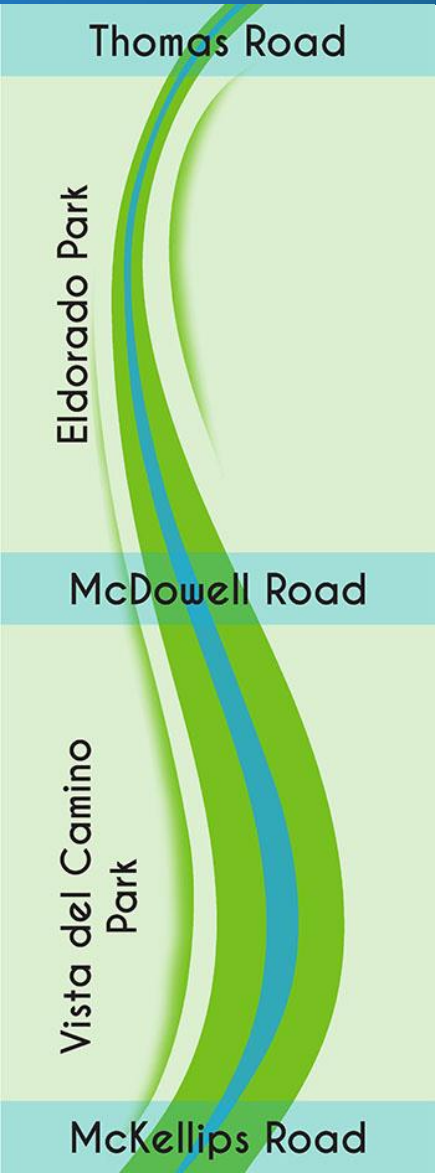
Ashler Hills Neighborhood Park	\$11.0 million	3.5 acres	\$3.1 million/acre
Scottsdale Civic Center	\$33.5 million	9.0 acres	\$3.7 million/acre

Full park renovation **is not** the approach we are recommending for the improvements to the Indian Bend Wash Parks through the tax.

Phased/Target-Based Park Improvements

5 Indian Bend Wash Parks	\$248.0 million	313 acres	\$792K/acre
--------------------------	-----------------	-----------	-------------

CURRENT PARK IMPROVEMENT EFFORTS AND NEEDS



- **Indian Bend Wash Master Plan: Thomas to McKellips**
- **Indian School Park Master Plan – Underway, Estimated Completion in 2024**
- **Parks and Recreation City-Wide Master Plan – Underway, Estimated Completion in 2024**
- **Significant Community Input Obtained for All Master Plans**

INDIAN BEND WASH MASTER PLAN: THOMAS TO MCKELLIPS

**Community
Engagement – 2018-2019**

**DRB
Approval – Dec. 2019 (7-0)**

**Planning Commission
Approval – Jan. 2020 (7-0)**

**City Council
Approval – March 2020 (7-0)**

Approximately 45% of the improvements have been identified and approved by our boards, commissions, and Council.



VISTA DEL CAMINO (52 YRS OLD) ELDORADO PARK (56 YRS OLD) (INDIAN BEND WASH MASTER PLAN: THOMAS TO MCKELLIPS)

Funded by Bond 2019

Repair Lakes and Irrigation at Vista
Del Camino and Eldorado Parks



VISTA DEL CAMINO (52 YRS OLD) ELDORADO PARK (56 YRS OLD) (INDIAN BEND WASH MASTER PLAN: THOMAS TO MCKELLIPS)

Funded by Bond 2019

Repair Lakes and Irrigation at Vista Del Camino and Eldorado Parks

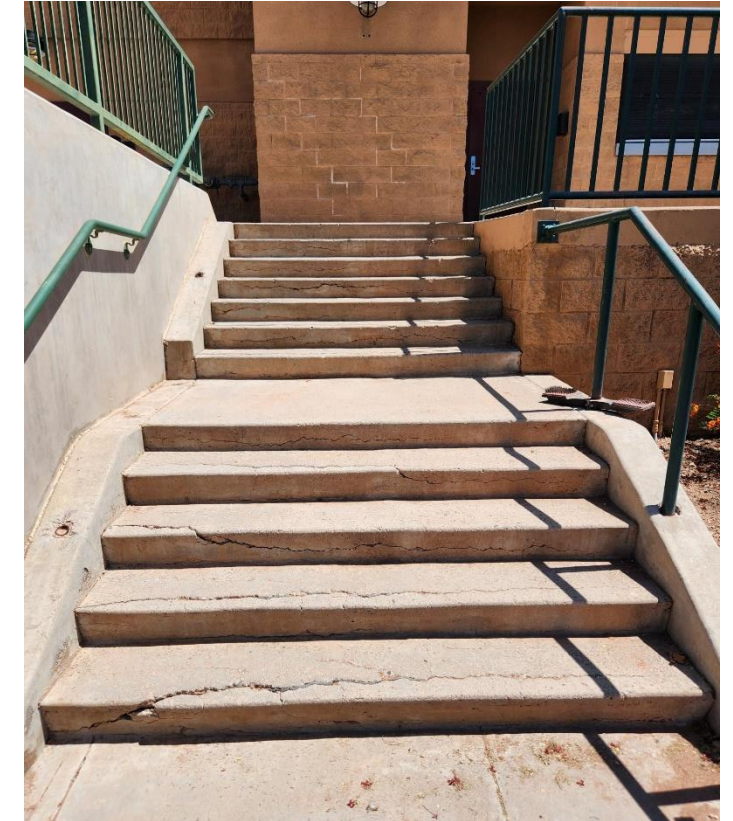
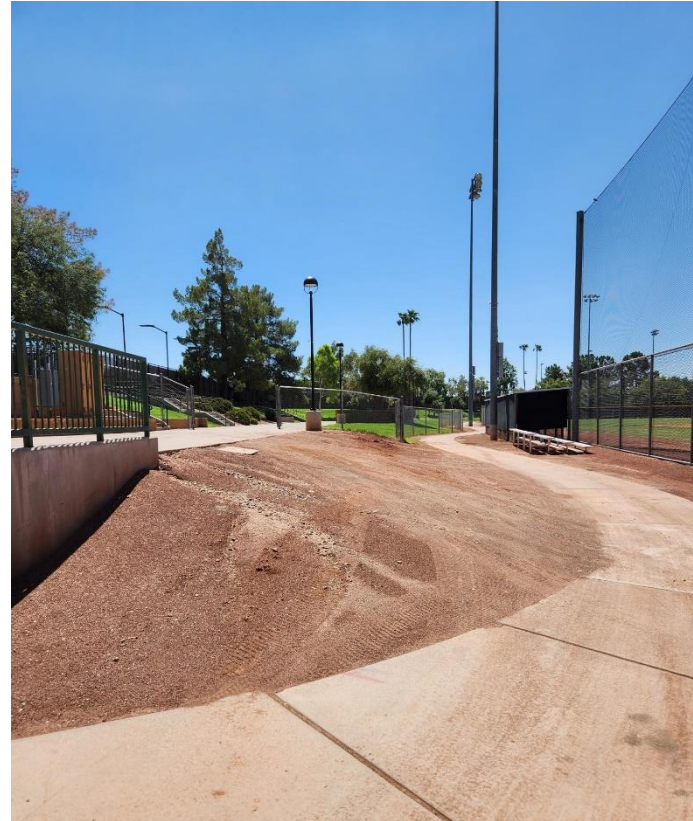


Unfunded Needs

- Shade
- Pickleball/sport courts
- Splash pads
- Renovated/improved parking
- Adventure playgrounds
- Renovated softball fields
- Renovated soccer fields with lighting
- New restrooms throughout both parks
- Relocated maintenance compound
- Disc golf course improvements
- Boat dock replacement
- Expanded/improved Vista del Camino Center patio
- Mature trees
- Skate park replacement
- New ramadas
- New dog park
- New multi-use paths and enhanced landscaping
- Park-based cameras
- Expanded/improved Vista del Camino Center patio
- Vista del Camino Boat House
- Mature trees
- New amphitheater
- New boat house

INDIAN SCHOOL PARK (43 YEARS OLD) INITIAL COMMUNITY INPUT

- Restroom replacements
- Multi-use path and ADA improvements throughout the park
- Shade and mature trees
- Existing building consolidation/multi-generational center
- Adaptive/signature playground
- Splash pads
- Pickleball courts
- Sport court improvements (volleyball and basketball)
- Amenity and site improvements
- Irrigation repairs
- Landscaping improvements
- Parking lot improvements
- Wayfinding
- Park based security cameras
- Connectivity enhancements



Master plan improvements will go through the Parks and Recreation Commission, DRB, Planning Commission, and City Council prior to approval

CHAPARRAL PARK (50 YEARS OLD) IMPROVEMENT NEEDS



- Irrigation system replacement
- Restroom replacements
- Community building improvements/replacement
- Dog park improvements/expansion
- Soccer field improvements
- Adaptive/signature playground
- Splash pad
- Par course (outdoor exercise course) replacement
- Landscape improvements
- Mature trees
- Wayfinding
- Park based cameras - security

PROPOSED CITY-WIDE PARK IMPROVEMENT NEEDS



- Irrigation system repairs/replacements
- Playground and amenity replacements
- Addition of shade and trees to all parks
- Sport court improvements
- Amenity replacements (ramadas and lighting)
- ADA Improvements
- Xeriscape projects for water conservation
- Landscape improvements
- Irrigation technology upgrades

During the life of this tax some of Scottsdale's central parks will be 60-70 years old, with no dedicated funding source for improvements.

CITY MANAGER'S OFFICE
Bill Murphy,
Assistant City Manager



WESTWORLD



90 Events in FY 2022-2023

365 days a Year

Investment in Drainage, Shade and Flex-use, Traffic access will yield:

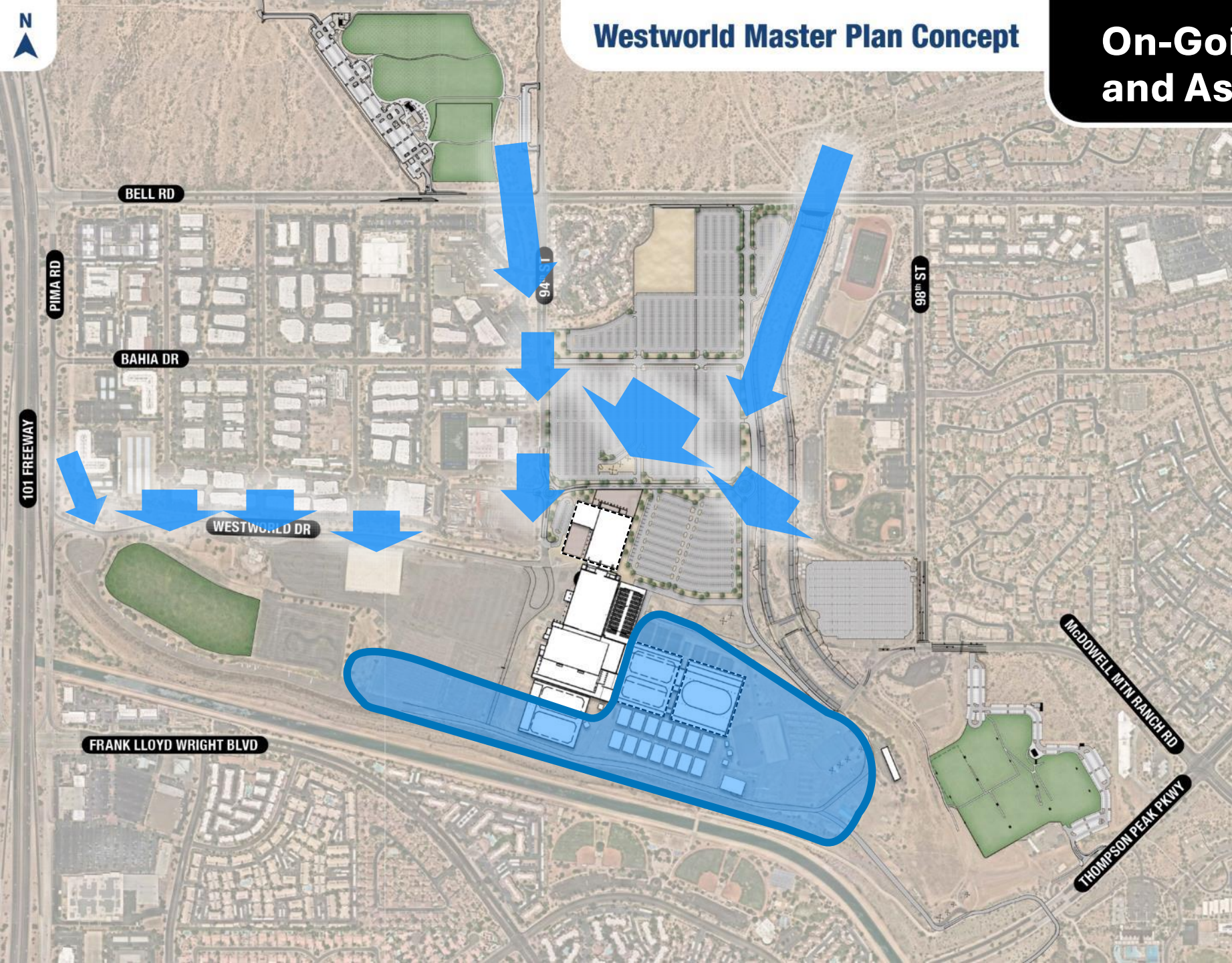
-Increased event days year-round and increase Tourism, sales tax and WestWorld user fees

