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**COPY**

**JUN 18 2024**

CLERK OF THE SUPERIOR COURT  
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DEPUTY CLERK



7 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
8 **IN AND FOR THE COUNTY OF MARICOPA**

9 WILLIAM JAMES "JIM" LANE;  
10 YVONNE CAHILL; SUSAN WOOD,

11 Plaintiffs,

12 vs.

13 CITY OF SCOTTSDALE, a municipal  
14 corporation; DAVID D. ORTEGA,  
15 SOLANGE WHITEHEAD, TAMMY  
16 CAPUTI, TOM DURHAM, BARRY  
17 GRAHAM, BETTY JANICK, and KATHY  
18 LITTLEFIELD, in their official capacities as  
19 members of and constituting the City  
20 Council of the City of Scottsdale;  
21 BENJAMIN LANE, in his official capacity  
22 as the Clerk of the City of Scottsdale; and  
23 MARICOPA COUNTY,

24 Defendant,

**CV 2024-015767**

Case No.

**VERIFIED COMPLAINT FOR  
DECLARATORY AND  
INJUNCTIVE RELIEF**

25 Plaintiffs allege as follows:

26 1. The City of Scottsdale (the "City") is telling voters its new sales tax  
27 measure will reduce tax rates if its residents vote in favor of it. But the opposite is true:  
28 tax rates will increase. The Court should enjoin the City's deception by prohibiting the  
City's sales tax measure from appearing on the November 5, 2024, General Election  
ballot.

1                                   **Scottsdale Voters Must Approve Sales Tax Measures**

2           2.       Article 6, Section 9, of Scottsdale’s Charter permits it to levy a transaction  
3 privilege tax, i.e., a sales tax, but requires a qualified majority of voters to approve the tax  
4 if the overall rate is increased in excess of one percent.

5           3.       Arizona courts should disqualify a question submitted to the voters when it  
6 “communicates objectively false or misleading information or obscures the principal  
7 provisions’ basic thrust.” *Molera v. Hobbs*, 250 Ariz. 13, 20 ¶ 13 (2020). There can be  
8 no “bait and switch” when it comes to measures the electorate votes upon. *Id.*

9           4.       When the City refers a new tax measure to voters for approval, the City’s  
10 obligations to be clear and straightforward are at their apex.

11          5.       Scottsdale’s new proposed tax measure, however, is anything but clear and  
12 straightforward: instead, it engages in a “bait and switch:” claiming that a new tax to fund  
13 City parks and recreation services will “replace” a tax for acquiring land for a preserve  
14 and “reduce” its rate.

15          6.       In reality, because a current tax will expire before the City’s new tax goes  
16 into effect, no tax will be “replaced and reduced”; rather, voter passage of the referral will  
17 impose a *new* tax, *increasing* the sales tax rate. The deceptive language of the City’s  
18 approved ballot measure is so obtuse that City council members themselves disagreed  
19 over its meaning before voting on it.

20          7.       This Court should declare that the City’s misleading ballot measure violates  
21 Arizona law and prohibit it from appearing on the November 2024 general election ballot.

22                                   **BACKGROUND**

23                                   **Scottsdale Raises Sales Tax Rate in 1995 to Acquire Land for the**  
24                                   **McDowell Sonoran Preserve**

25          8.       In 1994, the City of Scottsdale established the McDowell Sonoran Preserve  
26 in north Scottsdale (the “Preserve”), donating City-owned land to it.

1           9.     To acquire more land for the Preserve, in 1995 the City referred to the  
2 voters a 0.20% increase in the city’s sales tax rate, which at that time was 1.20% (the  
3 “Land Acquisition Tax”).

4           10.    The money raised by the Land Acquisition Tax was earmarked for acquiring  
5 about 4,000 acres of land to add to the Preserve.

6           11.    The “Descriptive Title” of the voter referral for the Land Acquisition Tax  
7 stated as follows:

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

11    See City of Scottsdale Voting History.<sup>1</sup>

12           12.    A qualified majority of voters approved the Land Acquisition Tax in a  
13 special election in May 1995.

14           13.    The Land Acquisition Tax went into effect on July 1, 1995, and was to  
15 remain in place until the land was acquired but not longer than 30 years—i.e., terminating  
16 no later than June 30, 2025.

17           14.    Before the City implemented the Land Acquisition Tax, it used its general  
18 tax revenue to maintain and improve its City parks, including the Preserve, and to provide  
19 public safety services for these areas.

20           15.    After the City implemented the Land Acquisition Tax, it used the revenue  
21 from that tax to acquire land to add to the Preserve.

22           16.    Even though the Land Acquisition Tax has served its purpose to acquire  
23 land and could be terminated, the tax will remain in place until it expires on June 30,  
24 2025.

25    **Scottsdale’s Effort to Raise Sales Tax Rates After the Land Acquisition Tax Expires**

26           17.    After imposing the Land Acquisition Tax in 1995, the City referred to the  
27 voters additional, “temporary” sales tax rate increases that remain in effect.

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<sup>1</sup> <https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Elections/052395ballot.pdf>.

1           18.    As of 2024, the City’s overall sales tax rate is 1.75%.

2           19.    But as of June 30, 2025, the City’s overall sales tax rate will drop to 1.55%  
3 because the Land Acquisition Tax expires by that date.

4           20.    On April 2, 2024, the Scottsdale City Council adopted Resolution 13092,  
5 Option B (the “Resolution”). The Resolution imposes a *new* sales tax effective July 1,  
6 2025, after the Land Acquisition Tax expires. A true and correct copy of the Resolution<sup>2</sup>  
7 is attached as Exhibit 1.

8           21.    The proposed new tax will increase the City’s sales tax rate by 0.15%.

9           22.    The revenue generated by the new tax will augment the funding of  
10 maintenance and improvement of City parks and the Preserve, as well as for public safety  
11 services at those locations. The new tax is referred to herein as the “New Parks & Rec  
12 Tax.”

13           23.    Because the council decided that the New Parks & Rec Tax requires voter  
14 approval, the Resolution includes the approved official language for the ballot measure for  
15 the November 5, 2024, General Election.

16           24.    The “Official Title” for the New Parks & Rec Tax states as follows:

17                                    A city code amendment *to replace and reduce Scottsdale’s*  
18 *expiring [sales tax] rate* solely to fund: 1) improvements  
19 and maintenance for citywide parks and recreational  
20 facilities; 2) maintenance and protection for the McDowell  
Sonoran Preserve; and 3) increased police and fire resources  
related to citywide parks and the preserve.

21           *See* Scottsdale City Council Regular Meeting Minutes of April 2,  
22 2024, at 1, 6-7, 10 & attached Item 14 pp.43-50<sup>3</sup> (emphasis added), a true and  
23 correct copy of which is attached as Exhibit 2.

24           25.    The approved “Descriptive Title” for the New Parks & Rec Tax  
25 states as follows:

26 \_\_\_\_\_  
27 <sup>2</sup> <https://eservices.scottsdaleaz.gov/cityclerk/DocumentViewer/Show/b54a5f02-098a-4dd7-98f2-82b8bc976f24>.

28 <sup>3</sup> <https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Council/current-agendas-minutes/2024-minutes/04-02-24-approved-regular-minutes.pdf>.

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Authorizes the City to *replace and reduce the current 0.20% [sales tax] rate, expiring in 2025, to 0.15% for 30 years* solely to fund the improvements, maintenance, and protection of Citywide Parks and Recreational Facilities, and the maintenance and protection of the Preserve as determined by ordinance.

A “YES” votes shall have the effect of authorizing the City to *replace and reduce the current 0.20% [sales tax] rate, expiring in 2025, to 0.15% for 30 years effective July 1, 2025*, for the sole 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 replace and reduce the current 0.20% [sales tax] rate, expiring in 2025, to 0.15%, for 30 years, effective July 1, 2025*, for sole 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.

*Id.* at Item 14 p.47 (emphasis added).

26. The Scottsdale City Council also approved the following “Tagline” ballot language for the measure:

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

*Id.* at Item 14 p.48.

27. At the April 4, 2024, Scottsdale City Council Meeting, the City Clerk explained that the “Tagline” is the proposed language to appear on the November 2024 general election ballot for Scottsdale voters. *See* City of Scottsdale April 2, 2024, Regular Meeting Closed Caption Transcript<sup>4</sup> at 21–22, a true and correct copy of which is attached

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<sup>4</sup> <https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Council/current-agendas-minutes/2024-transcripts/04-02-24-Closed-Caption-Transcript.pdf>

1 as Exhibit 3, (City Clerk: “This is the tag line text. And this is what is more likely that is  
2 going to be printed on the ballot.”)

