

**2005 STATE OF CITY ADDRESS**  
**The Honorable Mary Manross**  
**Mayor**

February 17, 2005

Fellow City Council members, special guests, fellow citizens:

I would like to introduce my remarks tonight with the words of management guru Peter Drucker. He stated, “The best way to predict the future is to create it.” In other words, don’t wait for the future to come to you. Go out and make it happen. That is exactly what we are doing here in Scottsdale.

Creating the future in a city like ours takes a collective vision, commitment from community leaders and very involved residents, and the willingness to persevere through difficult times and tough decisions.

In recent years, I told you Scottsdale was at the dawn of a new day – that we were poised to create a very vibrant future for our community.

Tonight, I am proud to tell you that the dawn has turned to day with breathtaking speed. We have moved from promise to progress, from concept to real implementation, from a time of great opportunity to a time of unprecedented successes. We truly are creating the future.

**The State of the City in Scottsdale is strong, and our future is bright.**

Do we still have challenges? Yes, we do, and we always will, as we work hard to balance our priorities and strive to keep our city on the leading edge. We have built a solid base, we have a strong vision, our reputation is unmatched, our economy is balanced and growing, our momentum is real and sustainable, and there is more new investment taking place in Scottsdale than any time in our history!

Together, we can overcome any challenges which come our way.

We are currently engaged in the hard and rewarding work of reinventing our community for the next generation. We are literally laying the foundations for projects and programs which will create Scottsdale’s sustainable future.

Tonight, I will discuss some of our accomplishments, and the work we must focus on to continue to prepare Scottsdale for the challenges ahead.

Scottsdale’s bright new day has become a reality in many tangible ways during the last year. For example:

- We saw a crane lower that old Los Arcos Mall sign to the ground, where members of the Scottsdale Historical Society claimed it for posterity. On that morning last summer, Los

Arcos moved into the past, and the oldest part of our community moved squarely into the future with the ASU Scottsdale Center for New Technology and Innovation.

This new center, on track to begin construction at the end of this year, is a partnership based on a major institution and an economic reality, both of which are here to stay – ASU and the knowledge economy. The center has already created a positive “buzz” locally and nationally about the opportunity to live and work in southern Scottsdale.

- Last month, at Coronado High School, we saw a group of design professionals from across the city offer free consultations on home renovations. More than 150 local homeowners turned out – so many that they had to start a waiting list for a follow-up event planned for June. This is just one example of the renewed enthusiasm about this part of our community, a new pride among the area’s residents, and a new excitement about the potential of these neighborhoods. I’d like to sincerely thank the architects and design professionals who so graciously volunteered their time, led by dedicated members of our Green Building Committee and Environmental Quality Advisory Board – Linda Eales and Michele Cohen. Would Linda, Michele, Dan Basinger, the chairman of our environmental board, and the other professionals who participated stand so that we can thank you?
- For decades our community has sought to develop the Waterfront along the canal as a regional draw for our downtown. We have worked to overcome the obstacles and the right plan for downtown Scottsdale was presented. Together with the community, we took charge to make it happen. And it was worth the wait. The impact on our downtown has been profound. The project will become a regional draw with upscale shops and restaurants along with 1,000 new residents living in our downtown. The Fiesta Bowl will be moving its headquarters to the Waterfront along with a football museum. In addition to the Waterfront, Main Street Plaza and many key projects are moving forward. The downtown’s rebirth has been driven by strategic moves on the part of the council and more than \$1 billion in new public and private investment.
- We saw our residents vote overwhelmingly to uphold the at-large election system that keeps the entire Council accountable to all of Scottsdale.
- We also saw voters approve a new public safety sales tax that will help create an even safer community – a tremendous vote of confidence in our police officers and firefighters. Voters also approved a sales tax that will further our goals of completing the beautiful McDowell Sonoran Preserve. And we saw voters in the Scottsdale School District approve bonds that will rebuild and refurbish schools and classrooms across the city, affirming Scottsdale’s commitment to quality education.
- We have hired an expert fire chief, Willie McDonald, who is continuing to build Scottsdale’s municipal fire department for the 21<sup>st</sup> Century, a department that will enhance Scottsdale’s tradition of innovation and excellence.
- We saw thousands of citizens participate in hazardous waste collection and electronics recycling days. I was amazed to see firsthand how 70 hardworking individuals make our hazardous waste collections function like clockwork, so citizens can easily dispose of chemicals that could damage our environment.