TASK FORCE RECOMMENDS USE OF 0.15% TAX

Address Critical Infrastructure for WestWorld Recreational Facility

- Drainage
- Shade
- Recreation
- Access

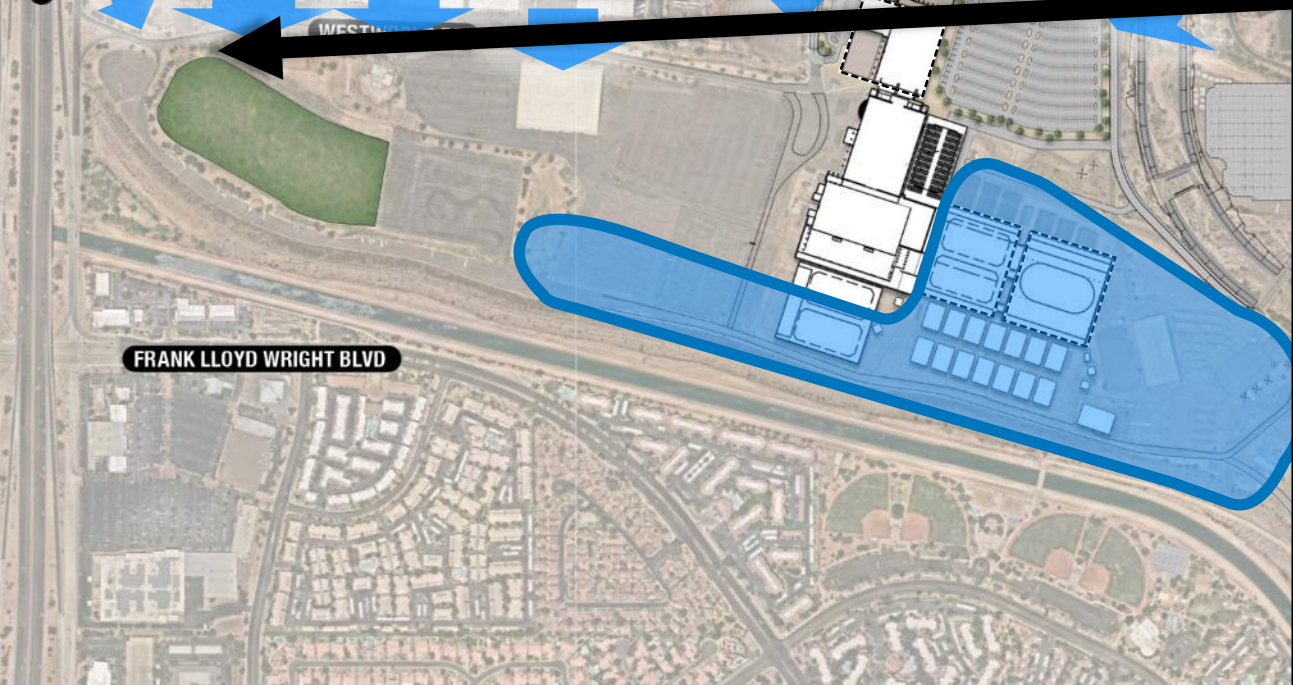




- Recent rainfall events
 - Summer 2018
 - August 2022
 - Jan. – Feb. 2024
- Existing off and onsite drainage issues
 - Reata wash
 - 94th street wash
 - Bahia channel
 - Development north of WW
 - Existing barns
 - Open arenas
 - WW south road



On-Going Drainage Review and Assessment





Westworld Master Plan C





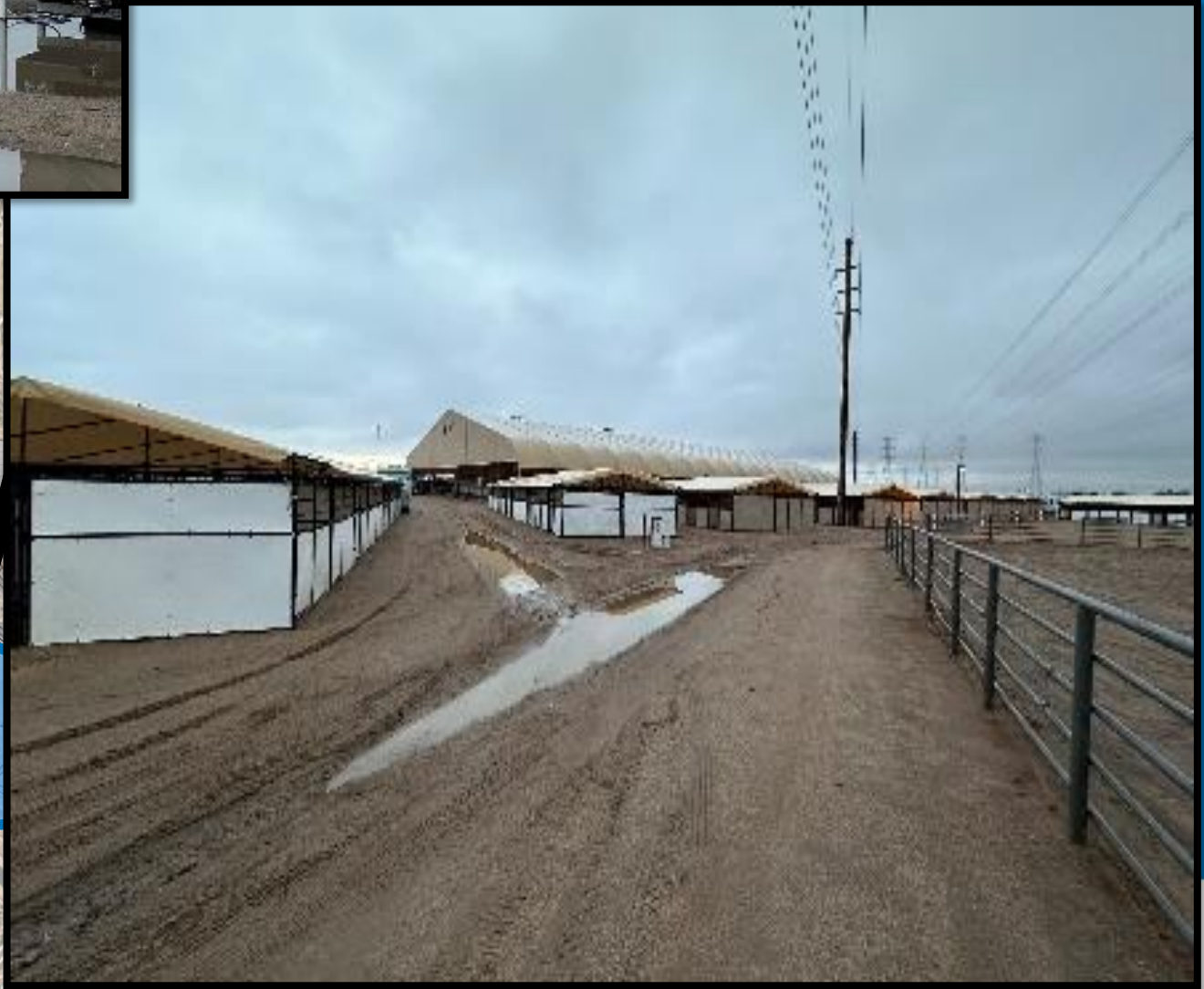
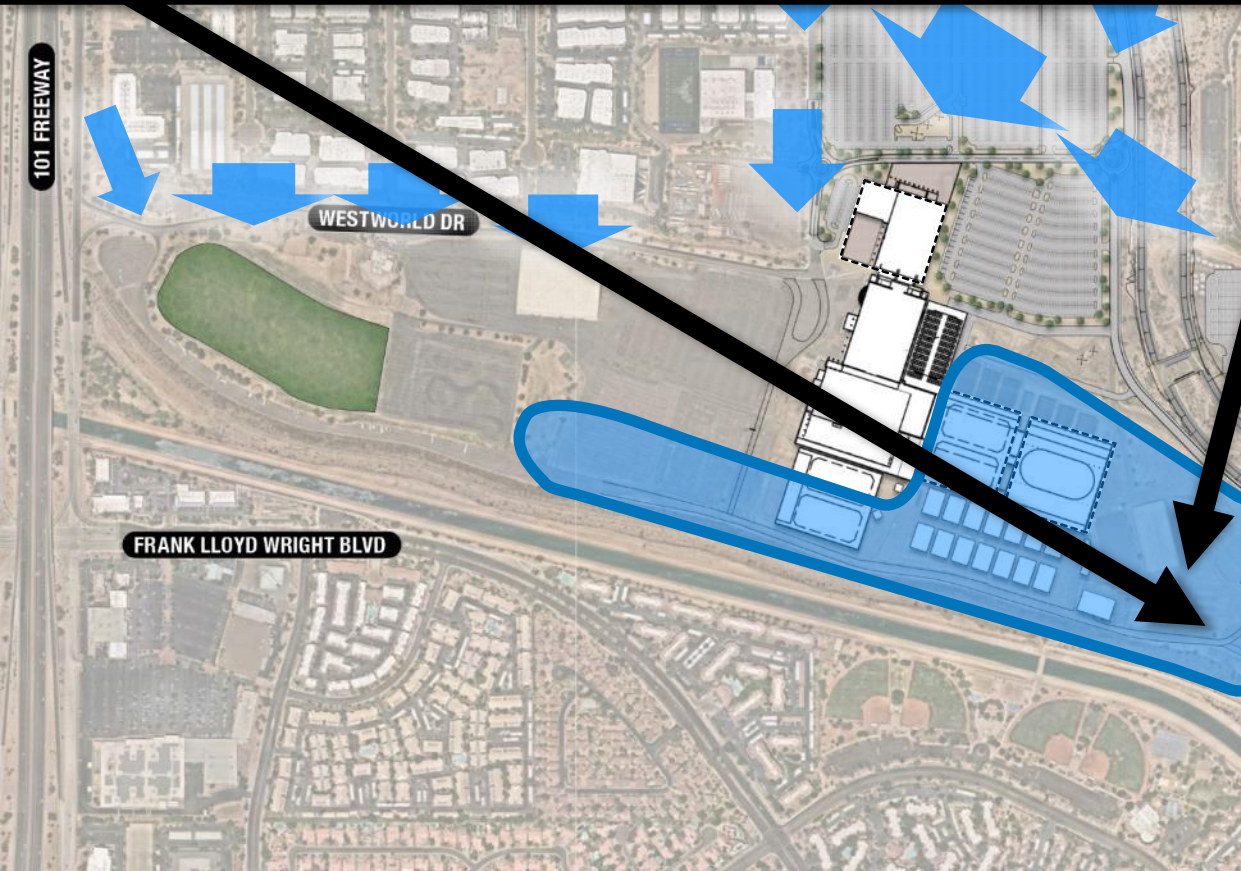
concept

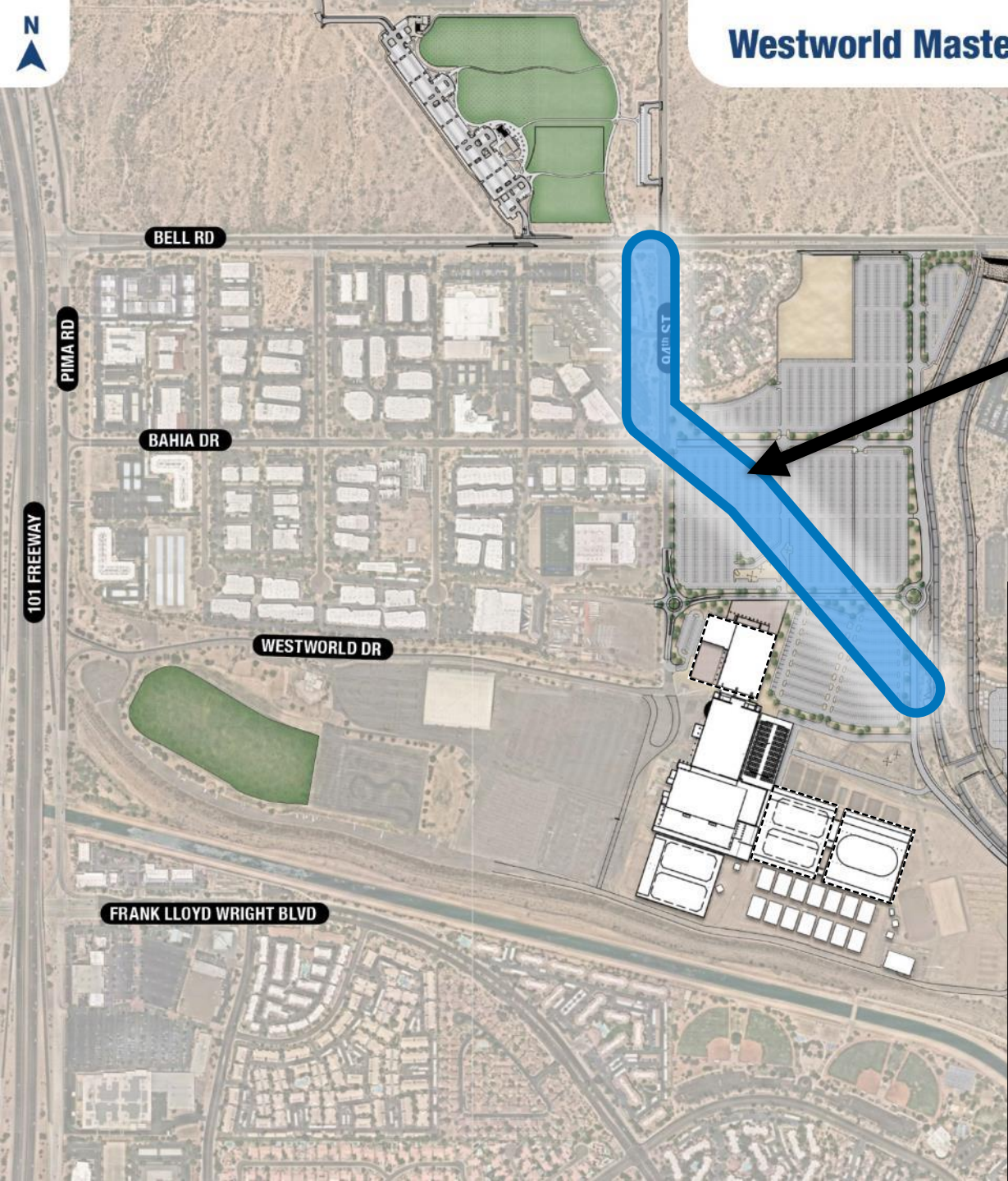
On-Going Drainage Review and Assessment



Concept

On-Going Drainage Review and Assessment





Drainage Solution #1

94th St Wash and Bahia Drive Storm Drain

- Resolves Off and On-site Issues



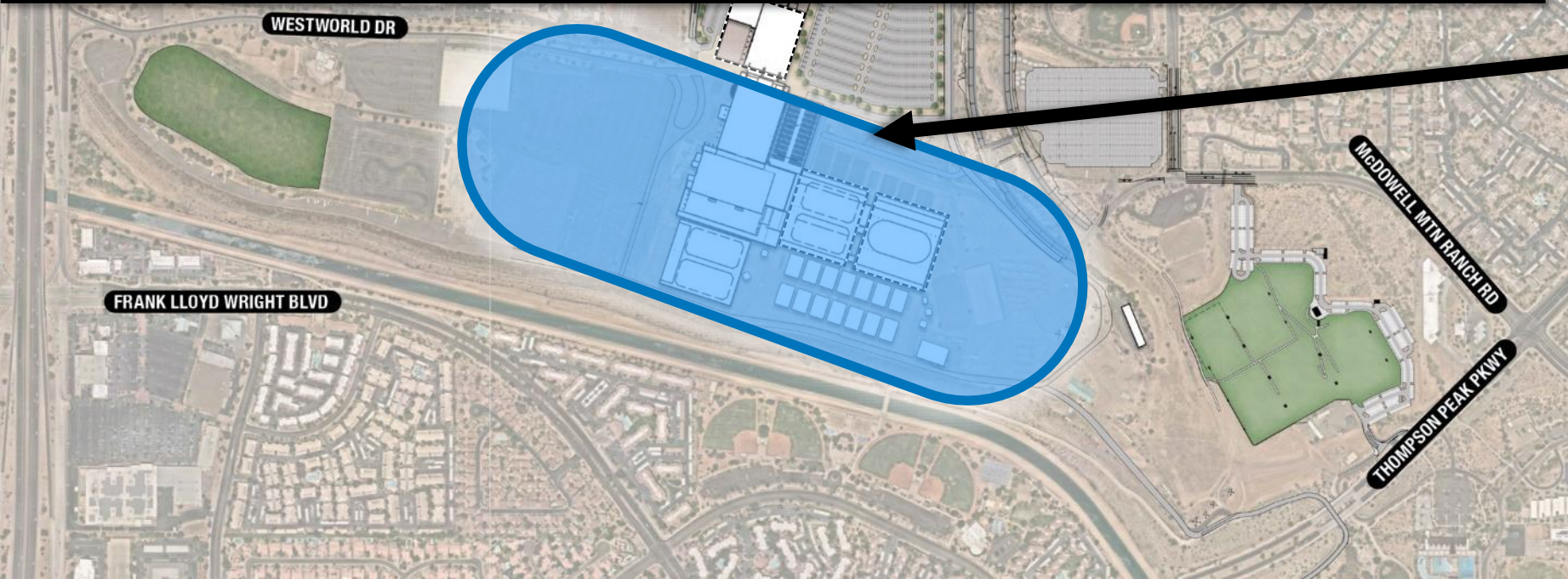
Drainage Review Assessment



Drainage Solution #2

Core Westworld Facilities and South Rd. Drainage

- Resolves On-site Issues





Going Drainage Review Assessment

Drainage Solution #3

Westworld Drive Channel
*-Resolves Off and On-site
issues*





- Enhancing Usability
 - Drainage
 - Resolve off and onsite issues
- **Facility Shade**
 - Year-round use and expanded options for diversity of users
- **Tourism support**
- **Residents**
 - Maximize Recreational Use Opportunities
 - Access and Parking Efficiency