3 28. In its April 4, 2024, City Council meeting, the City Attorney’s Office had  
4 presented the Council with “Option A” and “Option B” for the language of the New Parks  
5 & Rec Tax. “Option A” used the terms “extend and reduce” while “Option B” used the  
6 terms “replace and reduce.” *Id.* (City Clerk: “So, this is Option B for the tagline text,  
7 again it utilizes the words replace and reduce, rather than extend and reduced and it also  
8 adds the word solely in.”)

9 29. Before voting to approve Option B, councilmembers expressed confusion  
10 about the meaning and intent of both options.

11 30. For example, at a February 27, 2024, Work Study Meeting, Councilmember  
12 Graham thought the term “reducing” was misleading, observing that “‘reduced’ is  
13 confusing, because if it were to fail, [the new rate] would go to zero. So, it’s like it’s  
14 reduced to [0.]<sup>15</sup>, but that implies it’s staying flat [at its current rate], and we are reducing  
15 it. *See* City of Scottsdale February 27, 2024, Work Study Session Closed Caption  
16 Transcript at 49, a true and correct copy of which is attached as Exhibit 4 at 49. <sup>5</sup>

17 31. At that same meeting, Mayor Ortega thought the term “replacing” was  
18 misleading, observing that “replacing something that’s expiring in a year doesn’t make  
19 too much sense.” Councilmember Graham, however, thought the opposite. *Id.*

20 32. Despite these acknowledgments of its misleading nature, the City Council  
21 nevertheless approved ballot referral language that includes both the confusing terms  
22 “reducing” and “replacing” at its April 4th meeting.

23 **Plaintiffs Are Qualified Voters Residing in Scottsdale**

24 33. Plaintiff William James (“Jim”) Lane is a qualified elector and taxpayer  
25 residing in the City of Scottsdale. He regularly participates in city elections, and has  
26 engaged, and will continue to engage, in commercial transactions in the City of Scottsdale

27 \_\_\_\_\_  
28 <sup>5</sup> <https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Council/current-agendas-minutes/2024-transcripts/02-27-24-Closed-Caption-Transcript-Work-Study.pdf>.

1 subject to Scottsdale's city "transaction privilege and use tax," i.e., sales tax. Mr. Lane  
2 agrees that the Resolution's approved ballot language is misleading.

3 34. Plaintiff Yvonne Cahill is a qualified elector and taxpayer residing in the  
4 City of Scottsdale. She regularly participates in city elections, and has engaged, and will  
5 continue to engage, in commercial transactions in the City of Scottsdale subject to  
6 Scottsdale's city "transaction privilege and use tax," i.e., sales tax. Ms. Cahill agrees that  
7 the Resolution's approved ballot language is misleading.

8 35. Plaintiff Susan Wood is a qualified elector and taxpayer residing in the City  
9 of Scottsdale. She regularly participates in city elections, and has engaged, and will  
10 continue to engage, in commercial transactions in the City of Scottsdale subject to  
11 Scottsdale's city "transaction privilege and use tax," i.e., sales tax. Ms. Wood agrees that  
12 the Resolution's approved ballot language is misleading.

13 36. The City's adoption of the Resolution harms each Plaintiff because it and  
14 the ballot language it authorizes are inherently misleading thereby violating each  
15 Plaintiff's rights under Arizona law and the Arizona constitution, as well as the rights of  
16 other similarly situated qualified voters residing in Scottsdale.

17 **Defendants Are Responsible for the Resolution Appearing on the Ballot**

18 37. Defendant City of Scottsdale is a charter city located entirely within  
19 Maricopa County, Arizona.

20 38. Defendants Mayor David D. Ortega, Vice Mayor Solange Whitehead,  
21 Councilmember Tammy Caputi, Councilmember Tom Durham, Councilmember Barry  
22 Graham, Councilmember Betty Janick, and Councilmember Kathy Littlefield, are  
23 members of the Scottsdale City Council and are sued in their official capacities only. In  
24 their roles as members of the Scottsdale City Council, these Defendants are ultimately  
25 responsible for adopting the Resolution and ensuring that the City conducts itself in  
26 conformity with the law.

27 39. Defendant Benjamin Lane is the City Clerk for the City of Scottsdale and is  
28 sued in his official capacity only. The Scottsdale City Clerk is a city official with duties

1 described in article 3, section 3, of the City Charter. In addition, per A.R.S. § 19-141, the  
2 City Clerk carries out similar duties as the secretary of state with respect to city elections  
3 and is responsible for distributing publicity pamphlets for the election. *See also* A.R.S. §  
4 16-403 (“[T]he duties prescribed in this chapter devolving on the clerk of the [county]  
5 board of supervisors shall devolve on the city or town clerk.”)

6 40. Defendant Maricopa County, through its Board of Supervisors, Recorder,  
7 and other officials, is responsible for administering elections conducted in Maricopa  
8 County. The County’s responsibilities include the printing and supplying of ballots and  
9 sample ballots pursuant to A.R.S §§ 16-502, 16-510, and 19-125, which will include the  
10 Resolution’s approved ballot language for Scottsdale voters.

#### 11 **JURISDICTION AND VENUE**

12 41. This court has jurisdiction over this matter pursuant to A.R.S. §§ 12-123,  
13 12-1801, and 12-1831.

14 42. Venue is proper pursuant to A.R.S. § 12-401.

#### 15 **ALLEGATIONS COMMON TO ALL CLAIMS FOR RELIEF**

16 43. Plaintiffs repeat and reallege the allegations in the preceding paragraphs of  
17 this Verified Complaint as though fully set forth herein.

18 44. Questions submitted to voters must set forth the measure’s principal  
19 provisions and describe them accurately. *See Molera*, 250 Ariz. at 19–20 ¶ 10.

20 45. A ballot measure must be disqualified from the ballot whenever its  
21 description “communicates objectively false or misleading information or obscures the  
22 principal provisions’ basic thrust.” *Id.* at 20 ¶ 13.

23 46. A ballot measure “may not engage in a ‘bait and switch’ in which the  
24 summary attracts [voters] but misrepresents or omits key provisions.” *Id.*

25 47. A.R.S. § 19-101(A) requires “the form for referring to the people by  
26 referendum petition a measure or item ... by the legislative body of an incorporated city,  
27 town or county” to be not more than two hundred words that describes the principal  
28 provisions of the measure sought to be referred. *See Molera*, 250 Ariz. at 20 ¶ 13.

1           48.    A.R.S. § 19-125(D) requires that a descriptive title for the measure to be  
2 placed on the ballot and requires “[t]he descriptive title [to] contain a summary of the  
3 principal provisions of the measure, not to exceed fifty words.”

4           49.    A.R.S. § 19-141 states that the general Arizona law governing initiative and  
5 referendum—including the processes and the forms required—“applies to the legislation  
6 of cities, towns and counties, except as specifically provided to the contrary in this  
7 article.”

8           50.    Under A.R.S. § 19-141(A), “[t]he duties required of the governor shall be  
9 performed by the mayor or the chairman of the board of supervisors, the duties required of  
10 the attorney general shall be performed by the city, town or county attorney, and the  
11 printing and binding of measures and arguments shall be paid for by the city, town or  
12 county in like manner as payment is provided for by the state with respect to state  
13 legislation.”

14           51.    Scottsdale City Charter Article 10 states: “All city matters on which the  
15 council is or shall be empowered to legislate may be submitted by the council, of its own  
16 motion, to the electors for adoption or rejection at a general or special election *in the same*  
17 *manner and with the same force and effect as matters submitted on petition.*” (Emphasis  
18 added).

19           52.    Scottsdale City Charter Article 10 states, with respect to a matter submitted  
20 on petition, that [t]he provisions of the constitution and general laws of the state, as the  
21 same now exist or hereafter may be amended, governing the initiative and referendum and  
22 recall of elected officers shall apply in the city.

23           53.    Arizona law prohibits ballot measures when the ballot measure’s description  
24 “communicates objectively false or misleading information or obscures the principal  
25 provisions’ basic thrust.” *Molera*, 250 Ariz. at 20 ¶ 13.