- Just last month, we were privileged to have Martin Luther King III reminisce about his father's dream before a record crowd of more than 700 at the annual dinner sponsored by Community Celebrating Diversity.
- We saw some of the basic characteristics of our community – generosity and charity – continue to thrive. This year we will celebrate the 10<sup>th</sup> anniversary of the Scottsdale Cares utility bill donation program, which provides about \$200,000 annually to help meet human services needs. We saw more than 520 families receive holiday meals at Thanksgiving and Christmas through the generosity of Scottsdale residents. More than 500 children received new clothes, haircuts and backpacks in our Back to School program.

I offer these anecdotes and examples from the past year as proof of the amazing things we can accomplish individually and collectively.

They demonstrate that our success ultimately rests with you, the citizens of Scottsdale. City government cannot do it all. Scottsdale is an incredibly desirable place to live because our community is shaped every day by thousands of individuals who care about this place and its people. Whether you are voting, helping an elderly neighbor with a few chores in the yard, teaching our children, creating jobs in a new business, volunteering as a neighborhood block watch captain or serving on a homeowner's association – you are helping create this community's future.

**As your Mayor, it is my job – and my privilege – to point the way toward a shared purpose and a shared vision.**

Tonight, I will tell you about the work we must complete in several important areas to position Scottsdale for the future. And, as our work turns past dreams to reality, we need to take on new goals. I want to speak to you about these new challenges, as well.

It is also my job as Mayor to tell you that the tasks ahead of us will not be easy. They never are. As a community, we have always set high standards and chosen excellence over expediency. The work ahead of us will require commitment, teamwork, patience, and persistence. Scottsdale has demonstrated time and time again, we are up to it!

Your City Council is equal to the task, as well. Four new members came aboard in June. They have hit the ground running, educated themselves on the issues and worked closely with the other veteran members of the Council and me. We each bring different viewpoints, but we have the same respect and love for this community. I want to say “thank you” to my Council colleagues. I look forward to working with you on the challenges and opportunities before us.

## **THE ESSENTIALS**

**The first of many jobs facing us in 2005 involves the day-to-day essentials that keep our city safe, clean and inviting.** Our ambitious revitalization goals, our economic strategy, our environmental efforts and our work to sustain the arts will bear fruit only if our neighborhoods are safe, our refuse is picked up, our water is reliable and healthy and our budget is balanced. I

am sometimes reminded that basic services are 80 percent of the work of city government, but the other 20 percent seems to get all the attention.

Voters understood the importance of these essential services last year, when they approved the new tenth-of-a-cent sales tax to support public safety. The city is committed to using the new revenue to enhance police, fire and code enforcement programs. I want to say “thank you” to voters for giving our police officers and firefighters additional resources.

The most pressing task on our “essentials” list in 2004 carries into 2005 – the formation of a municipal fire department. We have made the decision to provide a higher level of service, with additional personnel assigned to many of our stations. Fire Chief McDonald has set high expectations for his new department. The response from the firefighters who will wear the new badge has been enthusiastic. I want to thank them, and extend an early “welcome” to the Scottsdale family. We’re proud to serve with you!

Even after our new department is completed in July, the Council faces an added challenge – determining the future of emergency medical transport services in Scottsdale. In the meantime, Rural/Metro’s subsidiary, Southwest Ambulance, will continue to provide emergency ambulance service under an existing contract.

Our Police Department, under the capable leadership of Chief Rodbell, has made remarkable progress implementing a strategic plan, meeting the needs of a changing community and strengthening its commitment to great customer service. Our crime rate is down 5 percent and property crimes have been cut even more, 17 percent. The burglary unit has recovered more than \$8 million worth of property. Behind the numbers are officers who care deeply about serving this community. We put them in the most difficult circumstances, where they have to call on their training and make critical judgments when emotions are running high. They do a tough job with professionalism and dignity. They deserve our support and respect.