Multi-Use Categories

Shaded Core

- Shade and weather-proof core
- Enhance flex-use of structures
- First Phase Shade Funding from PPSTF
- Future Phases Funded by User Fees





Shaded Core

- Shade and weather-proof core
- Enhance flex-use of structures
- First Phase Shade Funding from PPSTF
- Future Phases Funded by User Fees

Open Flexible Use

- Parking, outdoor event space, temporary tents, barns, RV, and other
- Initial design and Grading Funded by PPSTF
- Future Phases funded by Access/Parking Fees

Multi-Use Categories

Shaded Core

Shade and weather-proof core
Enhance flex-use of structures
First Phase Shade Funding from PPSTF
Future Phases Funded by User Fees

Open Flexible Use

Parking, outdoor event space, temporary tents, barns, RV, and other
Initial design and Grading Funded by PPSTF
Future Phases funded by Access/Parking Fees

Recreation Use

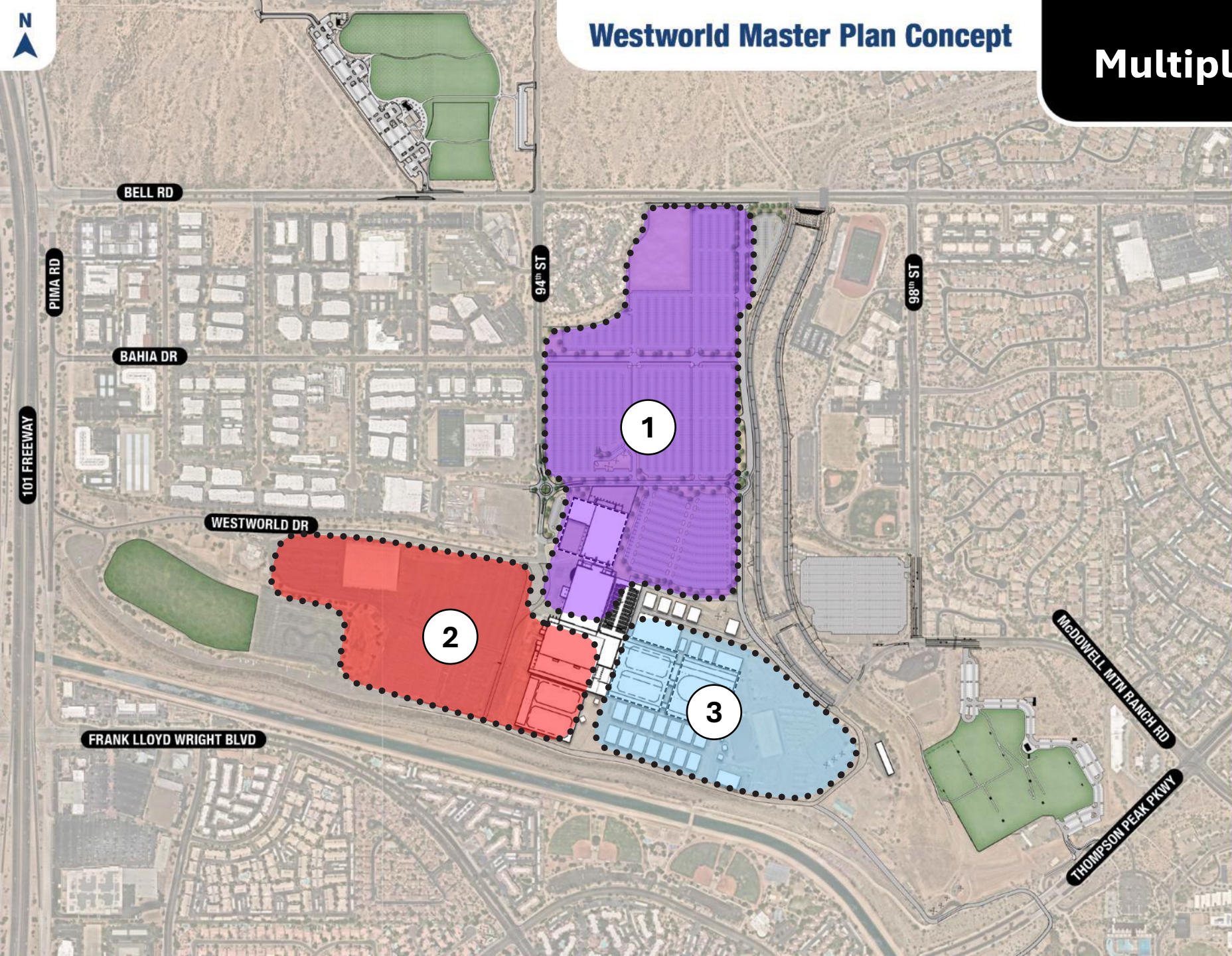
Sports fields, polo fields, nighttime lighting, overflow parking, and events

RESULT: A flexible, multi-event-capable, and year-round use facility



Westworld Master Plan Concept

Multiple Concurrent Events



1 Event 1
Describe?

2 Event 2
Describe?

3 Event 3
Describe?



Westworld Master Plan Concept

Ongoing Access and Parking Review



Current multi-Phase Concept

Efficient Traffic Management

TASK FORCE RECOMMENDS USE OF 0.15% TAX

Address Critical Infrastructure for WestWorld Recreational Facility

- Drainage
- Shade
- Recreation
- Access



COMMUNITY SERVICES

Nick Molinari,

Community Services Assistant Executive Director



PARK MAINTENANCE RESPONSIBILITIES



- 97 maintenance employees
- 1,049 total acres of parks
- 22 neighborhood parks
- 15 community parks
- 4 sports complexes
- 8 specialty parks
- McCormick-Stillman Railroad Park
- Maintenance of Old Town and Entertainment District
- Maintenance of 696-acres of medians and rights-of-way
- Maintenance of 97 sports fields

PROPOSED PARKS ANNUAL MAINTENANCE NEEDS

	Proposed	Estimated Cost
Staffing Needs	18 new FTEs for city-wide parks with concentration in southern parks	\$1,656,000/annually
Contractual Needs	Tree care, landscape contracts, turf improvements, painting, fleet services, master planning/architectural services, increased custodial, software, etc.	\$1,150,000/annually
	Total	\$2,806,000/annually

PROPOSED PARKS ANNUAL MAINTENANCE NEEDS

Citywide Benefits of Staffing Increases

Create a neighborhood park maintenance team	Citywide Benefit
Develop an urban forestry team	Citywide Benefit
Additional maintenance support for Indian Bend Wash Parks	Indian Bend Wash + Citywide Benefit
Dedicated specialists for dog parks & sports fields	Citywide Benefit
Increased part-time hours for park roving and additional park security	Citywide Benefit

PROPOSED PARKS & RECREATION ANNUAL CARE AND PROTECTION NEEDS - CONTRACTUAL



- Tree care and pruning
- Landscape contracts (cleanups, trash & litter pickup, landscape improvements, xeriscape projects)
- Painting
- Turf improvements
- Ongoing master planning
- Fleet services and equipment rental
- Supplemental custodial
- Technology for lifecycle, work management, asset management, and tree inventory program
- Vector services