26           54.    Although the sponsors of an initiative petition are free to describe the  
27 measure in a positive way and emphasize its most popular features, they may not engage  
28 in a “bait and switch.” *Id.*

1           55. Courts look to the meaning a reasonable person would ascribe to the  
2 description in determining whether it is objectively false or misleading, obscures the  
3 principal provisions' basic thrust, or constitutes a "bait and switch." *Id.*

4           56. The Resolution approved the "Official Title," "Descriptive Title," and  
5 "Tagline" as set forth above. The titles and tagline text are misleading, obscure the  
6 principal provisions of the measure, and constitute a "bait and switch" for reasons set  
7 forth herein.

8           57. The Resolution is deceptive and inherently misleading, and fundamentally  
9 unfair because the New Parks & Rec Tax does not, and cannot, "replace" the Land  
10 Acquisition Tax. The Land Acquisition Tax expires no later than June 30, 2025. On July  
11 1, 2025, the New Parks & Rec Tax will not "replace" anything.

12           58. The Resolution is deceptive, inherently misleading, and fundamentally  
13 unfair because the New Parks & Rec Tax does not, and cannot, "reduce" the current Land  
14 Acquisition Tax. As of midnight on June 30, 2025, Scottsdale's sales tax burden drops  
15 0.20% because the Land Acquisition Tax must terminate. The Resolution, if approved by  
16 voters, will raise—i.e., increase—the sales tax rate by 0.15% on July 1, 2025, not reduce  
17 it.

18           59. The Resolution is deceptive, inherently misleading, and fundamentally  
19 unfair because it claims to reduce taxes at the same time the City seeks voter approval of a  
20 new tax to comply with the City's Charter.

21           60. The Resolution obscures what is really happening: The 0.20% Land  
22 Acquisition Tax is a single-purpose tax that raises money to acquire land to be added to  
23 the Preserve. On the other hand, the New Parks & Rec Tax raises money for City services  
24 related to parks (and the Preserve), including for improvement, maintenance, and public  
25 safety related thereto, but not for land acquisition. The City already provides these  
26 services for its parks and the Preserve, drawing upon funding sources other than the Land  
27 Acquisition Tax. The Resolution, therefore, seeks to raise taxes to augment the funding of  
28 City services already provided, but under the guise of "replacing and reducing" an

1 expiring tax earmarked for something entirely different. Arizona law prohibits such a  
2 “bait and switch.”

3 61. The Resolution’s explanation as to the consequences of a “yes” or “no” vote  
4 is deceptive, inherently misleading, and fundamentally unfair. Contrary to the ballot  
5 language, a “yes” vote means that Scottsdale will impose a new 0.15% sales tax—the  
6 New Parks & Rec Tax—from July 1, 2025, through June 30, 2055, and a “no” vote means  
7 that there will be no new sales tax.

8 62. The Resolution’s explanation as to the consequences of a “yes” or “no” vote  
9 is deceptive, inherently misleading, and fundamentally unfair. A “no” vote actually  
10 reduces taxes while a “yes” vote increases them. Even if one accepts the characterization  
11 of the new tax as “replacing” the old tax, which it does not, a “yes” vote would “reduce”  
12 taxes by 0.05% but a “no” vote would reduce them by 0.20%.

13 63. Alternatively, the Resolution’s explanation as to the consequences of a  
14 “yes” or “no” vote is deceptive, inherently misleading, and fundamentally unfair because  
15 a “no” vote has the effect of reducing the sale tax rate 300% more than a “yes” vote. Yet  
16 the ballot language mentions “reducing” tax rates only in the context of voting “yes,”  
17 while stating that a “no” vote would not allow the reduction of the sales tax rate.

18 **Scottsdale’s Effort to Explain the New Parks & Rec Tax to Voters**

19 64. Scottsdale officials, including the City Clerk, are responsible for the drafting  
20 of a document entitled “2025 Scottsdale 0.15 Sales Tax: Question and Answers” (the  
21 “Q&A Document”).

22 65. The City publishes the Q&A Document<sup>6</sup> a true and correct copy of which is  
23 attached as Exhibit 5.

24 66. Plaintiffs are informed and believe, in part based on past practice, that  
25 Scottsdale intends to include the Q&A Document in the Publicity Pamphlet for the  
26 November 2024 general election.

27 \_\_\_\_\_  
28 <sup>6</sup> <https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Elections/2024/2025-scottsdale-sales-tax-answers.pdf>.

1           67. No state or local ordinance requires the City or its officials to prepare and  
2 publish the Q&A Document or place it in the November 2024 general election Publicity  
3 Pamphlet.

4           68. The Q&A Document poses and answers 22 questions related to the New  
5 Parks & Rec Tax. Ex. 5.

6           69. Question 2 answers whether the “current tax rate” will be increased by  
7 stating “No.” The question and answer are misleading because the proper question is  
8 whether the tax rate as of July 1, 2025, will be increased because the New Parks & Rec  
9 Tax does nothing to the “current tax rate.” *Id.*

10          70. The answer to Question 2 also states that “[i]f the replacement 0.15% tax is  
11 approved, the total sales tax rate [meaning the City sales tax rate added with state and  
12 other sales tax rates] in Scottsdale will decrease from 8.05% to 8.00% effective July 1,  
13 2025.” The explanation fails to inform voters that not approving the measure would leave  
14 the status quo in effect, which would result in a decrease of the overall tax rate from  
15 8.05% to 7.85% when the Land Acquisition Tax expires on June 30, 2025. *Id.*

16          71. Question 14 asks whether “parks, Preserve and public safety expenses”  
17 [referring to so-called “identified future needs” in the Q&A Document] be covered with  
18 the General Fund or other revenues?” Instead of answering this hypothetical “Yes,” the  
19 Q&A Document assumes those expenses have been approved and gratuitously states that  
20 “[t]hese additional expenses to upgrade aged parks and enhance maintenance and  
21 protection of city parks and the Preserve, as well as additional capital improvements for  
22 WestWorld would be *deferred* as they compete for other Police and Fire or other primary  
23 operating expenses that are of a higher priority in the General Fund.” *Id.* (emphasis  
24 added.)

25          72. A reasonable person reading the Q&A Document would find it to be  
26 misleading, biased, and electioneering activity because it seeks to influence the outcome  
27 of the election by advocating for the passage of the New Parks & Rec Tax.  
28









1 E. An injunction preliminarily and permanently enjoining Defendants from  
2 using any City resources to continue to publish the Q&A Document;

3 F. An award of attorney's fees and costs pursuant to A.R.S. § 12-348 and the  
4 private attorney general doctrine; and

5 G. Order such additional relief as may be just and proper.

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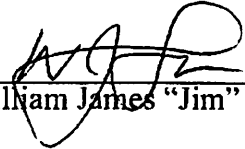
**RESPECTFULLY SUBMITTED** this 17th day of June 2024.

GOLDWATER INSTITUTE  
/s/ Scott Day Freeman  
Scott Day Freeman (019784)  
Adam Shelton (038252)  
Scharf-Norton Center for  
Constitutional Litigation at the  
GOLDWATER INSTITUTE  
500 E. Coronado Rd.  
Phoenix, Arizona 85004  
*Attorneys for Plaintiff*

**VERIFICATION**

I, William James "Jim" Lane, being duly sworn upon my oath, state that I am familiar with the allegations in the foregoing complaint and verify that the factual statements set forth in paragraphs , 8-21, 33 & 36 are true and correct and as to the other factual averments therein I reasonably believe them to be true and correct.

Dated this 17 day of June 2024,

By:  \_\_\_\_\_  
William James "Jim" Lane \_\_\_\_\_

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VERIFICATION

I, Yvonne Cahill, being duly sworn upon my oath, state that I am familiar with the allegations in the foregoing complaint and verify that the factual statements set forth in paragraphs 34 & 36 are true and correct and as to the other factual averments therein I reasonably believe them to be true and correct.

Dated this 13<sup>th</sup> day of June 2024,

By:   
Yvonne Cahill

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VERIFICATION

I, Susan Wood, being duly sworn upon my oath, state that I am familiar with the allegations in the foregoing complaint and verify that the factual statements set forth in paragraphs 8-32, & 35-40 are true and correct and as to the other factual averments therein I reasonably believe them to be true and correct.

Dated this 14 day of June 2024,

By: Susan Wood  
Susan Wood

# CITY COUNCIL REPORT



Meeting Date: 4/2/2024  
General Plan Element: *Economic Vitality and Open Space*  
General Plan Goal: ENSURE FISCAL SUSTAINABILITY AND MANAGE OPEN SPACE.