It is a testament to the quality and credibility of our department that 76 percent of our citizens strongly support photo enforcement and there is broad public support in Scottsdale to implement a pilot program on the Loop 101 freeway. It has been an effective tool on our streets. We have been working for several months to bring it to fruition. We would welcome more DPS Officers on the freeways, but the Legislature has repeatedly refused to fund more officers as the state has grown. We do not see photo enforcement as a replacement for them. Our goal is to implement a pilot photo enforcement program to save lives and supplement the good efforts of our police officers and DPS.

And yet, some members of our Legislature are trying to outlaw photo enforcement on freeways and make it harder for us to even continue the program in our city. I find it incomprehensible that the supporters of these bills in the Legislature choose to ignore the great work that our police have done with this program. It is tantamount to ignoring the public’s will and the public’s safety. We’ll continue to push for the ability to use photo enforcement on our freeway. Tell our representatives not to interfere and to allow the pilot program for the 101 to proceed.

There are many other quality services provided by Scottsdale -- too numerous to detail this evening. Our parks and recreation programs are so popular that the rush for class registration resembles the day after Thanksgiving at Fashion Square. They are popular because our parks and recreation staff take such pride in their programs and the maintenance of our parks, pools,

recreation centers and senior centers. Library circulation is high, befitting our city which is ranked among the “most literate” in the nation. Our refuse and recycling collection fees remain low because of the efficiency of our solid waste division.

We take pride in the cleanliness and maintenance of our streets, sidewalks and bike paths. We have one of the most advanced water systems in the nation, and we have rigorous tests and procedures in place to make sure your water meets every federal standard.

To keep our programs operating at a top-notch level, we continue to build and renovate the facilities that serve our citizens. For example, in the coming year, we will open a new lighted sports complex in the CAP basin near the Tournament Players Club. We will begin construction of the McDowell Mountain Ranch Aquatic Center. We will move toward completion of the Chaparral Water Treatment Plant, providing an even higher level of treatment for the water we receive from the Salt and Verde rivers.

Finally, we will maintain Scottsdale’s fiscal strength by budgeting conservatively, and making strategic investments where they are needed. Scottsdale maintains AAA, the highest possible general obligation bond rating from all three major rating agencies. That distinction belongs only to a handful of cities nationwide. The rating is independent confirmation that Scottsdale is doing an excellent job managing our tax revenues and other financial resources.

We must and we will maintain Scottsdale’s reputation for fiscal accountability.

I call these services and programs “the essentials” because they are the foundation for everything else we do. Scottsdale does common things with uncommon dedication and innovation. That will always be our standard.

## **THE ARTS**

**A second key job for Scottsdale in 2005 is strengthening our commitment to the arts.** There are two primary reasons why this is critical:

- First, arts are an integral part of our community’s character, quality, and history.
- Second, because art makes good business sense.

Every community wants to attract the best talent in order to maintain its competitiveness in the global, knowledge-based economy. And pools of talented and creative workers choose to live in places that challenge them intellectually ... places that cause them to look at their world in different ways. We know that corporations relocate to places where creative and talented workers choose to live. Providing a variety of art venues and choices is good business for Scottsdale.

In addition, art continues to be an integral part of Scottsdale’s character and quality of life.

- Drive down our freeway, and the art lets you know you have arrived in Scottsdale. Think of our young people playing on the LOVE sculpture right out here on our Civic Center Mall everyday!

- Downtown is booming because people want to live where there is access to the variety of cultural amenities, arts galleries and theaters – at their doorsteps. Theater 4301 opened to great success with Menopause the Musical.

The Scottsdale Center for the Arts’ Late Night Catechism continues its record-breaking run. And the Scottsdale Museum of Contemporary Art is enjoying increased local and national attention.

- From south to north and east to west, studios, galleries and art amenities are here. Art continues to be integrated within public projects.
- And private developers are beginning to understand the economic benefits for incorporating art within their developments. The Frank Lloyd Wright spire at Scottsdale and Frank Lloyd Wright Boulevard has become an artistic beacon of the region. And the City is working hard to ensure that planned development projects – such as the Waterfront and Optima developments in the downtown area – also include landmark art features within them.