SCOTTSDALE'S MCDOWELL SONORAN PRESERVE

Kroy Ekblaw,
Preserve Director



1990-2004 - Support for the Preserve

A Collaborative Effort to Protect the Mountain and Desert Environment

Community Support, Awareness and Education Stressed

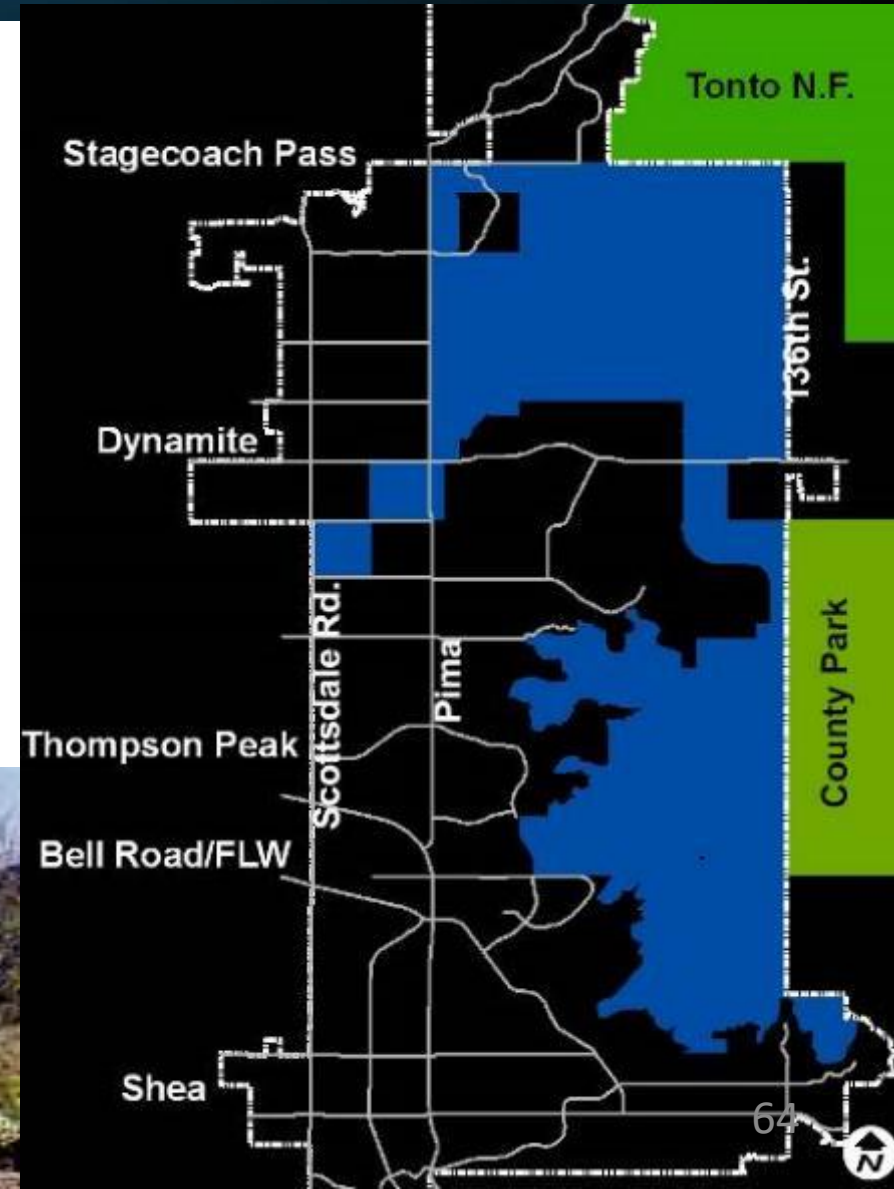
Preservation Champions

Landowner Communications

Media Relationship

Tourism

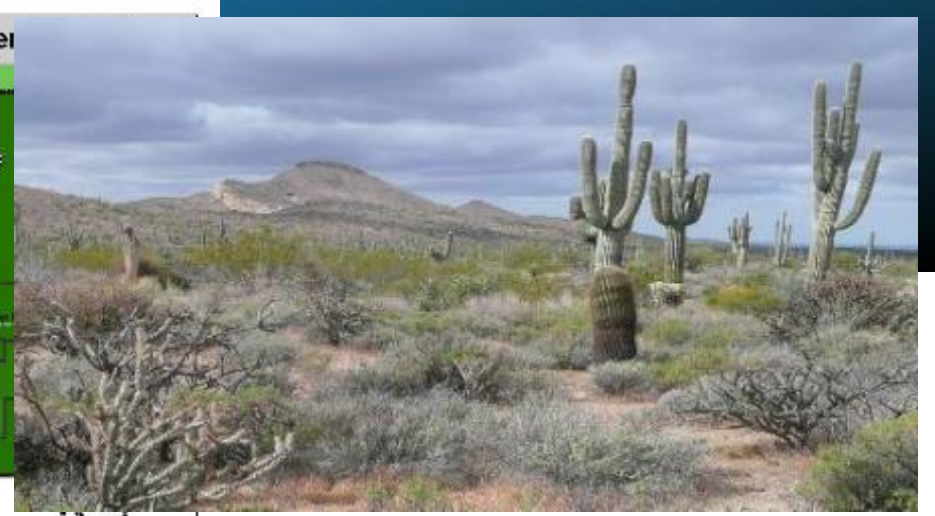
Development



1995-2016 Land Acquisition

30,580

Acres Protected
City Ownership, Zoning,
Easements or Similar



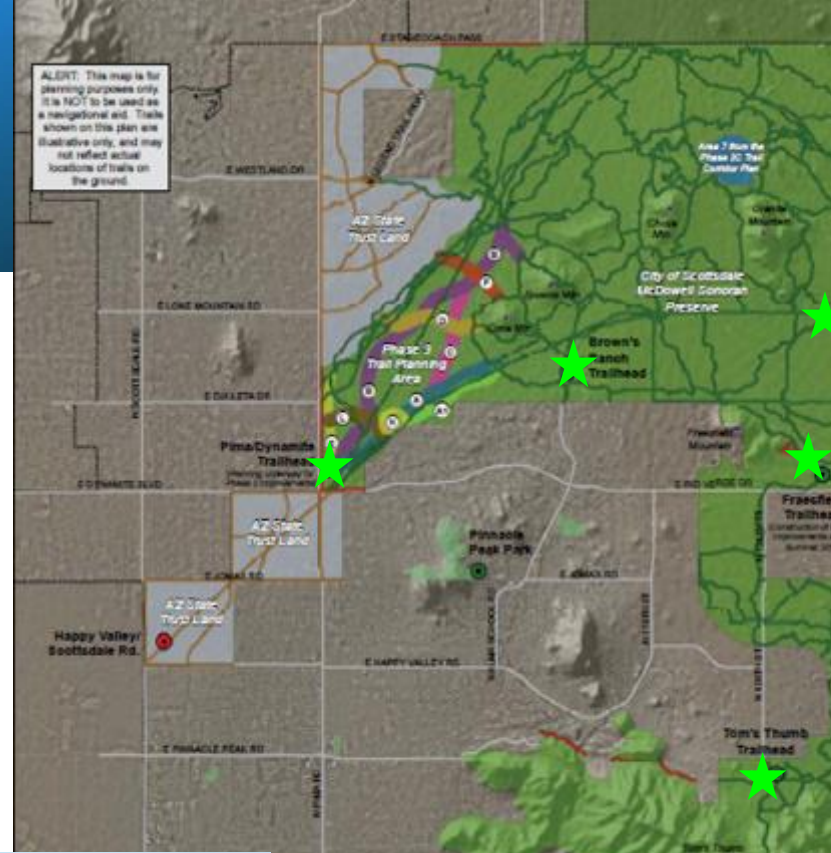
2000-2022

Preserve Improvements

235 Miles of Trails

12 Trailheads

1,000,000+ Yearly Visits
Citywide usage including tourists



2015 – Present

Preserve Commission – Provide Long Term Care and Protection

\$1.6B – Expected Investment by Citizens of Scottsdale

No Dedicated Funding for Care and Protection

Lack of Comprehensive wildlife habitat protection and awareness

McDowell Sonoran Preserve Commission and
the Protect and Preserve Scottsdale Task Force

Recommending \$3.5M/year for care and protection of the Preserve

TASK FORCE RECOMMENDS USE OF 0.15% TAX

Provide Dedicated Funding for Care and Protection of the McDowell Sonoran Preserve

Daily Care and Protection of Preserve:

- Protect Archeologic Resources
- Preservation of Wildlife Habitat
- Habitat Protection from:
 - Invasive Plants
 - Wildland fire fuel loads
 - Historic Scars/Disturbance



Protecting the Preserve: Daily Care and Protection

- Maintain and clean trailheads and trails, maps, signs, info, volunteer and project support



Protecting the Preserve: **Protect Archeological Resources**

- Complete Cultural Surveys for un-surveyed areas in the Preserve
- Identify, design and install appropriate protection and interpretive education signage



Protecting the Preserve: **Preservation of Wildlife Habitat**

- Monitor plants and wildlife for changes over time
- Impacts of Urban Interface at Preserve boundaries



Preserve Ecological Resource Plan

Guide which species to be monitored & thresholds for threats to diversity and sustainability

Preservation of Wildlife Habitat : **Examples of Monitoring**

Water

Flora

Fauna

Soil/Geology



Preservation of Wildlife Habitat : **Monitoring and Awareness**

With Monitoring and understanding of what is Sensitive:

- ✓ Explain benefits of protecting the Preserve
- ✓ Assure program outreach and availability
- ✓ Provide diverse experiences (on-site/hands-on/virtual/etc.)



Protecting the Preserve: **Habitat Protection**

- **Invasive Plants**
Yearly treatment of 50-200 acres



Protecting the Preserve: **Habitat Protection**

- **Invasive Plants**

Yearly treatment of 50-200 acres

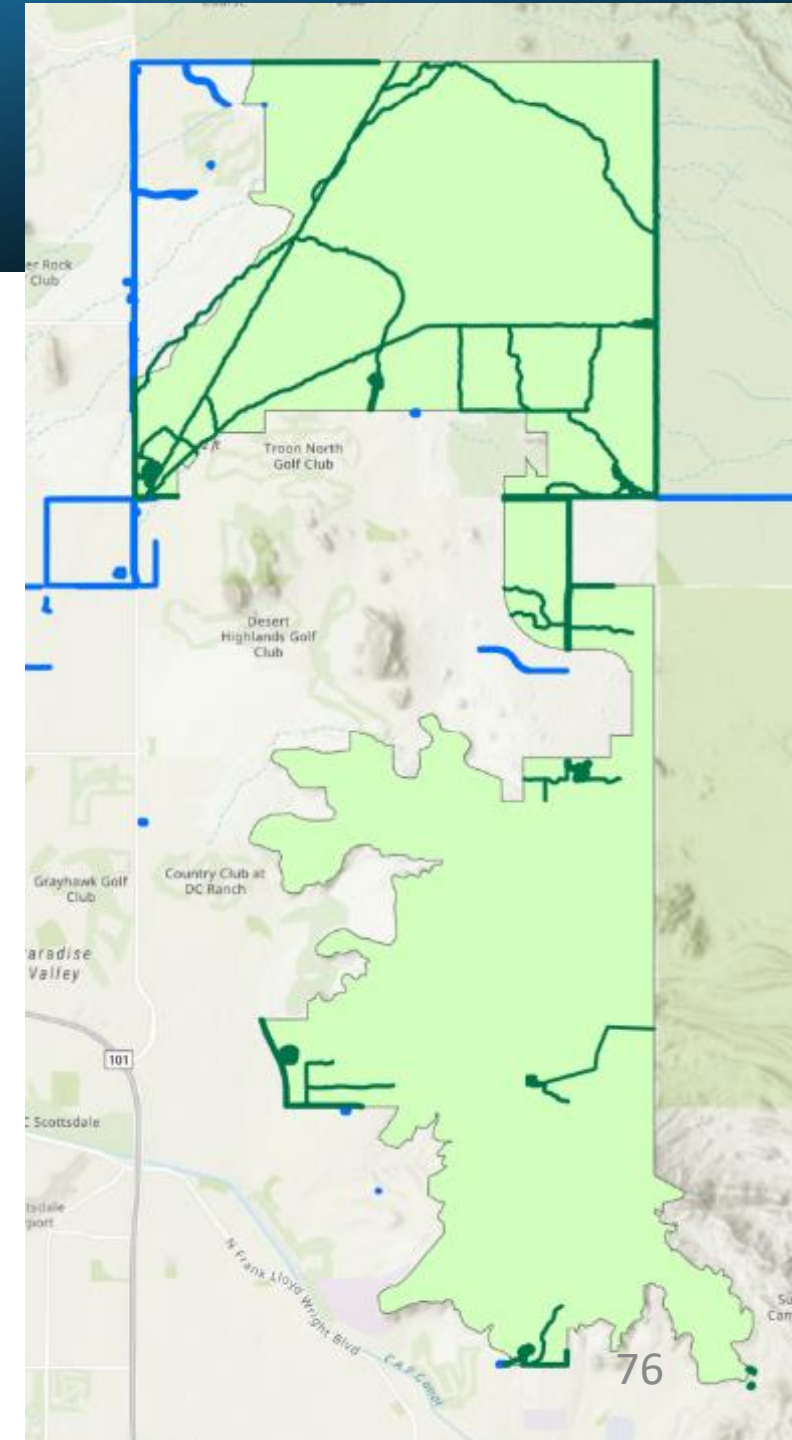
No Removal, Management or Inconsistent Efforts Encourages:

- **Further degradation of Wildlife Habitat,**
- **Loss of Native Plants**
- **Expansion of invasive plants and**
- **Increased Wildland Fire Risks in and around Preserve**
- **Viewshed blight**



Protecting the Preserve: **Habitat Protection**

- **Wildland Fire Fuel Load Management/Reduction(In Preserve)**
 - Yearly management of 94 corridor miles (Green Lines)
 - Reduce fuel load and minimize fire potential on 335 acres
- **Coordination with Scottsdale Fire, Citywide Efforts(Blue)**
 - Chief Shannon will Discuss Citywide Plan

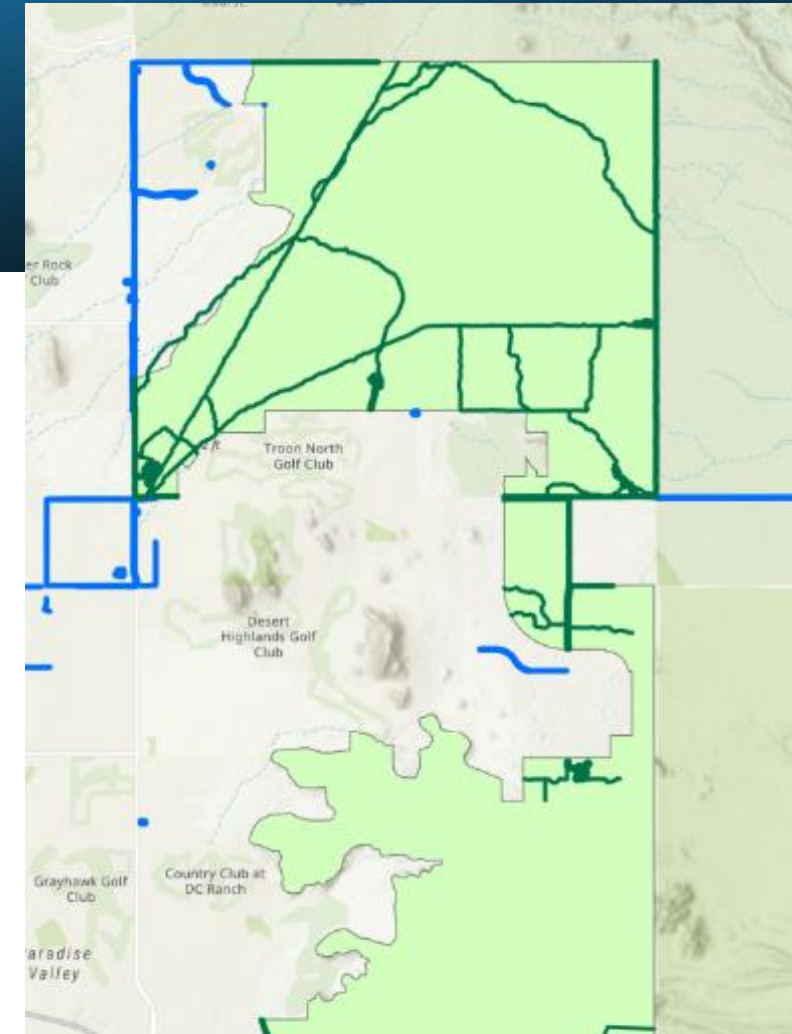


Protecting the Preserve: **Habitat Protection**

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Yearly management of 94 corridor miles (Green Lines)
Reduce fuel load and minimize fire potential on 335 acres
Coordination with Scottsdale Fire, Citywide Efforts(Blue)
-Chief Shannon will Discuss Citywide Plan

No Reduction or Inconsistent Efforts Encourages:

- **Increased Wildland Fire Risks (in and out of Preserve),**
- **Increased risk for invasive plants**
- **Loss of Wildlife Habitat/Native Plants**



Protecting the Preserve: **Habitat Protection**

- **Historic Scars/Disturbance**
Restoration of +/-200 acres of previously disturbed
Wildlife Habitat Areas



Protecting the Preserve: **Habitat Protection**

- **Historic Scars/Disturbance**

Restoration of +/-200 acres of previously disturbed
Wildlife Habitat Areas

- **No restoration encourages:**

- **Further degradation of Flora and Wildlife Habitat**

- **Foothold for invasive plants**

- **Viewshed blight**



Protecting the Preserve: **Habitat Protection**

- Invasive Plants
Yearly treatment of 50-200 acres
- Wildland Fire Fuel Load Management/Reduction
Yearly management of 94 corridor miles (335 acres),
Reduce fuel load and minimize fire potential
- Historic Scars/Disturbance
Restoration of +/-200 acres of previously disturbed
Wildlife Habitat Areas

**Mapping and assessment to confirm intended progress
of Habitat Protection**



PROPOSED MCDOWELL SONORAN PRESERVE ANNUAL CARE AND PROTECTION NEEDS

	Proposed	Current Estimated Costs
Staffing needs	Up to 4 additional FTEs	\$945,000/yr
Contractual services	Consistent, Dedicated Daily Care and Protection of Archeologic Resources and Wildlife Habitat; Removal and Reduction of Invasive Plants; Wildland fire fuel loads and Historic Scars Monitoring of Flora and Fauna Habitat and awareness of changes	\$2,597,000/yr
Commodities		
Facilities		
	Total	\$3,542,000/yr

TASK FORCE RECOMMENDS USE OF 0.15% TAX

**Provide Dedicated
Funding for Care and
Protection of the
McDowell Sonoran
Preserve**



PUBLIC SAFETY-Fire
Tom Shannon,
Fire Chief



CURRENT FIRE FUEL MITIGATION AND TECHNICAL RESCUE

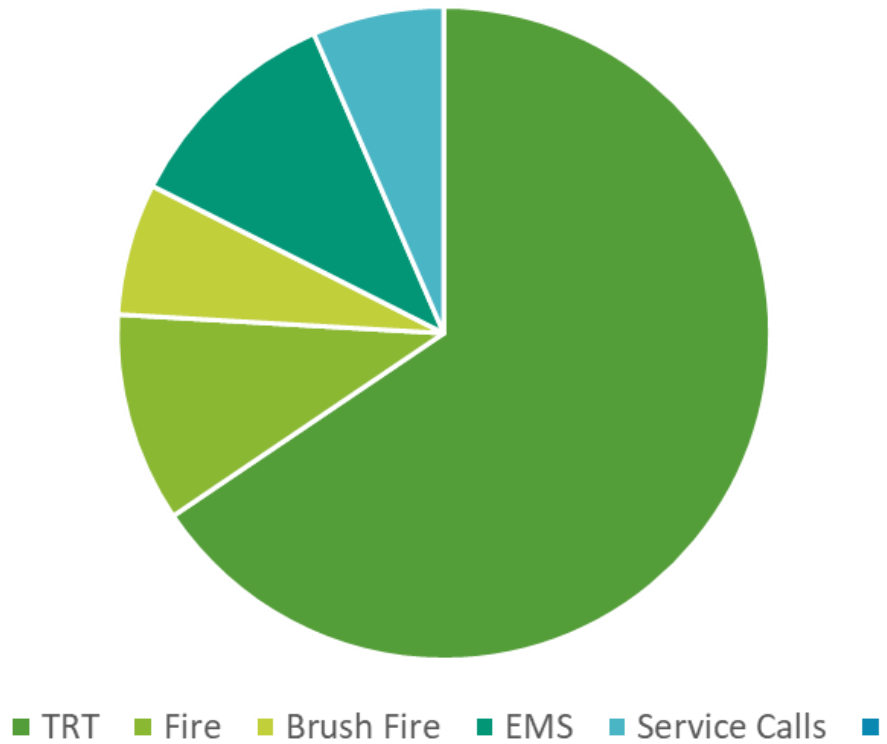


Lack of Funding

- **3 Community Risk Reduction Captains**
- **1 Technical Rescue Team**
- **Brush patrol charged to department OT**
- **No dedicated funding**
- **Grants can only be awarded to specific area one-time**
- **598 calls for service 2017 to 2023**