## ACTION

**2025 0.15% Tax.** Adopt either:

Resolution No. 13092, Option A, Seeking approval of the qualified electors at the November 5, 2024 election as to whether the City Council shall be authorized to “extend and reduce” the expiring McDowell Sonoran Preserve 0.20% transaction privilege and use (sales) tax rate to 0.15% for improvements, maintenance and protection of the City’s Parks and City Recreational Facilities, and the maintenance and protection of the McDowell Sonoran Preserve, for a period of 30 years.

Resolution No. 13092, Option B, Seeking approval of the qualified electors at the November 5, 2024 election as to whether the City Council shall be authorized to “replace and reduce” the expiring McDowell Sonoran Preserve 0.20% transaction privilege and use (sales) tax rate to 0.15% for improvements, maintenance and protection of the City’s Parks and City Recreational Facilities, and the maintenance and protection of the McDowell Sonoran Preserve, for a period of 30 years.

**Distributions of 2025 0.15% Tax Revenues and Oversight.** Adopt Ordinance No. 4633, 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 2025 0.15% Tax if such tax is approved by the voters on November 5, 2024; 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 2025 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 2025 0.15% Tax related to the Preserve; and establishing a conditional effective date.

## BACKGROUND

During FY 2021/22 City Council established strategic priorities to implement elements of the voter approved General Plan 2035, including exploring extending or replacing the 1995 0.20% Preserve sales 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.

Action Taken SEE MARKED AGENDA

RESOLUTION NO. 13092

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, SEEKING APPROVAL OF THE QUALIFIED ELECTORS AS TO WHETHER THE CITY COUNCIL SHALL BE AUTHORIZED TO REPLACE AND REDUCE THE EXPIRING 1995 MCDOWELL SONORAN PRESERVE TRANSACTION PRIVILEGE AND USE TAX RATE FOR IMPROVEMENTS, MAINTENANCE, AND PROTECTION OF CITY PARKS AND CITY RECREATIONAL FACILITIES, AND THE MAINTENANCE AND PROTECTION OF THE MCDOWELL SONORAN PRESERVE.

WHEREAS, the maintenance and improvement of City Parks and Recreational Facilities, and maintenance and protection of the McDowell Sonoran Preserve, including Police and Fire protection of City Parks and the Preserve, are of great importance to the community and its residents; and

WHEREAS, Article 6, Section 9 of the Scottsdale City Charter requires the approval of the qualified voters of the City for a tax rate change above 1%; and

WHEREAS, on May 23, 1995, the qualified electors of the City authorized the City Council to increase the transaction privilege and use tax rate of the City by 0.20%, for 30 years, for the purpose of acquiring land for the McDowell Sonoran Preserve; and

WHEREAS, it is the recommendation of the Protect and Preserve Scottsdale Task Force and the desire of the City Council to submit to the qualified electors a question as to whether the City Council shall be authorized to replace and reduce the expiring 0.20% tax rate to 0.15%, for 30 years, for the improvement and replacement of Citywide Parks and Recreational Facilities including WestWorld, and for preservation, maintenance, and protection of Citywide Parks and Recreational Facilities, and the maintenance and protection of the McDowell Sonoran Preserve; and

WHEREAS, on March 5, 2024, the City Council adopted Resolution No. 13065 calling a Primary Election for Tuesday, July 30, 2024, and if necessary, a General Election for Tuesday, November 5, 2024.

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

Section 1. The question as to whether the qualified electors of the City authorize the City Council to replace and reduce the transaction privilege and use tax rate of the City shall be submitted to the voters of the City of Scottsdale, substantially in the form shown in Exhibit A, at the General Election to be held on Tuesday, November 5, 2024.

Section 2. The City Council hereby directs the City Clerk, City Manager, City Attorney, and City Treasurer to take such steps as may be necessary to include this measure on the General Election ballot.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona, this \_\_\_\_ day of \_\_\_\_\_, 2024.

CITY OF SCOTTSDALE, an Arizona  
municipal corporation

ATTEST:

\_\_\_\_\_  
David D. Ortega, Mayor

\_\_\_\_\_  
Ben Lane, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Sherry R. Scott, City Attorney

## EXHIBIT A

### Full Text

#### Question X (Proposition XXX)

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

**OFFICIAL TITLE: A CITY CODE AMENDMENT TO REPLACE 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 replace 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 replace 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 replace 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.

**Tagline Text**

**Question X (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 REPLACED AND REDUCED TO 0.15% 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 replace 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 replace 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.

**SCOTTSDALE CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, APRIL 2, 2024**



**CITY HALL KIVA  
3939 N. DRINKWATER BOULEVARD  
SCOTTSDALE, AZ 85251**

**CALL TO ORDER**

Mayor David D. Ortega called to order a Regular Meeting of the Scottsdale City Council at 5:00 P.M. on Tuesday, April 2, 2024 in the City Hall Kiva Forum.

**ROLL CALL**

Present: Mayor David D. Ortega; Vice Mayor Solange Whitehead; and Councilmembers Tammy Caputi, Tom Durham, Barry Graham, Betty Janik, and Kathy Littlefield

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Councilmember Graham.

**MAYOR'S REPORT**

Mayor Ortega called attention to the ongoing wars in foreign countries as they fight to protect their democracy and freedom and asked for a moment of silent reflection for these war-torn countries.

Mayor Ortega discussed the upcoming Tour de Scottsdale and presented a proclamation declaring April as Bike Month in Scottsdale to Team Penske, HonorHealth, the McDowell Sonoran Conservancy, and the City's Street Transportation Department.

**CITY MANAGER'S REPORT**

**Fast Five Video Update**

**Note:** The Council may make comments or ask questions to the presenter(s); however, no Council action will be taken.

City Manager Jim Thompson introduced a "Fast Five" video produced by the City's Communications Office which provided updates on several City events and offerings.

**NOTE:** MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

### **MOTION AND VOTE – ITEM 13**

Vice Mayor Whitehead made a motion to adopt Resolution No. 13070 to authorize:

1. Construction Bid Award No. IFB-092023-114 with J. Banicki Construction, Inc., in the amount of \$3,636,937.10, for construction of the Indian Bend Wash Underpass at Chaparral Road capital project (SF01).
2. Acceptance of an additional federal grant award in the amount of \$1,024,256 in Congestion Mitigation Air Quality (CMAQ) funds, with a local match requirement of \$481,494 to be funded by the Transportation 0.2% Sales Tax, for a total of up to \$1,505,750.
3. A Fiscal Year 2023/24 Capital Improvement Plan (CIP) Capital Contingency (ZB50) Budget Appropriation Transfer, in the amount of \$1,024,256, to the Indian Bend Wash Underpass at Chaparral Road capital project (SF01), to be funded by CMAQ grant funds.
4. A Fiscal Year 2023/24 Transportation Fund Capital Contingency (ZF01) Budget Appropriation Transfer, in the amount of \$481,494, to the Indian Bend Wash Underpass at Chaparral Road capital project (SF01), to be funded by Transportation 0.2% Sales Tax.
5. The City Manager and the City Treasurer, or designees, to execute any other documents and take such other actions as necessary to carry out the intent of this Resolution.

Mayor Ortega seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, Graham, Janik, and Littlefield voting in the affirmative.

#### **14. Proposed Ballot Measure on Funding for Parks and Recreational Facilities and the McDowell Sonoran Preserve**

**Requests:** Consider the Protect and Preserve Task Force's Recommendation to:

1. Adopt **Resolution No. 13092** authorizing a ballot question be sent to the voters at the November 5, 2024 General Election as to whether the City shall be authorized to extend and reduce the expiring McDowell Sonoran Preserve 0.20% transaction privilege and use (sales) tax rate to 0.15%, for improvements, maintenance, and protection of the City's Parks and City Recreational Facilities; and the maintenance and protection of the McDowell Sonoran Preserve, for a period of 30 years; and
2. Adopt **Ordinance No. 4633** amending Scottsdale Revised Code (SRC), Chapter 16, Licenses, Taxation and Miscellaneous Business Regulations, Article III, adding a new Section 16-52 to determine the specific distribution of revenues from the 2025 0.15% Tax if such tax is approved by the voters on November 5, 2024; amending SRC, Chapter 20, Parks, Recreation and Cultural Affairs, Article I, In General, Section 20-1, Parks and Recreation Commission to update the purpose, powers, and duties of the Parks and Recreation Commission to include oversight of the 2025 0.15% Tax related to parks; amending SRC, Chapter 21, McDowell Sonoran Preserve, Article II, McDowell Sonoran Preserve Commission, Section 21-7, Purpose; powers and duties, to update the purpose, powers, and duties of the McDowell Sonoran Preserve Commission to include oversight of the 2025 0.15% Tax related to the Preserve; and establishing a conditional effective date of July 1, 2025.