We cannot rest on our laurels. We must continue to build on our commitment to the arts because it is part of who we are ... and because it makes good business and economic sense.

In the coming year, I want to see our city work on these critical tasks:

- We must approve a funding plan for needed renovations to the Scottsdale Center for the Arts. This well-loved facility is now 25 years old. We need to make strategic investments in its infrastructure to ensure its continued success.
- Using public-private partnerships, we need to continue to pursue a Southwestern museum in our downtown. It will be another asset to bolster tourism and help to maintain the vitality of the downtown.
- I propose expanding the requirements and incentives for public art in our downtown area to the entire city, and I am calling on my City Council colleagues and residents to join me in this effort.
- I want to see us seriously pursue efforts to expand our downtown theater experiences as we did in bringing Theater 4301 to downtown.

We will undertake these initiatives with our long-standing partner, the Scottsdale Cultural Council. We have charged the council with the management of the city’s arts programs, and they have done an outstanding job. I look forward to working with them in the years to come.

## **THE ENVIRONMENT**

**The third job on my task list involves another defining characteristic of Scottsdale – our spectacular natural environment.** It is clear that “greener” communities have greener and healthier economies. ASU’s Morrison Institute found two years ago that education and income levels rise dramatically in areas where substantial open space is being set aside – specifically in Scottsdale.

Our task is to expand and protect our preserve, but also to bring environmental awareness home and make it part of everything we do.

In 2004, we reached two new milestones in our preserve efforts. First, voters approved a very small increase in sales taxes to purchase additional preserve lands.

Second, we have essentially completed our purchases of private lands in the designated preserve boundary. We are now focusing our full attention on obtaining more than 19,000 acres of state land.

The preserve is also becoming much more accessible to all of us. Next month, we will open the new Sunrise Trail and access area. Our goal is to open a new trail and access point every year for the next five years.

This spring, we will begin an innovative pilot program called “Preserve Connections.” This is an idea from David Hill, one of our dedicated Transportation Commission members. We will invite residents to board tour buses or trolleys in the southern part of Scottsdale and join Preserve guides for a day of hiking in the Preserve. We want to make it convenient for citizens from all across Scottsdale to experience our beautiful Sonoran Desert. The Preserve belongs to each and every Scottsdale citizen and you should be able to enjoy it, no matter what your address.

What’s ahead for the Preserve? We will continue to aggressively support efforts to reform outdated state land regulations. While some changes have taken place, the current laws still are rooted in Arizona’s first years of statehood, when no one foresaw the need to set aside lands for preservation.

As I said before, we also need to make protection and preservation of our environment a larger part of our everyday lives. Being “green” today means using common sense to save money and live more comfortably. Scottsdale has won national respect for being a pioneer in Green Building standards. Last year, one in five residential building permits issued in Scottsdale were for homes using “green” technology.

In 2005, we’ll open the first city building, the new Senior Center at the McDowell Village project, to meet LEED standards set by the U.S. Green Building Council. LEED stands for Leadership in Energy and Environmental Design. Next month, the City Council will consider a new policy that requires all municipal buildings to meet LEED standards. I call on the Council to support this important policy.

The ASU Foundation has committed to LEED certification at the new ASU Scottsdale Center. It will be the largest commercial project in the city with LEED certification and will help attract the types of tenants and workforce expected at a center for innovation. These standards will soon be considered the norm for quality development. Eventually, I would like to see our development community adopt them to give Scottsdale an edge both environmentally and economically.

Although Scottsdale has already come a long way, in the coming year, I want to see our city make an even stronger commitment to water conservation and water management.

The city has cut its landscape water use by 18 percent since 2001 by making its irrigation systems more efficient and converting grass to xeriscape.

Even more impressive is the amount of water we reclaim – water that goes down your drain and gets treated and reused. In 2004, we recycled about 3.7 billion gallons of wastewater. About 2.8 billion gallons were used on golf courses. Almost a billion gallons were treated to drinking water standards at our state-of-the-art Water Campus and then recharged or injected back into the ground for later use.