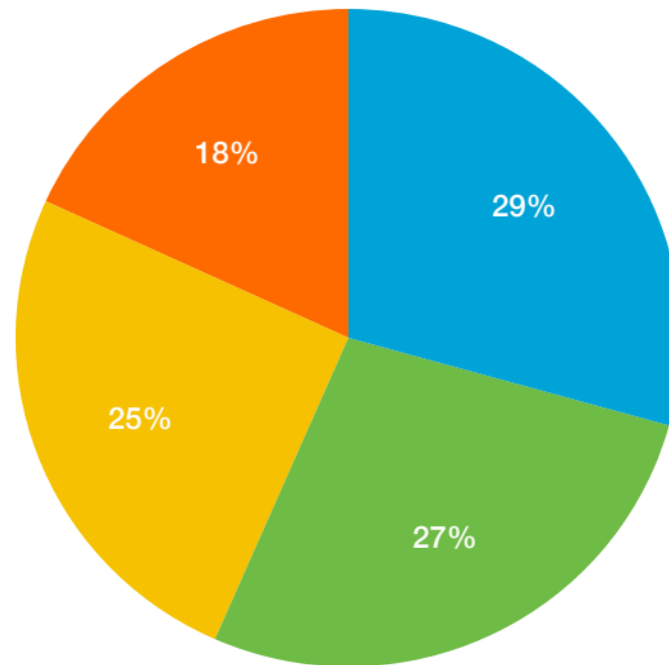
Resource requirements Preserve Rescues 5/17 to 4/23

Calls Types 2017 to 2023

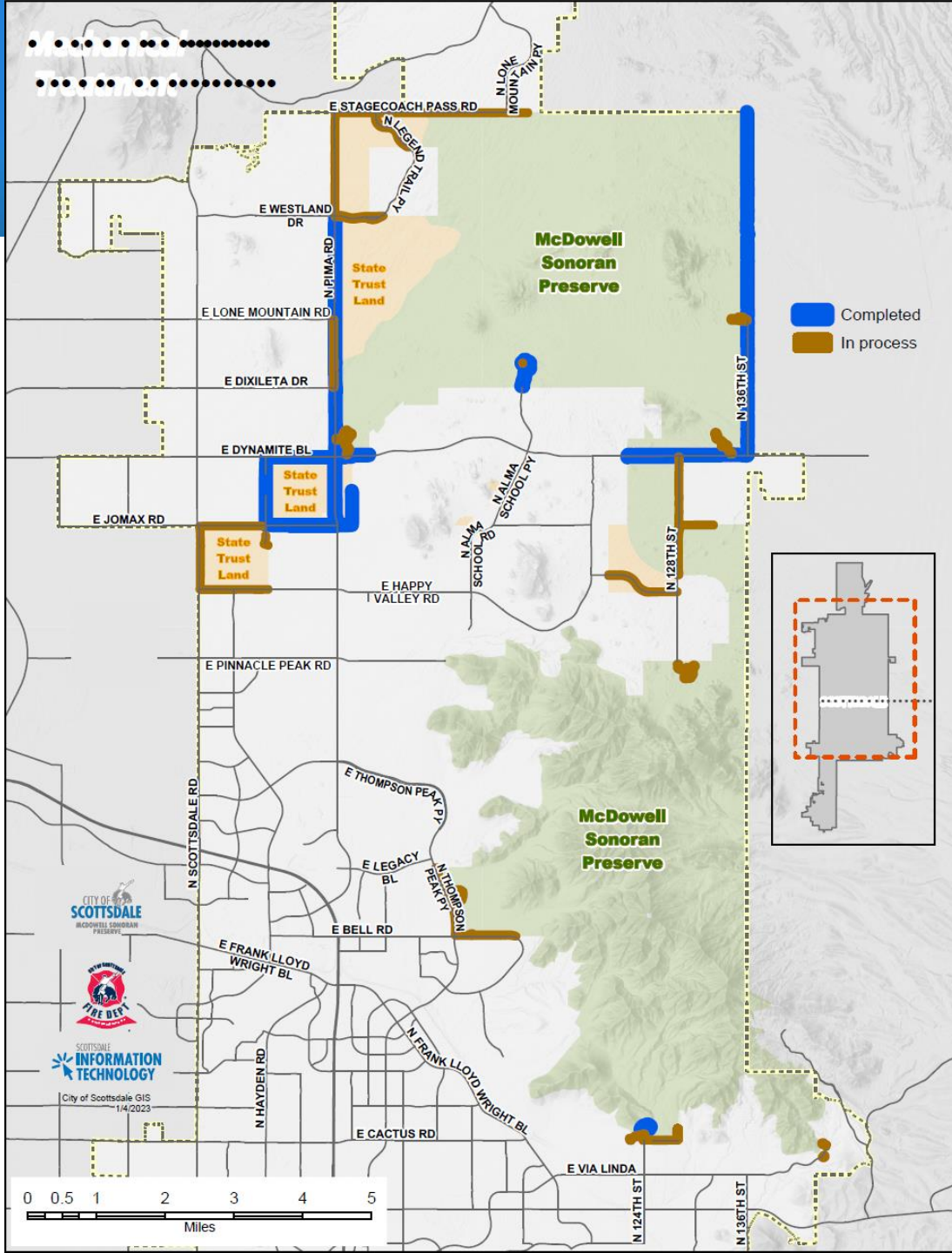


Methods of Rescue

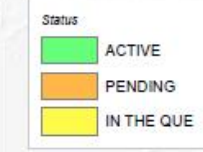
● WALK OUT ● STOKES/WHEEL ● GATOR ● HELICOPTER



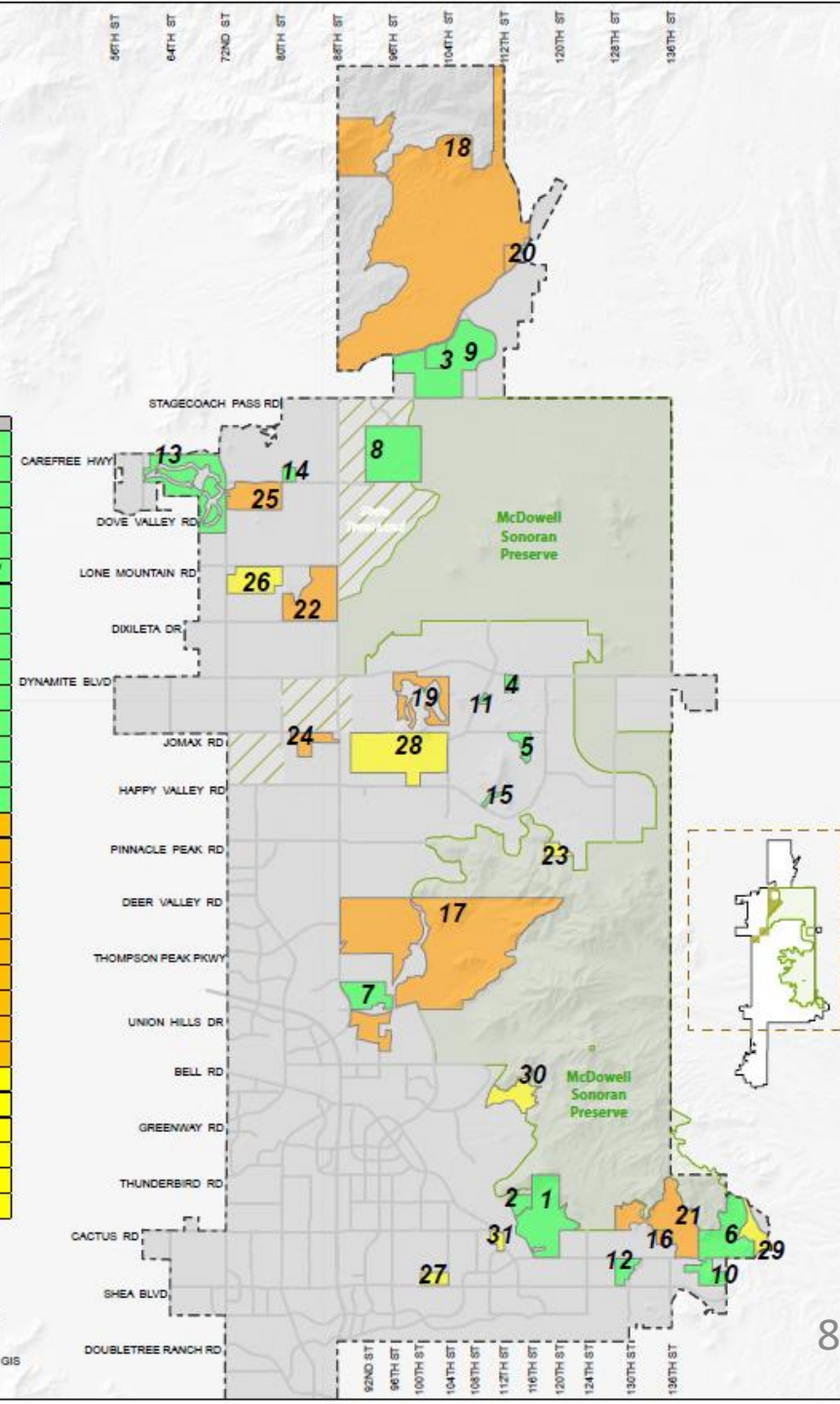
Call Type	
Technical Rescue	392
Brush Fires	39
EMS	66
Fire (non brush)	62
Service Call	39



Scottsdale Firewise Communities



ID	Community
1	Anacostia HOA
2	Anacostia West Estates
3	Cresita Norte
4	Desert Diamond Estates HOA
5	Desert Views/Four Peaks
6	Hidden Hills of Scottsdale Community Assn
7	Ironwood Village Assn
8	Legend Trail Community Assn
9	Minabel Community Assn
10	Paloma Paseo HOA
11	Quisena
12	Rio Montana
13	Tenebris
14	Verdante at Westland Estates
15	Whispering Ridge at Troon Village Owners Assn
16	Coyote Canyon
17	DC Ranch
18	Desert Mountain
19	Estancia
20	Quail Ridge
21	Scottsdale Mountain
22	Sincondado
23	Troon Highlands Estates HOA
24	Vilana
25	Winfield
26	Bellesera
27	Bent Tree
28	Desert Highlands Area A
29	Eagle Ridge At Fountain Hills
30	One Hundred Hills
31	Sierra Ridge



PROPOSED FIRE FUEL MITIGATION AND TECHNICAL RESCUE

	Proposed	Current Estimated Costs
Staffing	3 Community Risk Reduction Captains 1 Fuels Mitigation Manager Brush patrol OT 2 nd Technical Rescue Team On-going training	\$1,307,000/yr \$215,000 one-time costs
Contractual services	Fuel abatement and medical exams	\$304,000/yr
Equipment/Supplies	Vehicles and equipment	\$222,000/yr \$240,000 every 3-5 years