**Presenter(s):** Sonia Andrews, City Treasurer and Ben Lane, City Clerk

**Staff Contact(s):** Gina Kirklin, Finance Director, 480-312-5006, [rkirklin@scottsdaleaz.gov](mailto:rkirklin@scottsdaleaz.gov)

City Treasurer Sonia Andrews, City Clerk Ben Lane, and City Attorney Sherry Scott gave a PowerPoint presentation (attached) on the City's proposed Ballot Measure on Funding for Parks and Recreational Facilities and the McDowell Sonoran Preserve.

Mayor Ortega opened public comment on this item.

The following individuals spoke in support of this item:

- Carla, Protect and Preserve Scottsdale Task Force member
- Mary Manross, Former Scottsdale Mayor
- Kerry Olsson, McDowell Sonoran Preserve Commission Vice Chair
- Stephen Coluccio, McDowell Sonoran Preserve Commission Chair
- Sonnie Kirtley, Coalition of Greater Scottsdale Executive Board Director
- Maryann McAllen, Scottsdale resident
- Raoul Zubia, Protect and Preserve Scottsdale Task Force Vice Chair
- Michael Vreeland, Parks and Recreation Commission member
- Cynthia Wenstrom, Protect and Preserve Scottsdale Task Force Chair
- Daniel Schweiker, Protect and Preserve Scottsdale Task Force member
- Daniel Schwartz, Scottsdale resident
- Teresa Quale, Parks and Recreation Commission Vice Chair
- Heather Mrowiec, Scottsdale resident
- Craig Citizen, Scottsdale resident
- Mark Winkleman, Protect and Preserve Scottsdale Task Force member

The following individual expressed concerns with this item:

- Jim Haxby, Scottsdale resident

Mayor Ortega closed public comment on this item.

#### **MOTION NO. 1 – ITEM 14**

Councilwoman Janik made a motion to:

1. Adopt Resolution No. 13092 Option B with the addition of the words “sole” and “solely” in the ballot language as shown in the presentation to further restrict the use of the 0.15% tax to its authorized purpose and referring the proposed ballot measure to the voters in the upcoming November 2024 General Election.
2. Adopt Ordinance No. 4633 to further restrict the use of the 0.15% tax, establish proper oversight of the tax, set an effective date, and add in Section 5, “This Ordinance cannot be modified except by an affirmative vote of at least 5 members of the City Council.”

Vice Mayor Whitehead seconded the motion.

#### **ALTERNATE MOTION AND VOTE – ITEM 14**

Councilmember Graham made an alternate motion to continue the item until early May 2024. Councilwoman Littlefield seconded the motion, which failed 2/5 with Councilmembers Graham and Littlefield voting in the affirmative and Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham and Janik dissenting.

#### **CALL THE QUESTION MOTION AND VOTE – ITEM 14**

Vice Mayor Whitehead made a motion to call the question. Mayor Ortega seconded the motion, which carried by voice vote.

#### **MOTION NO. 1 AND VOTE – ITEM 14**

The Council then voted on Councilwoman Janik’s original motion to adopt Resolution No. 13092 and Ordinance No. 4633, which carried 5/2, with Mayor Ortega; Vice Mayor Whitehead; and Councilmembers Caputi, Durham, and Janik voting in the affirmative and Councilmembers Graham and Littlefield dissenting.

**C E R T I F I C A T E**

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona, held on the 2<sup>nd</sup> day of April 2024.

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

**DATED** this 14<sup>th</sup> day of May 2024.

A handwritten signature in black ink that reads "Ben Lane". The signature is written in a cursive style with a horizontal line underneath it.

**Ben Lane, City Clerk**

# Proposed Ballot Measure for Parks and Recreation and The Preserve

*City Council Meeting  
April 2, 2024*



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## Protect and Preserve Scottsdale Task Force

### Year-Long Study by Citizen Task Force



[www.scottsdaleaz.gov/boards/protect-preserve-scottsdale-task-force](http://www.scottsdaleaz.gov/boards/protect-preserve-scottsdale-task-force)  
*Full Report Submitted to Council  
Detail Presentation to Council on February 27, 2024  
Meeting Agendas and Minutes*

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**Request Council Approve  
Resolution to Refer Ballot  
Measure to Voters**

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**Ballot Language**

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**Option  
A  
Full  
Text**

**OFFICIAL TITLE:** A CITY CODE AMENDMENT TO EXTEND AND REDUCE SCOTTSDALE'S EXPIRING TRANSACTION PRIVILEGE AND USE TAX RATE SOLELY 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 solely 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 sole 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 sole 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.

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**Tagline Text**

**Option  
A**

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 SOLELY TO FUND IMPROVEMENTS, MAINTENANCE, AND INCREASED POLICE AND FIRE PROTECTION OF CITYWIDE PARKS, RECREATIONAL FACILITIES, AND THE PRESERVE AS DETERMINED BY CITY ORDINANCE?

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**Option  
B  
Full  
Text**

**OFFICIAL TITLE:** A CITY CODE AMENDMENT TO REPLACE AND REDUCE SCOTTSDALE'S EXPIRING TRANSACTION PRIVILEGE AND USE TAX RATE SOLELY 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 replace and reduce the current 0.20% transaction privilege and use tax rate, expiring in 2025, to 0.15%, for 30 years solely 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 replace 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 sole 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 replace 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 sole 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.

**Tagline Text**

**Option  
B**

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

# Ordinance

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## **Ordinance No. 4633 mandates that all revenues shall be used to:**

- **Improve and maintain the City's Parks and Recreational Facilities (which includes limited WestWorld capital improvements)**
- **To maintain and protect the Preserve**
- **To increase Police and Fire resources related to Citywide Parks and the Preserve**
- **For the benefit of all geographic areas within the City, but with an emphasis on restoring and updating the Indian Bend Wash Greenbelt and other aged Parks**

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This document was created from the closed caption transcript of the April 2, 2024 City Council Regular Meeting and has not been checked for completeness or accuracy of content.

A copy of the agenda for this meeting, including a summary of the action taken on each agenda item, is available online at:

<https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Council/current-agendas-minutes/2024-agendas/04-02-24-regular-agenda.pdf>

An unedited digital video recording of the meeting, which can be used in conjunction with the transcript, is available online at:

<https://www.scottsdaleaz.gov/scottsdale-video-network/Council-video-archives/2024-archives>

For ease of reference, included throughout the transcript are bracketed "time stamps" [Time: 00:00:00] that correspond to digital video recording time.

For more information about this transcript, please contact the City Clerk's Office at 480-312-2411.

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#### **CALL TO ORDER**

[Time: 00:00:01]

Mayor Ortega: Hello, everyone. At this time, I call the April 2, 2024, City Council Regular Meeting to order. City Clerk Ben Lane, please conduct the roll call.

#### **ROLL CALL**

[Time: 00:00:14]

Ben Lane: Thank you, Mayor. Mayor David Ortega.

Mayor Ortega: Present.

Ben Lane: Vice Mayor Solange Whitehead.

Vice Mayor Whitehead: Here.

Ben Lane: Councilmembers Tammy Caputi.

So, the 0.15 tax that's requested is a 30-year tax for Parks and Recreation and Preserve. It provides dedicated funding and ensures funding for our capital reinvestment and replacement of our parks and recreation system. It provides an assurance to our citizens and also businesses that want to locate here or our existing businesses of our commitment to maintain and protect these assets in the Scottsdale quality of life. Next slide. And again, the ballot measure will reduce our current tax from 8.05% to 8%. And next slide. The cost for an average household is \$3.71 a month. Next slide. And at 1.7%, we will still be one of the lowest in terms of sales tax rate across the Valley. Next slide. So, the request tonight is for Council to approve the resolution to refer this ballot measure to the voters. I am going to turn it over to City Clerk Ben Lane now to talk about the ballot language.

[Time: 01:16:36]

Ben Lane: Thank you, Sonia. Mayor and Council, all ballot language we will be going over today was reviewed by our City Attorney's Office and also outside counsel. I will be presenting two ballot options for your consideration tonight. Next slide, please. So, this is Option A, and this is a full text option, or part of Option A. But Option A is a Task Force recommended language which was discussed with the Council at its February 27<sup>th</sup> Work Study Meeting and was last discussed by the Task Force at its March 11<sup>th</sup> meeting. As I mentioned earlier, this is a full text language. The full text includes an official title, which explains the measure, a descriptive title which explains the action being requested and also yes/no statements basically indicating what occurs if the item is approved and what happens if it isn't approved.