Few cities across the nation have put such advanced technologies to work or begun such ambitious programs for reusing water and storing it for future generations.

Nevertheless, we can do more! I invite more citizens to take advantage of Scottsdale’s plumbing and landscape rebate programs. We need to expand the rebate program to include hot-water recirculation systems so we don’t continue to waste water while waiting for it to warm up. I also urge citizens to call the water department or check our web site for additional details on conservation efforts.

I want the city to join with the development community to explore whether “gray water” systems in commercial and residential construction would allow us to reuse and recycle even more of our precious water supply. Recently this idea was suggested by a group of very bright young students from Our Lady of Perpetual Help School who made a presentation to the City Council. Would Meagan Pagels, Megan Wells, Elizabeth Sydnor and Mary Linker please stand? These young ladies have asked us to look at additional ways to save water in our desert environment, and to consider how we might build them into the design of new construction or remodeling projects. I’m proud that young people are getting involved and helping show us the way.

## **THE ECONOMY**

### **The fourth job on my list for 2005 is to keep our economy healthy.**

There is excellent news on the economic front as we begin 2005. Our average unemployment rate in Scottsdale for 2004 was under 3 percent. Last year alone we attracted approximately 1,800 new jobs, with an average annual salary of more than \$57,000. Sales tax collections in Scottsdale for the past 12 months are up by 11 percent, led by a robust construction industry, a healthy retail sector and a tourism industry finally on the rebound. Hotel bed taxes are up 11 percent and our hoteliers are reporting a great season.

Major employers like the Mayo Clinic, Scottsdale Healthcare and General Dynamics are doing remarkable work in the areas of biomedicine, technology and communications. The Scottsdale Airpark, maturing into one of the Valley’s top employment centers with nearly 50,000 employees, has become home to an array of retail, manufacturing and service businesses of every size, from corporate giants like Dial to small software startups. I have already talked about the renewed energy in our downtown area and the excitement building around the ASU Scottsdale Center.

The economic indicators are positive, but we face many challenges. How do we maintain and build on our diversified economy, while the city is nearing the limits of growth? How do we compete and cooperate economically with our neighbors, and how do we meet increasing global competition for the best-paying jobs? We are part of a world economy, and we really do need to address our economic issues with that fact in mind.

My City Council colleagues and I discussed an ambitious new Economic Vitality Strategic Plan two weeks ago which points us in the right direction. We must continue to encourage emerging high technology and biomedical research industries. At the same time, we will continue to focus on retaining and strengthening the businesses already here.

We need to take a close look at the Scottsdale Airpark and determine how the city's largest employment center can remain vibrant through this century. For the Airpark to remain strong, healthy and successful in an ever-changing and competitive economy, the city needs to finish the work of revitalization planning—and take action. In 2005, I will call on Airpark businesses and property owners to complete the planning work with city staff to define key infrastructure, circulation, public service and land use needs for the Airpark. And, I will ask my colleagues to work with me to create an implementation and funding plan to accomplish these priorities over the next several years.

It is imperative that we focus on further strengthening the tourism industry by continuing to invest in our major facilities like WestWorld, so that Scottsdale remains the premier location for all types of events. We will continue to build on WestWorld's reputation as one of the most sought-after multi-use and equestrian show facilities in the country. And yes, we are working closely with Craig Jackson and many others to ensure that our facility will meet both present and future needs of large events.

I cannot overstate the importance of the tourism industry to Scottsdale. It allows us all to enjoy the advantages of a "resort community" without leaving home. It plays a tremendous role in attracting other businesses. The city is filled with stories of entrepreneurs and business leaders who visited Scottsdale, fell in love with it, and moved their companies here. We need to take our tourism development efforts to the next level, and understand how we can remain a premier destination for future generations of visitors. I am confident the Boomers, the Gen-Xers and now the Millennials will continue to come to Scottsdale, because of our quality of life and because of our city's unique mix of attractions, from downtown to desert.

Finally, we need to continue to build and expand partnerships with groups such as the Scottsdale Convention and Visitors Bureau and the Chamber of Commerce who are dedicated to Scottsdale's success.