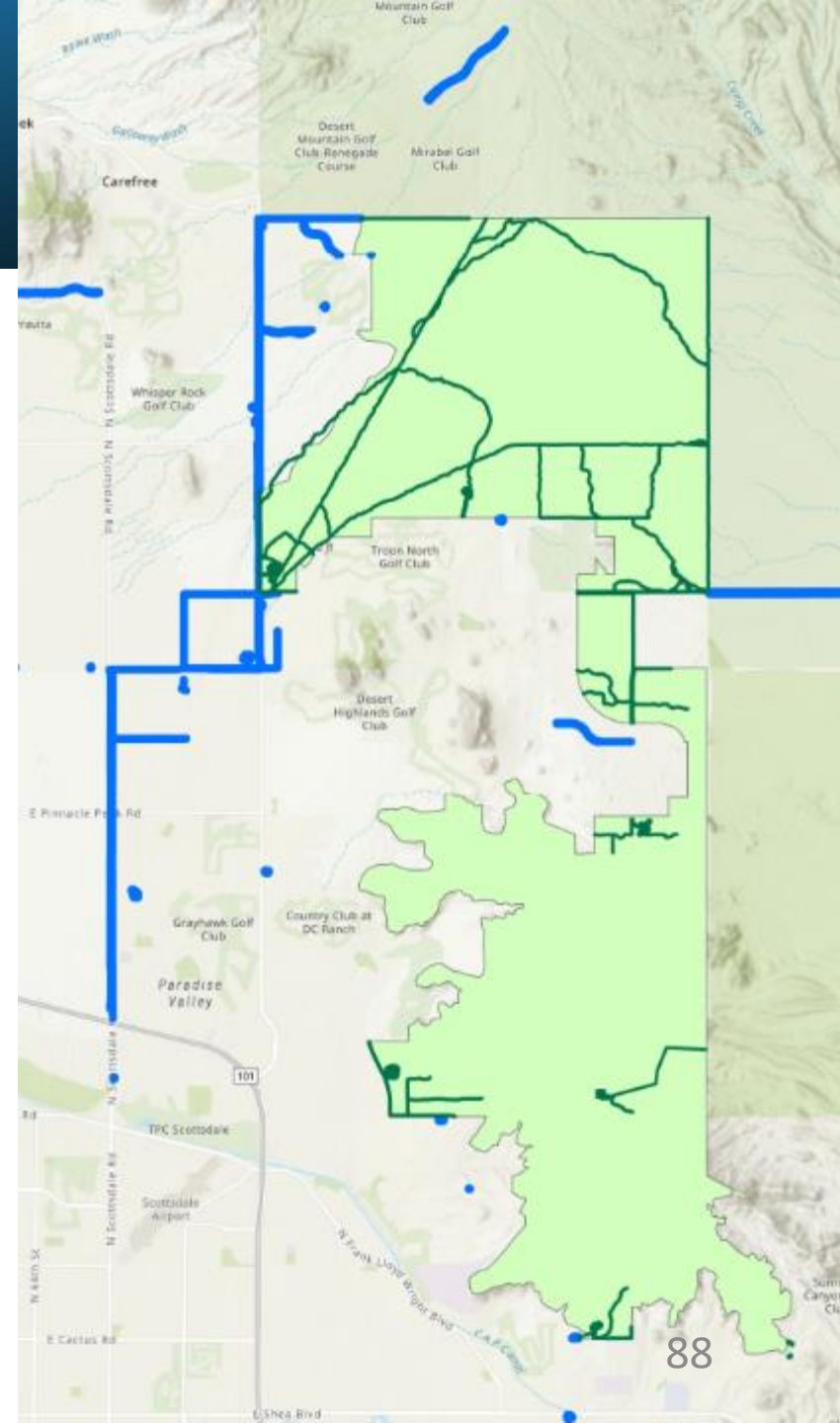
PROPOSED FIRE FUEL MITIGATION AND TECHNICAL RESCUE



BEFORE

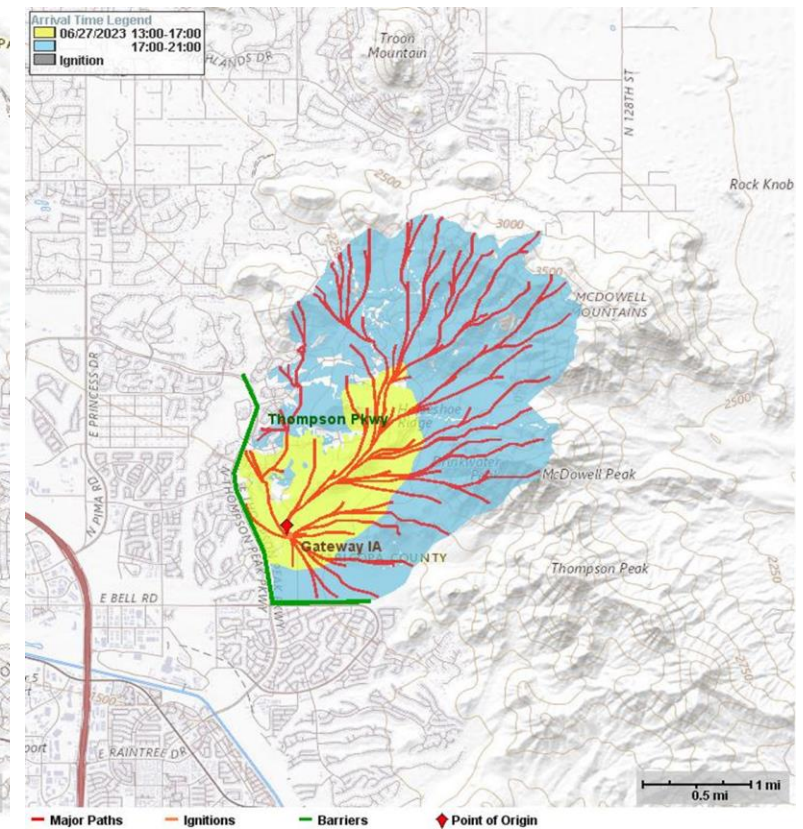
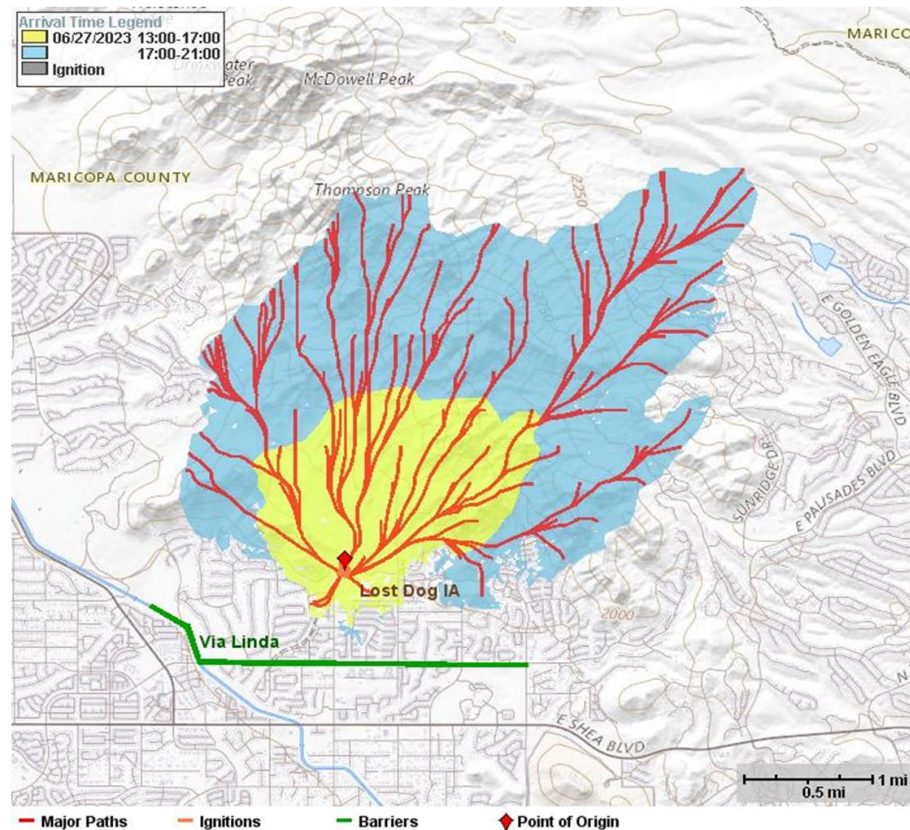
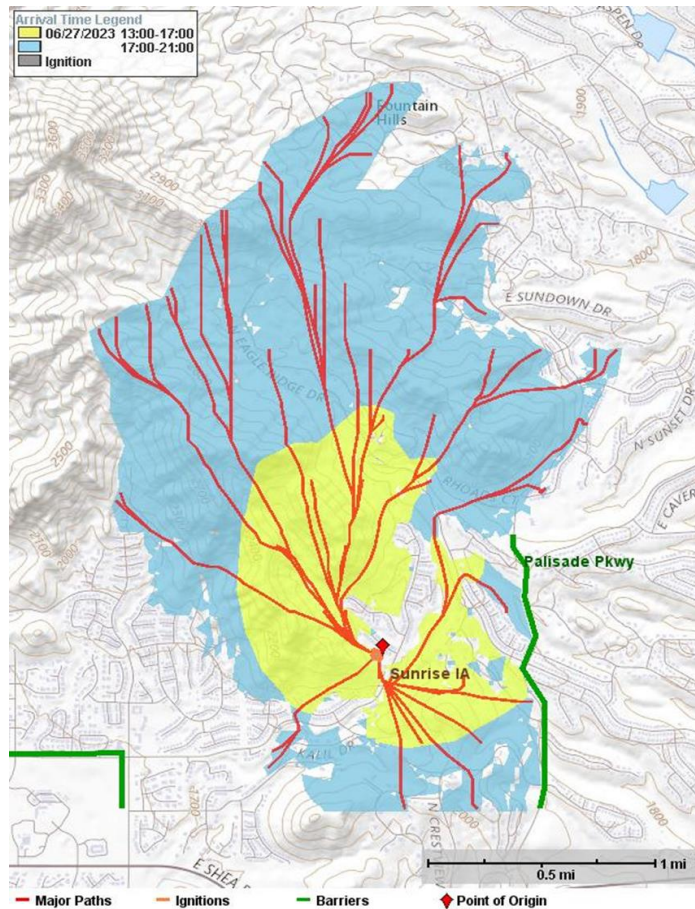


AFTER



PROPOSED FIRE FUEL MITIGATION AND TECHNICAL RESCUE

Ongoing vulnerabilities of heavy fuel loads



FINANCIAL CONSIDERATIONS



CITY TREASURER'S OFFICE
Sonia Andrews,
City Treasurer



SCOTTSDALE'S SALES TAX RATE

Total Tax Rate 8.05%

State
5.6%



County
0.7%



City
1.75%

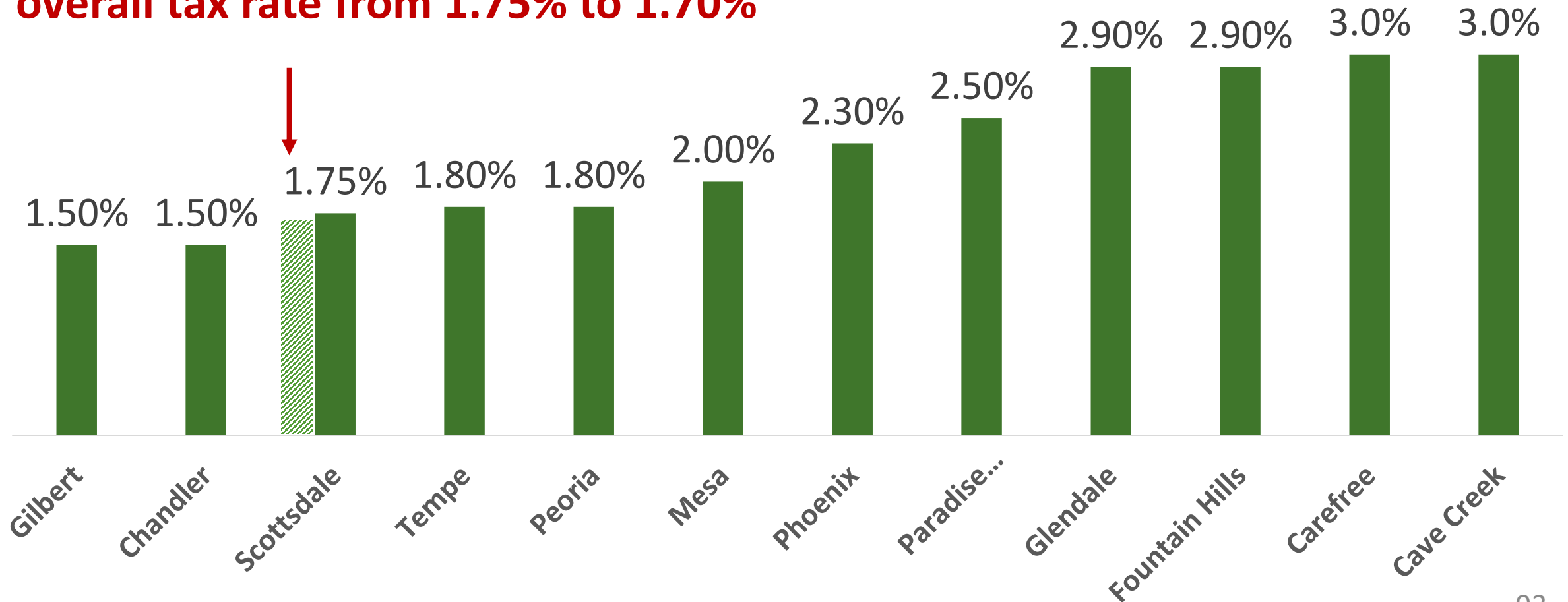


1.00% General Fund
0.10% Public Safety
0.30% Transportation
0.35% McDowell Preserve:
0.20% expires 6/30/25
0.15% expires 6/30/34

**Task Force
Recommends
Replacing
with 0.15%
for 30 yrs
effective
July 1, 2025**

COMPARISON OF CITY SALES TAX RATES

Task Force Recommendation reduces overall tax rate from 1.75% to 1.70%



VISITOR CONTRIBUTION



In FY21/22
Visitors Contributed
12%
of Sales Tax Revenues

Source: Applied Economics Tourism Report – October 2023. Percent excludes transient lodging tax (bed tax).

AVERAGE COST TO HOUSEHOLD OF PROPOSED TAX

	Average Household Cost	
	<u>Monthly</u>	<u>Annual</u>
Sales Tax Rate at 0.15%	\$3.71/mth	\$44.52/yr
Current Sales Tax Rate at 0.20%	\$4.95/mth	\$59.36/yr
Net Decrease	(\$1.24/mth)	(\$14.84/yr)

Note: Amounts based on Average Annual Household Expenditures subject to sales tax using Consumer Expenditure Survey for Phoenix MSA, U.S. Bureau of Labor Statistics September 2023 Release.

SUMMARY OF CURRENT ESTIMATED COSTS

Unfunded Needs	Annual Operating Cost Estimate	Capital Improvement Cost Estimate
Indian Bend Wash Park Improvements		\$248.0M
City-Wide Park & Rec. Maintenance	\$2.8M	
McDowell Sonoran Preserve	\$3.5M	
Police Park Ranger and Park Security	\$1.7M	
Fire Fuels Mitigation and TRT	\$2.3M	
West World Improvements		\$44.2M
Total Current Cost Estimate	\$10.3M	\$292.0M

ANNUAL DISTRIBUTION OF PROPOSED 0.15% TAX

Example of Annual Tax Revenue Distribution		\$25.0M
Debt Requirements (primarily for WestWorld improvements)	<=25%	\$5.0M
Indian Bend Wash Park Improvements	51%	\$10.2M
City-Wide Park & Recreation Maintenance	14%	\$2.8M
McDowell Sonoran Preserve	18%	\$3.6M
Police Park Rangers	7%	\$1.4M
Fire Fuels Mitigation and Technical Rescue	10%	\$2.0M
Total		\$25.0M

Estimates are based on current revenue collections.