Due to the length of the ballot language, it is unlikely the full text will be presented on the ballot; however, the full text will be provided in the publicity pamphlet that will be provided to each household with a registered voter in Scottsdale. And it will also be provided by the ballot language by the pamphlet that is provided by Maricopa County as well. The key section for this language is the extend and reduce wording. That language is highlighted throughout this full text option, and also the tag line text option that we will be discussing shortly. After the Task Force considered and reaffirmed its wanting to stay with the extend and reduce, a suggestion was made to add the word "solely" and "sole" in the appropriate area to better explain the purpose of the tax and what it was being used for. So, I did add that word here, just for clarification purposes. The other reason why I added the word "solely" into this example as well is because the descriptive title is limited to 50 words and so adding the word "solely" to the descriptive title takes it to the 50-word maximum. So, I just wanted Council to be aware of that. So that's again, that's the full text option. It's unlikely that it will be printed on the ballot because of the length of it.

Next slide, please. This is the tag line text. And this is what is more likely that is going to be printed on the ballot. And again, that's due, as we discussed in previous Council meetings, that's due to the overall length of the November ballot. It is a very long ballot. There's a Presidential race, there's a U.S. Senate race, there are multiple U.S. House races, there are many state offices up for election, county offices, and many other ballot measures besides ours as well. So, again this tagline text uses the words extend and reduce and it also adds the word "solely" in. For the tag line text summary, there is a 50-word limit as well. And this is currently at 47 words with the word "solely" included. The yes/no statements would

be the exact same as found in the full text option. Next slide, please.

So, the second option for Council consideration tonight is Option B. This came from a discussion by the City Council at its February 27<sup>th</sup> Work Study Meeting. Again, this is the full text option. The key here is rather than use the word "extend and reduce," the Council suggested using the word "replace and reduce." So, again, that language was changed here to reflect that, and again the word solely was added as that was another Council suggestion. So, with the descriptive title here, when you add the word "solely" in we are also at the 50-word limit here. Next slide, please. So, this is Option B for the tagline text, again it utilizes the words replace and reduce, rather than extend and reduced and it also adds the word solely in. With this, we are at 47 words of the 50-word limit. But those are the two options being presented to the Council tonight. And with that, I will turn it over to Sherry Scott to discuss the ordinance that also relates to this ballot language.

[Time: 01:21:24]

Sherry Scott: Thank you, Mayor and Council, Sherry Scott, City Attorney. I'm going to be discussing the ordinance that you saw mentioned in the ballot language and Sonia also went through some of the major pieces of the ordinance but just to make sure you understand the details of the ordinance, we'll go through it as quickly as possible. Next slide. So, the ordinance number is 4633, Ordinance Number 4633 mandates that all revenues from the subject tax shall be used to improve and maintain city parks and recreational facilities and that would include some limited WestWorld capital improvements, to maintain and protect the Preserve, to increase police and fire resources related to citywide parks and the Preserve, for the benefit of all geographic areas within the city, but with an emphasis on restoring and updating the Indian Bend Wash Greenbelt and other aged parks. Next slide.

As Sonia mentioned earlier in her presentation, this ordinance will provide that the tax revenues shall be distributed as set forth below. This is in Section 1 of the ordinance, 51% for city park improvement needs, 18% for McDowell Sonoran Preserve maintenance and protection, and 14% for city parks and recreational facilities maintenance. I just want to point out that does not include WestWorld maintenance, it specifically excludes WestWorld. 10% to the Scottsdale Fire Department for citywide related needs within the purpose of the tax, which specifically includes but is not limited to technical rescue teams for the McDowell Sonoran Preserve and city parks and for fire fuel mitigation around the Preserve and in and around city parks for the protection and maintenance of the Preserve and city parks, and 7% for increased Preserve and city park police ranger units and park and Preserve security. Next slide. The ordinance also addresses debt. Debt may be used to fund capital improvements. For instance, debt will be used to fund limited WestWorld capital improvements, but the debt is limited to no more than \$4,500,000 annually in debt service payments. And it must be paid first. The debt must be paid first as Sonia explained earlier pursuant to city policies. Next slide.

The ordinance also provides appropriate oversight for this tax. First, the City Treasurer will prepare an annual accounting of this tax for the City Council for the life of the tax. Second, the Parks and Recreation Commission will serve as citizen oversight as it relates to the portion of the tax for parks. Likewise, the McDowell Sonoran Preserve Commission will serve as oversight as it relates to the portion of the tax for

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This document was created from the closed caption transcript of the February 27, 2024 City Council Work Study Session and has not been checked for completeness or accuracy of content.

A copy of the agenda for this meeting, including a summary of the action taken on each agenda item, is available online at:

<https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Council/current-agendas-minutes/2024-agendas/02-27-24-work-study-agenda.pdf>

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For ease of reference, included throughout the transcript are bracketed "time stamps" [Time: 00:00:00] that correspond to digital video recording time.

For more information about this transcript, please contact the City Clerk's Office at 480-312-2411.

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#### **CALL TO ORDER**

[Time: 00:00:01]

Mayor Ortega: I call the February 27, 2024 City Council Work Study Session to order. City Clerk Ben Lane please conduct the roll call.

#### **ROLL CALL**

[Time: 00:00:08]

City Clerk Ben Lane: Thank you, Mayor. Mayor David Ortega.

Mayor Ortega: Present.

City Clerk Ben Lane: Vice Mayor Solange Whitehead.

Vice Mayor Whitehead: Here.

City Clerk Ben Lane: Councilmembers Tammy Caputi.

Councilwoman Caputi: Here.

questions that were asked this evening of Council that we'll come back and address those here in short order to make sure that we have all issues, but I think as far as the questions raised this evening, all great questions. I think at the end, it's not really going to change the dynamics of the ballot and as the City Clerk has noted, we will be subject to what the county allows us to put on the ballot. So, I know you want to have additional thoughts on the ordinance as well. I think that is going to challenge us a little bit.

We will come back and try to explain that 25% further because I have seen a lot of confusion, which it could be confusing because you are using definitive numbers and then you're using percentages but the percentages are a percentage of the definitive numbers, but yet a percentage of what you might issue debt for and then you have the rules associated whenever you do get approval, the debt has to be paid first, with the intent. And so, it gets confusing but we'll add some more depth to that, so it's fully understandable, and so appreciate the questions and at least from my perspective that would be the answer.

Mayor Ortega: That's right. So, we are going into the next step and that's why we called on our City Manager. Okay. Councilman Graham.

[Time: 02:56:24]

Councilmember Graham: Thank you, Mayor. If you go back, as I think about it more and I would like to, you know, process, I like "replace." I actually, as I read this more, I actually think that "reduced" is confusing, because if it were to fail, it would go to zero. So, it's like it's reduced to 15, but that implies it's staying flat, and we are reducing it to what it is below. So, I think that replaced for 30 years with a 0.15 could be more clear. This is this is attorney world at this point. So, I'm not going to, that's my thoughts on that, but I think I like Councilwoman Janik's thoughts.

Mayor Ortega: It's also kind of interesting because one tax is going to expire in one year. So, replacing something that's expiring in a year doesn't make too much sense.

Councilmember Graham: It makes perfect sense.

Mayor Ortega: Well, no, because if something is, but we'll get more nomenclature.

Councilmember Graham: It's leaving. You are replacing.

Mayor Ortega: I know one is different than the other, but if one is expiring in a year, and then one is going to last another 30 years, they are different kind of animals. But this is, we're down to final compound words and we are getting close. So, I think it's been very productive for us and I do not see anyone else wishing to speak. Staff will continue to move forward and, you know, I think we have all expressed our appreciation to the members who have made this possible. Councilmember Graham.

Councilmember Graham: Mr. Mayor are you about to conclude or adjourn the meeting?



## 2025 Scottsdale 0.15% Sales Tax: Questions and Answers

### 1. What is being voted on?

The ballot proposal would replace and reduce an expiring 0.20% city sales tax with a 0.15% sales tax to provide funds solely for capital replacements and improvements at city parks and recreational facilities and additional maintenance, preservation and protection, including police and fire protection, of city parks and the McDowell Sonoran Preserve. This tax would expire after 30 years.