## **THE REGION**

**And that brings me to the fifth job, our role in the region.** We will continue to exercise regional leadership toward a sustainable regional economy and an integrated transportation system.

Right now, the major topic of discussion at the regional level is sales tax incentives offered by cities. The state Legislature again wants to intervene in local affairs and dictate how all cities and towns should address economic development.

I believe a one-size-fits-all solution at the state level will have unintended, negative consequences. Local governments are best equipped to say "yes" or "no" to economic opportunities and decide which make sense.

**As former President Ronald Reagan used to say, “Decisions should be made by governmental bodies closest to the people.”**

We are currently in discussions with the City of Phoenix on this issue. Scottsdale has proposed a win/win, “no incentives,” long-term solution for the area bordering Loop 101 in north Scottsdale and northeast Phoenix. Because there are both near-term and long-term projects in the planning stages in both cities, we firmly believe that an agreement must deal with both the present and the foreseeable future.

An area where regional cooperation has served us very well is in transportation. I applaud our Scottsdale voters who, along with the voters throughout the county, overwhelmingly supported the 20-year regional transportation plan on the November ballot.

The greatest amount of funding in this plan goes to freeways and streets. The state already has begun the public outreach process on new carpool lanes planned for the Loop 101 freeway by 2007. These carpool lanes will add much-needed capacity to this important corridor. Other freeways linking our city with the rest of the Valley are scheduled for upgrades and widening. This plan also contains funds to upgrade some of Scottsdale’s major surface streets.

On the transit side, the immediate impacts to Scottsdale will also be important. We will see an expansion of the current bus routes and other special transit services to better meet the needs of the elderly and people with disabilities. We will also add regional express routes to and from Scottsdale, and local circulator routes to provide better connections between neighborhoods and destinations such as the McDowell Village Senior Center.

In spite of the limitations imposed by our community having only three major north/south city arterials, we must meet the transportation challenges, some of which will come with our successful efforts to revitalize the downtown, the Airpark, and our southern areas. One key decision has already been made – we have designated Scottsdale Road as the high-capacity transit corridor for the area, linking Scottsdale with Tempe and ASU to the south. A key challenge now is to determine the type of transport system that best fits our city, is attractive, and effective, and makes sense economically. We must begin considering how to connect the ASU campus and the Technology Center.

We also must continue to focus our efforts to improve traffic flow and safety in the Airpark and in all major traffic corridors.

## **REVITALIZATION**

**The sixth job on my task list for Scottsdale is familiar, and more important than ever. It is the task of revitalization.** Scottsdale continues to grow, but the limits of that outward growth are now well within sight. As a mature city, our new challenge will be to renew our community from within. We are well on our way to doing that!

Proof is just outside the doors of City Hall, in our downtown, which is rapidly emerging as one of the preeminent downtowns in the West. More than ever, we are facing the challenges of success in downtown – how to manage the disruptions while so many property owners, large and small, are developing and revitalizing. Within a few years, as many as 5,000 to 7,000 new residents will call downtown “home.” They will form a significant new neighborhood and

enjoy a lifestyle that has not historically been associated with Scottsdale. They will be able to live, work and play in the same place – walking from their office to dinner to an art gallery opening or a play – all on the same evening. Their presence promises to truly make downtown a vital 24-hour place. Our community has dreamed about such a transformation for decades. It's finally happening.

The scale of revitalization in the downtown is unprecedented. More than a billion dollars in investment is flowing into the area. More important is the scope and breadth of this investment. Both large and small businesses see a bright future.

A permit fee waiver program instituted by the Council has spurred investment in hundreds of businesses. The city has encouraged additional investment under a commercial façade program downtown, offering incentives for owners to improve and upgrade storefronts. About 30 businesses in the program have invested more than \$1 million in remodeling, leveraging the city's investment of about \$300,000.

New investment by existing businesses is absolutely critical to the renovation of the area. These shops, galleries and restaurants give Scottsdale's downtown a character unlike any other in the nation. They are as important to the future of downtown as the large-scale projects like the Waterfront, the new W Hotel, the Optima, the renovated Valley Ho resort and the Main Street Plaza project.