EXAMPLE CITIES WITH PARKS AND OPEN SPACE SALES TAX

	Parks & Open Space Sales Tax Rate	Total Sales Tax Rate
Phoenix	0.10%	2.30%
Denver	0.25%	4.13%
Boulder	0.77%	4.50%
Colorado Springs	0.10%	3.86%
St Louis	0.19%	3.07%
Kansas City	0.50%	4.95%
Columbia, MO	0.25%	2.00%
Scottsdale (Proposed)	0.15%	1.70%

WHAT IF THE PROPOSED 0.15% TAX IS NOT OBTAINED FOR UNFUNDED NEEDS

- Wait for next voter approved Bond program (will delay park and WestWorld improvements)
- Look for grant opportunities
- Look for General Fund money (funding may not be consistent year to year depending on General Fund budget priorities)
- No dedicated funding for critical needs identified by Task Force

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

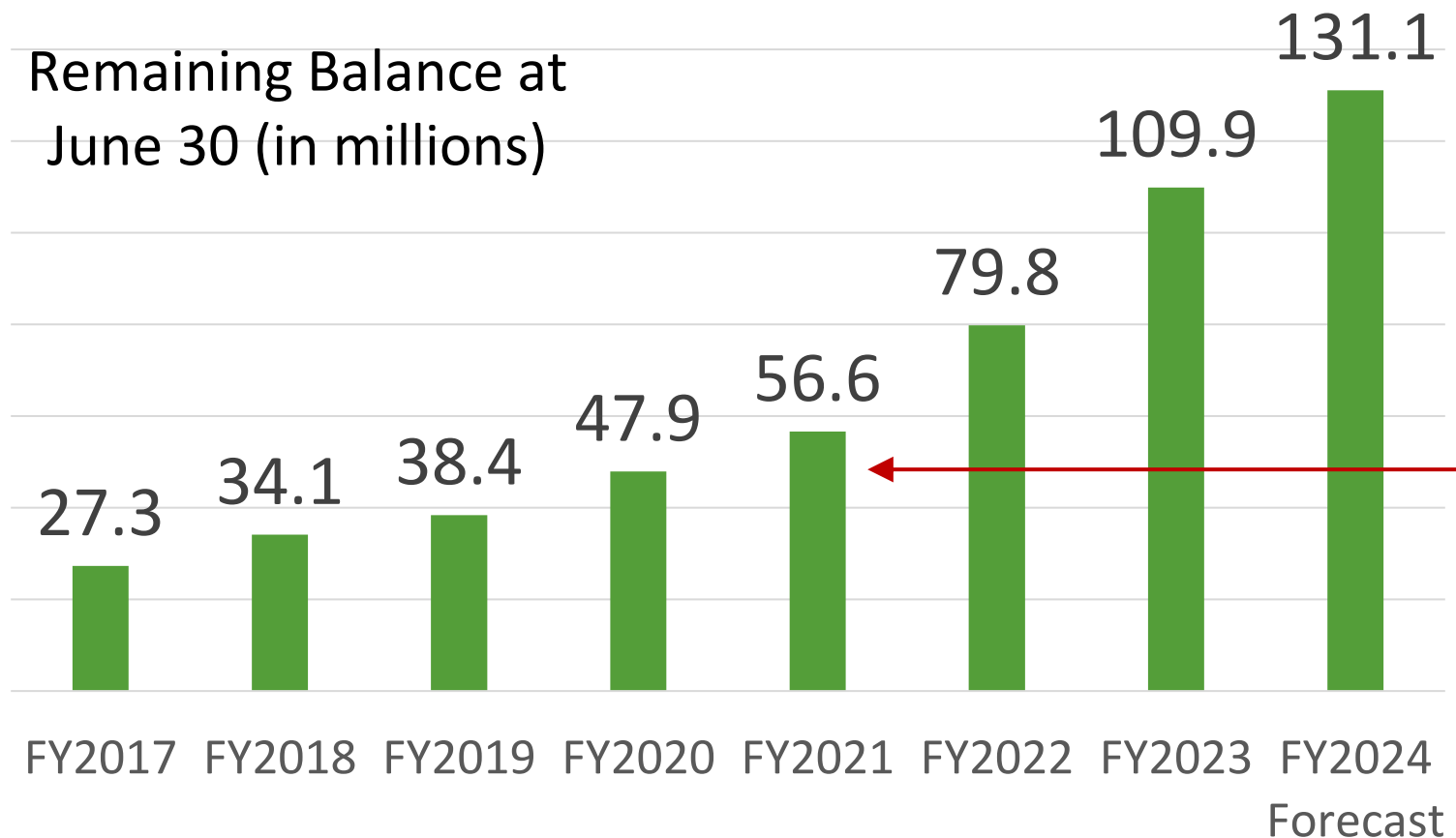
Is There a Large Balance Remaining from the 0.20% or 0.15% Preserve Taxes Voters Approved in 1995 and 2004?

- No balance remaining from 0.20% Preserve Tax expiring 2025
- Remaining balance from 0.15% Preserve Tax expiring 2034:

	6/30/24 Forecast
Reserve for Debt Service	\$39M
Restricted per Voter Approval	\$92M
Total Remaining Balance	<u>\$131M</u>

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

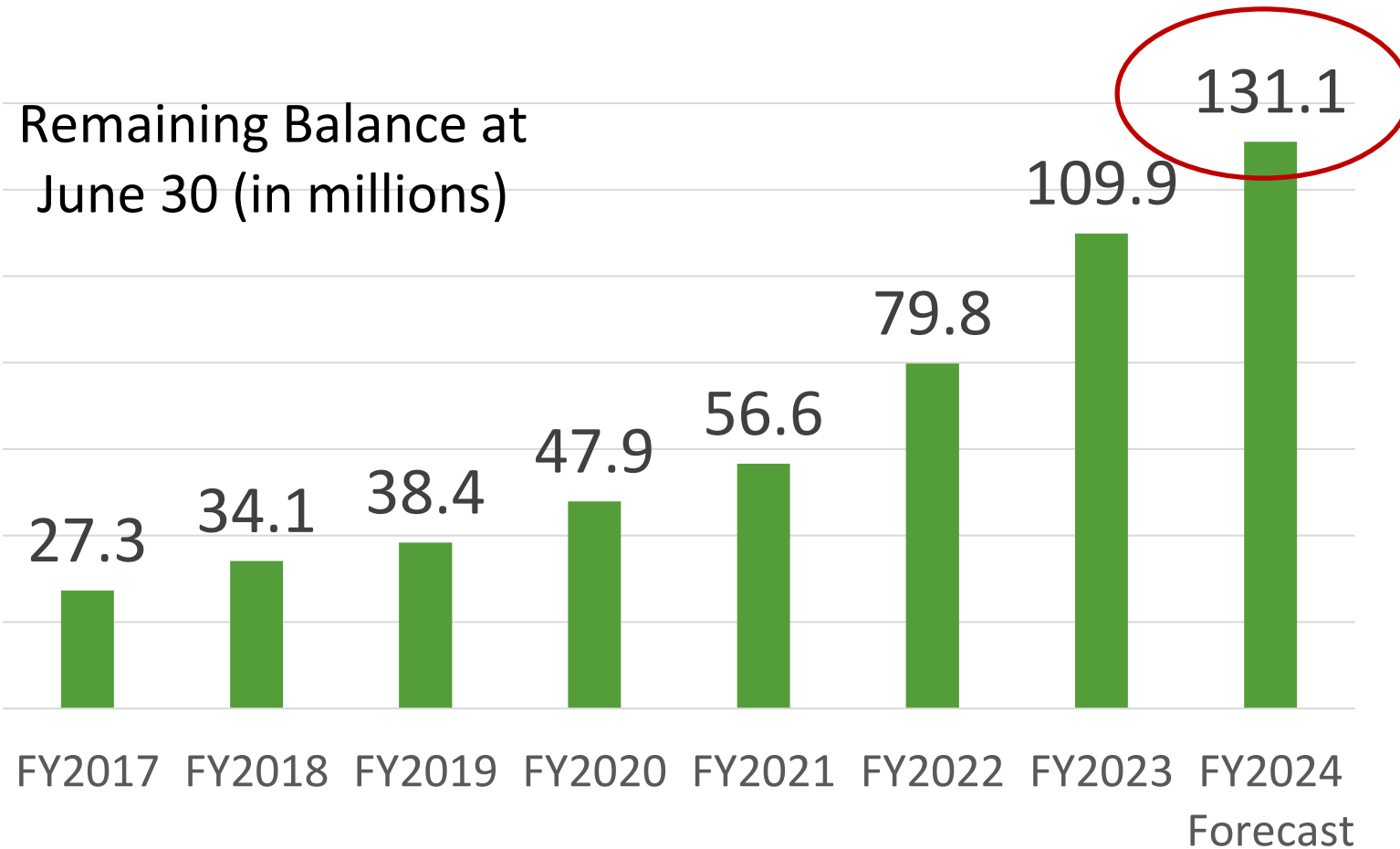
Why Is There a Large Fund Balance Remaining?



- 1) Refinanced debt in 2017 and 2020 to save interest and lowered debt payments
- 2) Start of pandemic spending spree in 2020 and 2021

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

Can We Pay Off All Preserve Debt with Fund Balance?



6/30/24 Debt Principal Balance Outstanding is **\$185M**

We Currently Do Not have enough to pay off debt

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

To Payoff Debt and Sunset Preserve Taxes on 7/1/2025, we need to do the following:

1. Make the required principal and interest payment of \$38.8M for FY24/25
2. Deposit \$140M-\$150M* in an escrow on 7/15/25 (deposit needed depends on interest rates and projected interest earnings in escrow account)
3. Pay defeasance and escrow fees (est. \$100,000)
4. Invest escrow funds in U.S. Treasury/SLGS securities (escrow will exist to make debt payments through 2027)
5. Request voter approval to terminate the 0.15% Preserve Tax (city cannot terminate tax without voter approval)

This will result in No balance remaining for land bridge and other Preserve improvements.

*The cost of defeasance is subject to change, based on interest rates in July 2025

QUESTIONS ABOUT THE EXPIRING PRESERVE TAXES

Can We Use the \$131M Balance For The Unfunded Needs?

- **Council can only ask voters to approve using Future Excess Collections from the 2004 0.15% Preserve Tax for additional purposes.** Existing Balance must be used for voter approved purposes only (Preserve improvements and debt payments)
- Limitation on November 2024 ballot, no room for another ballot question
- Preserve Commission would like to recommend using balance for land bridge and future trailhead improvements for Council consideration

ADDITIONAL TASK FORCE RECOMMENDATIONS AND FINAL THOUGHTS



TASK FORCE RECOMMENDATION #4

On 2004 0.15% Preserve Tax Expiring in 2034

- Take no current action on the 2004 0.15% Preserve Tax because this tax is still needed for debt service
- Study the 2004 0.15% Preserve Tax annually to determine if it is still needed for Preserve improvements and land acquisition
- If the debt can be paid off early, decide if this tax should be placed on a future ballot to sunset early
- City Treasurer should provide an annual update to the City Council related to the 2004 0.15% Preserve Tax, and include information on the fund balance and current and projected funding needs

TASK FORCE RECOMMENDATION #5

Recommended Ballot Language (Full Text)

OFFICIAL TITLE: A CITY CODE AMENDMENT TO EXTEND AND REDUCE SCOTTSDALE’S EXPIRING TRANSACTION PRIVILEGE AND USE TAX RATE TO FUND: 1) IMPROVEMENTS AND MAINTENANCE FOR CITYWIDE PARKS AND RECREATIONAL FACILITIES; 2) MAINTENANCE AND PROTECTION FOR THE MCDOWELL SONORAN PRESERVE; AND 3) INCREASED POLICE AND FIRE RESOURCES RELATED TO CITYWIDE PARKS AND THE PRESERVE.

DESCRIPTIVE TITLE: Authorizes the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years to fund the improvement, maintenance, and protection of citywide parks and recreational facilities and the maintenance and protection of the Preserve as determined by ordinance.

A “**YES**” vote shall have the effect of authorizing the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

A “**NO**” vote shall have the effect of denying the City the authority to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

TASK FORCE RECOMMENDATION #5

Recommended Ballot Language (Tagline Text)

SHALL SCOTTSDALE'S CURRENT 0.20% TRANSACTION PRIVILEGE AND USE TAX RATE, EXPIRING JUNE 30, 2025, BE REDUCED TO 0.15% AND EXTENDED FOR 30 YEARS TO FUND IMPROVEMENTS, MAINTENANCE, AND INCREASED POLICE AND FIRE PROTECTION OF CITYWIDE PARKS, RECREATIONAL FACILITIES, AND THE PRESERVE AS DETERMINED BY CITY ORDINANCE?

A **“YES”** vote shall have the effect of authorizing the City to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

A **“NO”** vote shall have the effect of denying the City the authority to extend and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025, for the purpose of: 1) improvements and maintenance for Citywide Parks and Recreational Facilities; 2) maintenance and protection for the McDowell Sonoran Preserve; and 3) increased Police and Fire resources related to Citywide Parks and the Preserve, with all being more specifically determined by City ordinance.

TASK FORCE RECOMMENDATION #6

Ordinance Distributing Proposed 0.15% Tax Revenues

Section 1. A new Section 16-52 is hereby added to Scottsdale Revised Code, Chapter 16 (Licenses, Taxation and Miscellaneous Business Regulations), Article III (Privilege and Use Taxes) as follows:

Section 16-52. Use of 2024 0.15% Tax. All revenues generated from the 0.15% tax approved by the voters in 2024 through Proposition XXXX (the “2024 0.15% Tax”) shall be used to protect, improve, and maintain the City’s parks and recreational facilities (which includes limited WestWorld capital improvements), and to protect and maintain the McDowell Sonoran Preserve, for the benefit of all geographic areas within the City, with an emphasis on restoring and updating the Indian Bend Wash Greenbelt and other aged parks. Revenues from the 2024 0.15% Tax shall be distributed as determined by the City Council with the following specific ordinance restrictions:

- A. After Section (B) is satisfied, all other remaining 2024 0.15% Tax revenues shall be distributed as set forth below:
- 51% for City parks improvement needs.
 - 18% for McDowell Sonoran Preserve maintenance and protection.
 - 14% for City parks and recreational facilities maintenance (excluding WestWorld).
 - 10% to the Scottsdale Fire Department for City-wide related needs within the purposes of the 2024 0.15% Tax, which specifically includes, but is not limited to, technical rescue team(s) for the McDowell Sonoran Preserve and City parks and for fire fuel mitigation around the McDowell Sonoran Preserve and in and around the City parks for the protection and maintenance of the McDowell Sonoran Preserve and City parks.
 - 7% for increased McDowell Sonoran Preserve and City park police ranger unit(s) and park and McDowell Sonoran Preserve security.

TASK FORCE RECOMMENDATION #6

Ordinance Distributing Proposed 0.15% Tax Revenues

- B. Notwithstanding the above, on an annual basis, the City shall first use the 2024 0.15% Tax revenues to satisfy any debt requirements for debt issued or to be issued to finance specifically included capital projects within the purposes of the 2024 0.15% Tax. Debt requirements will be limited to no more than 25% of the 2024 0.15% Tax revenues on an annual basis.
- C. At the end of each year, any unused 2024 0.15% Tax revenues in each category listed in Section (A) will be carried forward for use in future years within the same category. Any unused 2024 0.15 % Tax revenues listed in Section (B) will be reserved for debt requirements as set forth in Section (B).
- D. Beginning on XXXX, 20XX, and continuing for the term of the 2024 0.15% Tax, the City Treasurer will prepare an annual accounting of the 2024 0.15% Tax for the City Council.


TASK FORCE RECOMMENDS OVERSIGHT FOR 0.15% TAX



Update By Ordinance Duties of Existing Citizen Oversight Commissions

- Parks and Recreation Commission
- McDowell Sonoran Preserve Commission

FINAL THOUGHTS



The Task Force believes that these recommendations will ensure Scottsdale citizens' investments in our parks and Preserve, and quality of life are protected, preserved and sustained for generations to come.