### 2. Will this increase the current tax rate?

No. The current total sales tax rate in Scottsdale is 8.05%; the city's portion of that is 1.75%, state and county taxes make up the rest. The expiring tax is two-tenths of one percent (0.20%), the proposed replacement tax is one-and-a-half tenths of one percent (0.15%). The replacement tax would take effect when the expiring tax terminates – there would be no overlap.

**If the replacement 0.15% tax is approved, the total sales tax rate in Scottsdale will decrease from 8.05% to 8.00% effective July 1, 2025.**

### 3. Why is this being proposed?

The city's Indian Bend Wash Greenbelt parks are aged, some over 50 years old, and require significant capital asset replacements and additional maintenance. Other city parks will also require capital replacements and improvements or additional maintenance as they age over the next 30 years. The 30,500-acre McDowell Sonoran Preserve requires additional dedicated funding to ensure proper ongoing maintenance, care and protection. The city's parks and the Preserve are also in need of additional Police Park Rangers and Fire resources including fire fuel mitigation and technical rescue to provide the best response and protection for our community's safety.

The ballot proposal was recommended by the Protect and Preserve Scottsdale Task Force, consisting of nine residents appointed by the City Council to develop financial strategy recommendations to preserve and protect Scottsdale's parks, open spaces and quality of life.

The task force held 22 public meetings from February 2023 to March 2024, studying the financial needs for upgrades and additional maintenance of city parks and recreation facilities (including critical improvements for WestWorld), and also the needs for the McDowell Sonoran Preserve as well as police and fire protection for the city's parks and Preserve.

A current 0.20% city sales tax that was approved by voters in 1995 to acquire land in the McDowell Sonoran Preserve will sunset in 2025. The task force concluded their work by recommending that the expiring tax be replaced and reduced to 0.15% to solely fund improvements and maintenance for citywide parks and recreational facilities (including WestWorld), maintenance and protection for the McDowell Sonoran Preserve, and increase police and fire resources for citywide parks and the Preserve.

The City Council accepted that recommendation and placed this proposal on the ballot for voter consideration.

The Protect and Preserve Scottsdale Task Force meeting materials and final report are available at [ScottsdaleAZ.gov](https://www.scottsdaleaz.gov), search “Protect and Preserve Task Force.”

4. What was the expiring 0.20% tax for and why is it no longer needed?

The expiring 0.20% sales tax was approved by voters in 1995 to acquire land for Scottsdale’s McDowell Sonoran Preserve. Land acquisitions are nearly complete, and the sales tax will no longer be needed for that purpose.

5. How would the replacement 0.15% tax be used?

If approved, the specific uses and annual revenues collected from the replacement 0.15% sales tax would be allocated by City Council Ordinance as follows:

- 51% for capital asset replacements and improvements to aged Indian Bend Wash parks and other citywide parks (see further discussion of capital replacements and improvements below)
- 14% for increased citywide park maintenance including additional maintenance workers and contracts to enhance park maintenance
- 7% for the Police Park Ranger program including additional resources for enforcement and education to provide better safety and security for city parks and the Preserve.
- 18% to increase maintenance, protection and care for the McDowell Sonoran Preserve and its desert plants and wildlife, including trail and trailhead maintenance; protecting wildlife habitat; assessing and protecting archaeological, ecological and cultural resources; and removing invasive plants to reduce wildfire risk (known as fire fuel mitigation)
- 10% for the Fire Department wildland fire fuel mitigation program with additional resources to remove/reduce overgrown plants and weeds around the Preserve and in city open spaces that pose ongoing wildfire risk during dry summer months, and additional Fire Department resources including technical rescue teams for citywide parks and the Preserve.

In addition to the annual allocations listed above, a portion of the 0.15% tax will also be allocated to provide one-time funding to address drainage, shade and other critical infrastructure issues at WestWorld. The improvements for WestWorld are anticipated to be funded with debt, and allocations for debt service will not exceed \$4.5 million per year from the 0.15% tax as restricted by Council ordinance. The total allocation over 30 years to WestWorld is estimated to be approximately 7% of the total revenue collected from the 0.15% tax over the life of the tax. (See table 1 at the end of this document).

This specific allocation and use of the 0.15% tax was recommended by the Protect and Preserve Scottsdale Task Force after their yearlong public process studying these issues. Task force meeting materials and their final report are available at [ScottsdaleAZ.gov](https://www.scottsdaleaz.gov), search “Protect and Preserve Task Force.”

The attached Table 1 shows the estimated allocations over 30 years based on projected revenues from the replacement 0.15% tax. These allocations were approved and recommended by the task force and accepted by the City Council.

6. Can the proposed replacement 0.15% tax be repurposed by future city councils?

By law, the city must use the replacement tax solely for the improvements, maintenance and protection of city parks and recreation facilities and the McDowell Sonoran Preserve as described in the ballot question.

The ordinance which specifies the allocation of the replacement tax revenues can only be changed by a super majority (at least five votes) of the City Council. **If the ordinance is changed in the future by a super majority of the City Council, the 0.15% tax allocations must still be used solely for the improvements, maintenance and protection of city parks and recreation facilities and the McDowell Sonoran Preserve as described in the ballot question, and cannot be diverted for other uses**

7. Why is a sales tax being proposed to address these expenses rather than Bonds?

Bond programs (General Obligation Bonds) increase property taxes and visitors and non-property owners do not share in the costs. Bond programs cannot be used for maintenance and operating needs such as for Police Park Rangers and fire fuel mitigation or maintenance and care of city parks and the Preserve.

A sales tax more appropriately distributes the costs to maintain, improve and protect the city's amenities – the McDowell Sonoran Preserve, city parks, and WestWorld – to everyone who uses them, including tourists and other nonresidents or non-property owners.

A sales tax is paid by everyone who buys taxable goods and services in Scottsdale, regardless of their place of residence, and is therefore a revenue source that does not depend solely on the city's property owners. The millions of visitors who come to Scottsdale each year also pay sales tax and will share in the cost of maintaining and protecting city parks and the Preserve.

8. Is there oversight and assurance that the replacement tax will be used for its stated purposes?

Yes. The City Council adopted an ordinance (a local law) which will be effective if the ballot proposal is approved by the voters. The city must comply with the ordinance which sets forth the allocation of the 0.15% tax as recommended by the task force.

**Additionally, the ordinance can only be changed by a super majority (at least five votes) of the City Council, and even if changed by a super majority, the 0.15% tax must still be used solely for improvements, maintenance and protection of city parks and the Preserve as described in the ballot question, and cannot be diverted for other uses.**

The ordinance also establishes additional oversight for the use of the tax through the Parks and Recreation Commission and McDowell Sonoran Preserve Commission and requires the City Treasurer to provide an annual accounting of the 0.15% tax to the City Council. City commissioners are residents appointed to advise staff and the City Council on specific topics.

9. What capital improvement needs have been identified for city parks and recreation facilities, and how were they determined?

For the major city community parks, capital improvement needs are typically identified and approved through community master planning efforts, which involve extensive community input, citizen board and commission review, and final approval by the City Council.

Current planning efforts for city parks and facilities include the Citywide Parks and Recreation Master Plan (in progress), Indian Bend Wash Master Plan - Thomas to McKellips (completed and approved by Council in 2020) and Indian School Park Master Plan (in progress). These community planning efforts are guided by goals and priorities from the voter-approved Scottsdale General Plan.

These efforts have identified a substantial list of improvements within the Indian Bend Wash Greenbelt, which includes some of Scottsdale's oldest parks. For example, at Eldorado Park (57 years old) and Vista Del Camino (53 years old), capital renewal and replacement needs include renovating fields, landscaping, irrigation repair, playgrounds, sport courts, paths, parking areas, and the Wedge Skatepark, and adding amenities like pickleball courts, splash pads, new shade structures, mature trees, a dog park and amphitheater. Similar renovations and improvement needs have been identified at Chaparral Park (50 years old) and Indian School Park (43 years old).

Find details at:

- [ShapeScottsdaleParks.com](https://shapescottsdaleparks.com) (citywide Parks and Recreation Master Plan)
- [IndianSchoolPark.com](https://indianschoolpark.com) (Indian School Park Master Plan)
- [Indian Bend Wash Municipal Use Master Site Plan](#)

10. What additional maintenance and public safety needs have been identified for city parks?

Scottsdale's parks and recreation system provides 44 parks totaling nearly 1,000 acres that routinely need maintenance and upkeep.

The Parks and Recreation Department has identified additional needs including increasing maintenance employees and contract staffing to perform a variety of park and recreation maintenance, beyond what can be done today due to limited funding and higher priority needs in the city's General Fund operating budget.

Additionally, the city receives numerous police calls for service regarding issues and incidents in our park and Preserve system whether it be dog off leash, disorderly conduct, vehicle damage and/or burglaries, homelessness issues or the search and rescue of lost/injured hikers. The Scottsdale Police Department responds to all issues arising in the park and Preserve system but does so via a call priority hierarchy. We currently have three Police Park Rangers whose sole focus is the entirety of the park and Preserve system in the City of Scottsdale. While the work they do is significant, there are still only three of these officers to cover this large swath of the city.

With additional resources and dedicated funding, the city can enhance its Police Park Ranger program and increase police response to calls for service, educational and outreach efforts to ensure safety and security for citizens and visitors who enjoy our parks and the Preserve.

**11. What additional Fire resource needs have been identified for city parks and the Preserve?**

The Scottsdale Fire Department performs brush patrol and treatment to address the risk of fire fuel loads around the Preserve and open spaces, and responds to fires, technical rescue, and other emergency response needs in the Preserve or citywide parks. The city relies on available funding through one-time grants for fire fuel mitigation or additional funding in the Fire Department budget to perform these tasks.

This ballot proposal will secure consistent and dedicated funding to ensure the continued provision of fire response efforts in citywide parks and the McDowell Sonoran Preserve including fire fuel mitigation, and hiker rescue services in the Preserve areas which is crucial for maintaining safety and protection for both residents, visitors and natural resources in the remote areas.

**12. What additional needs have been identified for the McDowell Sonoran Preserve and how were they determined?**

Scottsdale's McDowell Sonoran Preserve is 30,500 acres of permanently protected Sonoran Desert – home to more than 700 species of animals and plants, it is one of the largest municipally-owned parks or preserves in the world. The Preserve includes 12 trailheads leading to 235 miles of trails which welcome more than 1 million visits each year. Scottsdale's McDowell Sonoran Preserve represents a \$1.6 billion investment by Scottsdale residents which currently relies on the city's General Fund budget for day-to-day operations, maintenance and long-term care.

The General Fund operating budget does not have capacity for additional financial resources needed to ensure proper care and protection of the Preserve such as proper trail and trailhead maintenance; protection of wildlife habitat; archaeological, ecological and cultural resources assessments and protection and awareness programs; and increasing invasive plant removal and additional wildfire fuel reduction.

The McDowell Sonoran Preserve Commission, consisting of seven residents appointed by the City Council to provide recommendations to advise the council about the Preserve, recommends additional resources to maintain, protect and care for this unique part of Scottsdale, including additional resource for critical fire fuel mitigation in the Preserve.

**13. What improvements have been identified for WestWorld and why is WestWorld receiving funding from the proposed tax?**

WestWorld is a major recreational facility/event center that provides significant economic benefits to the city. Recent heavy rainfall events have demonstrated a critical need to address stormwater flow and drainage issues and protect the city's facility and infrastructure

investments. Additionally, providing more shaded event areas and improving access and parking have been identified as critical needs for event participants and visitors.

These needs were discussed by the Protect and Preserve Scottsdale Task Force and recommended to be funded within the proposed replacement tax as there is no other funding option for these capital improvements that require immediate attention.

It is important to note that the proposed replacement tax will provide funding only for the specific WestWorld improvements recommended by the task force and not ongoing funding for operating WestWorld over 30 years.

14. Could these parks, Preserve and public safety expenses be covered with the General Fund or other revenues?

These expenses are additional expenses that would compete against the city's primary operating expenses in the General Fund for higher priority. The General Fund pays for the city's Police and Fire departments, Public Works, Community Services and economic development services as well as general government expenses that support city operations. These additional expenses to upgrade aged parks and enhance maintenance and protection of city parks and the Preserve, as well as additional capital improvements for WestWorld would be deferred as they compete for other Police and Fire or other primary operating expenses that are of a higher priority in the General Fund. The proposed 0.15% tax funding can greatly enhance the city's ability to provide the best renewal, preservation and protection of our city parks and the McDowell Sonoran Preserve and increase our ability to ensure on-going capital asset replacements for our aged parks.

Other revenues are limited to grant funds and contributions, which are significantly limited and do not provide consistent or sufficient funding.

15. Are there remaining funds from the expiring tax and other taxes approved by voters for land acquisitions and improvements in the McDowell Sonoran Preserve that can be used for these expenses?

No. There are no remaining funds from the expiring 0.20% tax. There is currently approximately \$137 million of funds accumulated from the second Preserve tax that voters approved in 2004, restricted solely for additional land acquisitions and capital improvements in the Preserve. However, these funds are needed for ongoing debt service. These funds also cannot be repurposed for maintenance or other expenses discussed above as voters approved the tax to be used solely for land acquisition and capital improvements in the Preserve. The second Preserve tax that voters approved in 2004 expires in 2034 and is still currently needed to pay for debt service on outstanding debt already issued to purchase land in the Preserve.

16. How much does the replacement 0.15% tax proposed amount to?

The replacement 0.15% tax amounts to 15 cents on every \$100 purchase that is subject to sales tax. This is a reduction from the 20 cents with the current 0.20% tax expiring in 2025.

17. What will the financial impact be to the average household?

The replacement 0.15% tax is estimated to cost the average household \$3.71 per month compared to \$4.95 per month with the current expiring 0.20% tax.

This estimate is calculated from the average annual household expenditures subject to sales tax, as reported in the Consumer Expenditure Survey for Phoenix-Mesa-Scottsdale Metropolitan Statistical Area, published in September 2023 by the U.S. Bureau of Labor Statistics.

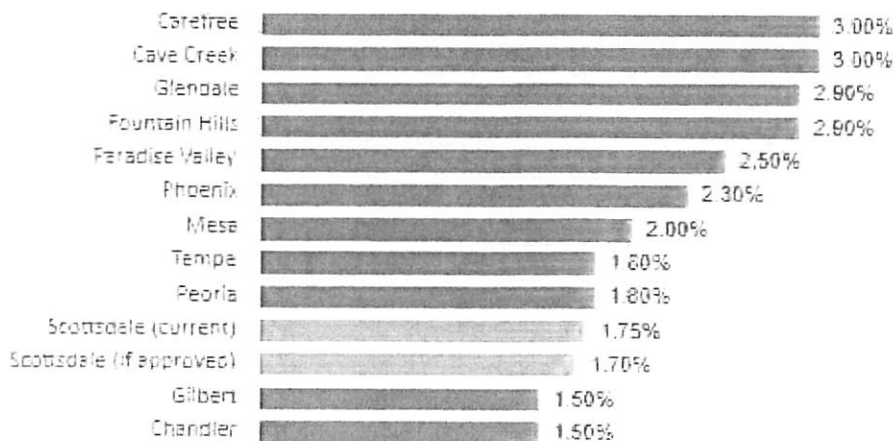
18. How much revenue is the replacement tax expected to raise?

Based on economic growth rate projections and current collections, a replacement 0.15% tax is estimated to generate an average of \$38 million annually over the 30-year life of the tax. See detailed projections and allocations in Table 1.

19. How does Scottsdale's sales tax rate compare to other Valley cities?

Scottsdale's general sales tax rate (also known as the transaction privilege tax) is among the lowest in the Valley. The following table shows the city portion of the total sales tax rate for each city (the sales tax rate charged by the State and County is the same in all Valley cities and totals 6.30%).

General Sales Tax Rates of Valley Cities



**20. Do other communities have similar taxes for parks and preserve or open spaces?**

Yes. Locally, the city of Phoenix has a 0.10% sales tax dedicated to parks and open space, and other cities nationwide have a similar dedicated sales tax.

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

**21. What happens if this ballot proposal is approved?**

If approved, the replacement 0.15% tax would go into effect July 1, 2025 after the current 0.20% tax expires, and begin generating revenues that would be allocated during the city's annual public budgeting process to address the needs related to the restricted purpose of the replacement 0.15% tax.

**22. What happens if this ballot proposal is rejected?**

If the voters reject this ballot proposal, the 0.20% McDowell Sonoran Preserve tax will expire June 30, 2025. The city's sales tax rate will be reduced from 1.75% to 1.55%. The needs of the parks and McDowell Sonoran Preserve as well as police and fire protection needs identified above and through the work of the Protect and Preserve Scottsdale Task Force would be deferred as they compete for funding with other high priority needs in the General Fund. Improvements to the Indian Bend Wash parks and other aged parks will only be funded when General Fund revenues are available or other sources of funding become available.