QUESTIONS AND COUNCIL DISCUSSION



From: [Lesley Micuda](#)
To: [City Council](#)
Subject: Funds for South Scottsdale Firefightetd
Date: Thursday, February 8, 2024 5:04:16 PM

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

Greetings one and all Honorable City Council Members ☺ just had a flyer put into my door over here at my home in South Scottsdale from our Firefighters Association encouraging us to contact Mayor Ortega and our Honorable Council members to request that within the upcoming "Protect & Preserve Sales Tax Extension and Reduction" which potentially will come up in a Nov 2024 vote, provisions for funds and the verbiage for "new and additional firefighting equipment for Southern Scottsdale" are included in this extension initiative! Resources for our beautiful and iconic El Dorado park have apparently been pulled to other areas?? Looks like plans to upgrade this treasure of an attraction are underway though! Properties, both businesses and homes over here in the south neighborhoods Scottsdale/McDowell and all thru to Hayden Rd. then north all up into, like Indian School, are popping, dear Council members!! We are getting/already are, pretty swanky over here and would certainly love to have our neighborhood firefighting professionals, well equipped with the latest and greatest!! Appreciate your time here and look forward to the vote in 2024 to keep resources and funding assured for beautiful South Scottsdale!

From: [Lynne McCool](#)
To: [Mayor David D. Ortega](#)
Cc: [City Council](#)
Subject: I stand with Scottsdale Firefighters
Date: Thursday, February 8, 2024 11:53:06 AM

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

Dear Scottsdale Mayor and City Council, As Scottsdale has grown, please make sure to include new and additional firefighting equipment and assets for our firefighters in the southern part of our community as part of the "Protect & Preserve Sales Tax Extension And Reduction" if the issue is put before the voters in November. Thanks for all you do for Scottsdale.

Sent from my iPhone

From: [Joe Buckley](#)
To: [Mayor David D. Ortega](#)
Cc: [City Council](#)
Subject: I am another Valley firefighter and I stand with Scottsdale Firefighters
Date: Friday, February 9, 2024 10:25:17 AM

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

Dear Scottsdale Mayor and City Council, As Scottsdale has grown, please make sure to include new and additional firefighting equipment and assets for our firefighters in the southern part of our community as part of the "Protect & Preserve Sales Tax Extension And Reduction" if the issue is put before the voters in November. Thanks for all you do for Scottsdale.

-Joseph Buckley

From: [Steven Sifferman](#)
To: [Mayor David D. Ortega](#)
Cc: [City Council](#)
Subject: I stand with Scottsdale Firefighters
Date: Friday, February 9, 2024 10:39:02 AM

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

Dear Scottsdale Mayor and City Council, As Scottsdale has grown, please make sure to include new and additional firefighting equipment and assets for our firefighters in the southern part of our community as part of the "Protect & Preserve Sales Tax Extension And Reduction" if the issue is put before the voters in November. Thanks for all you do for Scottsdale.

From: [Caden Holland](#)
To: [Mayor David D. Ortega](#)
Cc: [City Council](#)
Subject: I Stand with Scottsdale Firefighters
Date: Friday, February 9, 2024 6:06:19 PM

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

Dear Scottsdale Mayor and City Council, As Scottsdale has grown, please make sure to include new and additional firefighting equipment and assets for our firefighters in the southern part of our community as part of the "Protect & Preserve Sales Tax Extension And Reduction" if the issue is put before the voters in November. Thanks for all you do for Scottsdale.

Sent from my iPhone

From: [Kelly Schaub](#)
To: [Mayor David D. Ortega](#)
Cc: [City Council](#)
Subject: I stand with Scottsdale Firefighters
Date: Friday, February 9, 2024 7:07:36 PM

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

Dear Scottsdale Mayor and City Council, As Scottsdale has grown, please make sure to include new and additional firefighting equipment and assets for our firefighters in the southern part of our community as part of the "Protect & Preserve Sales Tax Extension And Reduction" if the issue is put before the voters in November. Thanks for all you do for Scottsdale.

Kelly
Sent from my iPhone

From: [Nancy Miller](#)
To: [City Council](#)
Cc: [Nancy Miller](#)
Subject: November 24 Ballot
Date: Friday, February 9, 2024 9:19:49 AM

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

Dear City Council Members,

Please include on the November 2024 ballot "NEW & ADDITIONAL
FIREFIGHTING EQUIPMENT AND ASSETS TO HELP SOUTHERN
SCOTTSDALE.

It feels that over the years as Scottsdale grew up North, SOUTH
SCOTTSDALE has been abandoned I and others are very discouraged that
you have left SOUTH Scottsdale BEHIND.

Please add more firefighting equipment for southern Scottsdale and
include it in the November 2024 ballot!

Thank You,
Nancy Miller

From: [Angie Cram](#)
To: [Mayor David D. Ortega](#)
Cc: [City Council](#)
Subject: I stand with Scottsdale Firefighters
Date: Sunday, February 11, 2024 8:26:46 PM

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

Dear Scottsdale Mayor and City Council, As Scottsdale has grown, please make sure to include new and additional firefighting equipment and assets for our firefighters in the southern part of our community as part of the "Protect & Preserve Sales Tax Extension And Reduction" if the issue is put before the voters in November. Thanks for all you do for Scottsdale.

Sent from my iPhone

From: davidnsmith2@aol.com
To: [City Council](#)
Subject: Stop the Tax!
Date: Wednesday, February 21, 2024 9:31:11 AM
Attachments: [Scan - Stop The Tax.pdf](#)

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

Mayor and members of Council,

Attached a scan of the May 23, 1995 Ballot that I referenced in my public comment last night.

I hope you take seriously my recommendation to stop the 0.20% *temporary* sales tax. Since this tax generates \$33 million a year, stopping the tax today would save taxpayers about \$50 million between now and its scheduled expiration. This \$50 million is not needed by the Preserve Fund for liquidity or debt service. Any future preserve requirements (for land or improvements) are authorized and can be funded by the continuing 0.15% *temporary* tax.

More importantly, stopping the tax would be the right thing to do, honoring the implicit promise made to voters in 1995 that if they approved the *temporary* tax it would remain in place for "**30 years, or less**", depending on how long it took to accomplish the stated mission (acquiring preserve land.) This is the promise voters relied upon when they authorized the Council to begin imposing this 0.20% *temporary* tax.

I didn't elaborate last night, but the relatively rapid acquisition and low cost of preserve land was facilitated, in part, by the efforts our late State Senator Carolyn Allen who intervened on our behalf at the State Legislature. And the cost of preserve lands was facilitated, in part, by low interest rates achieved on favorable financings (and refinancings.) Neither of these fortuitous events were anticipated in 1995 when we asked voters for their support. Scottsdale citizens should celebrate our good fortune!

Confirm with the City Attorney...I'm sure she will advise you it only takes a majority vote of the current Council to stop this *temporary* sales tax. Again, I urge you to take this action now as evidence you respect the interests and listen to the voices of our citizens.

David N. Smith

SPECIAL ELECTION

City of Scottsdale

Maricopa County, Arizona - May 23, 1995

PROPOSITION 400

OFFICIAL TITLE

REFERRED TO THE PEOPLE BY THE CITY COUNCIL, PURSUANT TO ARTICLE 6, SECTION 9 OF THE CITY CHARTER

SHALL THE CITY COUNCIL BE AUTHORIZED TO INCREASE THE RATE OF TRANSACTION PRIVILEGE AND USE TAXES IN THE CITY BY TWO-TENTHS (.2) OF ONE PERCENT (1%), FOR A PERIOD OF THIRTY (30) YEARS, OR LESS, TO PROVIDE FUNDS TO SUPPLEMENT PRIVATE EFFORTS TO ACQUIRE LAND FOR THE MCDOWELL SONORAN PRESERVE FOR THE PURPOSE OF MAINTAINING SCENIC VIEWS, PRESERVING PLANT AND WILDLIFE, AND SUPPORTING OUR LARGEST INDUSTRY, TOURISM, WHILE PROVIDING APPROPRIATE PUBLIC ACCESS AND PASSIVE OUTDOOR RECREATIONAL OPPORTUNITIES FOR RESIDENTS AND VISITORS?

Descriptive Title

This proposition would authorize the city council to increase the rate of transaction privilege and use taxes applied in the city, for period of 30 years, or less, to supplement private efforts to acquire land for the McDowell Sonoran Preserve.

A "yes" vote shall have the effect of authorizing the city council to increase transaction privilege and use taxes for 30 years, or less, for the purpose of acquiring land for the McDowell Sonoran Preserve.

A "no" vote shall have the effect of denying the city council the authority to increase transaction privilege and use taxes for the purpose of acquiring land for the McDowell Sonoran Preserve.

PROPOSITION 400
YES 46 >
NO 47 >

City Council Meeting
February 20, 2023
Public Comment: David N. Smith

Mayor and members of Council. My name is David Smith.

I am here tonight to urge you to honor a promise made to our citizens when they supported a sales tax initiative almost thirty years ago.

In the special election held **May 23, 1995**, voters were asked to authorize a temporary 0.20% increase in our local sales tax rate “...to acquire land for the McDowell Sonoran preserve...”

In 1995, of course, no one knew how long it might take to acquire the preserve lands or how much they might cost, so voters were promised the tax would remain in place for thirty years, or less. That promise was repeated (i) in the ballot language, (ii) in the descriptive title and (iii) in the explanation of what their **YES** vote would mean.

Nine years later, 2004, voters were again asked to approve a temporary sales tax for the preserve...this time 0.15%...also to acquire land, but mostly to build improvements.

Surely today, we can conclude the original mission...“to acquire preserve lands” has been accomplished. Today, we enjoy a preserve of 30,500 acres, that was substantially completed ten years ago.

Furthermore, we know the debt issued to acquire these preserve lands has been adequately provided for.

Why do I say that?

This year’s Operating Budget predicts the preserve fund will have a cash balance of \$130 million by June 30. And we can calculate that using that cash balance plus only two years receipts from the 0.15% preserve tax will be all the money required to repay the entire balance of outstanding preserve debt...for both preserve land and improvements.

In fact, by the time the smaller 0.15% temporary tax expires, unless new preserve capital projects are approved, the preserve fund’s cash balance will grow to more than \$250 million...and there will still be no debt!

Our citizens were promised the 0.20% tax was temporary. Our citizens were promised it was for 30 years or less. We should celebrate the mission was met in less than 30 years!

I urge this Council to do what you have the sole authority to do...and that is...**stop the 0.20% temporary sales tax!**

Do it now! Show our citizens you respect this promise made to them. Work to restore their trust and support.

Thank you.

From: notifications@cognitofrms.com on behalf of [City of Scottsdale](#)
To: [Cordova, Rommel](#)
Subject: City Council Public Written Comment Form - David N. Smith
Date: Tuesday, February 27, 2024 12:53:59 PM
Attachments: [0.15% TEMPORARY SALES TAX PROPOSAL.docx](#)

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 2/27/2024

WHICH AGENDA ITEM WOULD YOU LIKE TO COMMENT ON? WS. Public Comment.

Name

FULL NAME David N. Smith

NAME OF GROUP OR ORGANIZATION Self

Contact Information

PHONE (480) 369-7482

EMAIL davidnsmith2@aol.com

ADDRESS 8205 E. Jenan Drive

CITY Scottsdale

Comment

COMMENT

I respectfully take issue with the proposals of the "Protect and Preserve Scottsdale Task Force Final Report" and have attached a memo to explain my position.

Attachments

FILE UPLOAD

0.15% TEMPORARY SALES TAX
PROPOSAL.docx

From: davidnsmith2@aol.com
To: [City Council](#)
Subject: 0.15% Temporary Sales Tax Proposal
Date: Tuesday, February 27, 2024 12:57:37 PM
Attachments: [0.15% TEMPORARY SALES TAX PROPOSAL.docx](#)

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

Mayor and Council,

I respectfully submit the attached comments to be considered in connection with your workstudy tonight.

David N. Smith
480-369-7482

February 27, 2024

Mayor and members of City Council,

I respectfully take issue with the proposals of the "Protect and Preserve Scottsdale Task Force Final Report."

I. Council should not ask voters to approve a "temporary" tax to address "permanent" funding requirements.

The enabling language of Resolution No. 12532 dated September 13, 2022 was for the committee to identify the unfunded needs for the "...**protection and perpetual maintenance of the City's open spaces (e.g. Indian Bend Wash Greenbelt and McDowell Sonoran Preserve), public safety and other needs.**" [emphasis added]

The proposed 0.15% Temporary Sales Tax **is not temporary**. Most of the funding proposed is for **permanent** capital projects or **permanent** operating needs. (see executive summary, pages 10-12, where the phrases "on-going maintenance" and "perpetual care and protection" are used to describe the funding needs.)

The proposed 0.15% tax will generate \$25.8 million in its first year (FY2024/24 Budget estimate), against which the identified funding needs are:

Permanent Operating Needs - \$10.3 million per year, initially:

- a. Parks maintenance - \$2.8 million/year
- b. Park Ranger program - \$1.7 million/year
- c. Preserve maintenance and protection – \$3.5 million/year
- d. Fire Dept fuel mitigation and technical rescue efforts - \$2.3 million/year

Permanent Capital Improvement Needs - \$292.2 million:

- e. Improvements to the Indian Bend Wash parks - \$248 million
- f. WestWorld capital improvements - \$44.2 million

II. Council should not ask voters to "extend" a tax if the existing tax will, in fact, be "replaced".

The enabling language of Resolution No. 12532 dated September 13, 2022 was for the committee to consider "...a new sales tax **to replace the 0.2% Preserve tax** that is set to expire on June 30, 2025." [emphasis added]

The proposed 0.15% Temporary Sales Tax **does not extend and/or reduce the current 0.20% Temporary Sales Tax:**

- g. The current 0.20% Temporary Sales Tax authorized in 1995 is **not being reduced**. What is proposed is that the current Temporary Sales Tax be allowed to continue to June 30, 2025, then upon its expiration, initiate a new 0.15% Temporary Sales Tax for new purposes.
- h. The current 0.20% Temporary Sales Tax Rate authorized in 1995 is **not being extended**. The 1995 tax was for a single mission (to acquire preserve land) and its purpose has been accomplished. Land has been acquired and the debt associated with the land purchases has been provided for with the approved 2004 Preserve Tax.

III. Council should not endorse ballot language that is unclear, ambiguous, misleading and non-transparent:

- i. Ballot language should not propose to **extend and reduce** the current 0.20% tax.
- j. Ballot language should not propose a **temporary** tax to fund permanent needs.
- k. Ballot language should not propose a **sales tax** to fund **capital** projects, just to avoid a taxpayer vote to issue GO Bonds with fuller disclosure of project details.
- l. Ballot language should not propose a tax that will produce **twice the identified operating needs**.

I appreciate your consideration of my comments and request they be included in the public package of information for your workstudy session tonight.

Respectfully submitted,

David N. Smith