The city is partnering and investing in the downtown, as well. This year, we'll open two new parking garages. We have invested in public parking in several other projects currently underway. Last year, we created a new office in the heart of downtown to help keep up with the new level of activity. We have strengthened our commitment to downtown maintenance and safety. We're continuing our work to help market the area. Downtown groups representing galleries and shop owners are collaborating more than ever before. We're proud that the Fiesta Bowl is bringing its new headquarters and museum to the Waterfront. A new, free trolley service, funded through a partnership with our hoteliers, is bringing guests from 10 resorts into the area. New and continuing events, such as the P.F. Chang's Rock'n'Roll Marathon, the Fiesta Bowl Art Walk, markets and festivals are bringing more excitement to the downtown.

We're also on the verge of a grand slam home run in our efforts to keep a 50-year tradition going strong in our downtown. An agreement to keep the San Francisco Giants in Scottsdale for another 20 years is very close to completion.

We'll be able offer the Giants the expanded training facilities they need. More important, we'll be able to preserve an unmatched spring training baseball experience. There just isn't anywhere else where fans can take in a spring training game and then walk over to a restaurant where the clientele once included cowhands, artists and players like Ty Cobb, Dizzy Dean and Joe DiMaggio.

Downtown has a great deal of positive momentum and we intend to keep it that way.

**We can bring the same success now occurring in our downtown to the larger area of southern Scottsdale – the area many call “original Scottsdale.”**

Our first task in this area is clear. We must finish laying the cornerstone for revitalization of the southern area by making the ASU Scottsdale Center a reality.

Just a couple of days ago, citizens got their first glimpse of ideas being offered by the firms competing to develop the ASU-Scottsdale site. The designers of the center for innovation must be innovators themselves. They are designing a center that must link to the community around it, evoke a real “sense of place,” offer an atmosphere of intellectual and entrepreneurial excitement, and remain flexible enough to adapt to the needs of new technologies that will be under development 15 and 20 years into the future. Nothing quite like it exists anywhere. That is the challenge the ASU Foundation and the designers have before them.

At the same time, the city is working to ensure the development connects with the community. A very hard-working group of citizens is providing an excellent foundation. We asked the Ad Hoc Citizens Working Group on the ASU Scottsdale Center for a set of key principles to guide development of the site and the surrounding area. We have also asked them to look at additional ways we might revitalize the Scottsdale-McDowell Road corridor and recommend possible land use options for the city’s five-acre parcel. The group is working on ideas for connecting the site with surrounding commercial and residential areas and incorporating public open space. Their work is reflected in each of the concepts the firms showcased on Tuesday night. I would like to thank the members of the group for all of the work they have put in under a tight timeline. Would you stand?

The Council will review plans for the first phase of the site later this year, and the Foundation’s goal is to begin construction by the end of 2005.

That is an ambitious agenda, and we must maintain steady progress. The center will mean several thousand new, high-paying jobs and as much as \$350 million in new investment in this property alone. We have worked hard to bring about a sustainable project like this.

**We must also continue the city’s focus on providing the fundamental services that have set the stage for this revitalization.** A great example is our enhanced code enforcement program. We have hired three new inspectors and launched a much more proactive effort to address code violations in the downtown and southern areas. We have increased the number of cases initiated by inspectors by more than 150 percent, and we have significantly cut the number of cases that stay open more than one month. More police are on our streets. We stepped up with programs to quickly clear alleys of trash and weeds. Neighborhoods have free access to large dumpsters for organized clean-up efforts.

We are doing everything we can to take care of what is sometimes referred to as the “stray shopping cart” syndrome. We are acting quickly to take care of small problems or indicators that, left unchecked, could have a negative impact on neighborhoods.

Home and property values are on the rise and business owners are reinvesting. All you need to do is to drive through the neighborhoods and you will see signs of revitalization everywhere. We are backing our words with actions. We must keep it up together: the residents/property owners and the city in partnership. Nothing less is acceptable.

How do we keep up this momentum?

**We need to keep making strategic investments.** Twelve key car dealerships along the Motor Mile are developing a proposal that will help keep their businesses competitive, promote

southern Scottsdale, and secure hundreds of jobs. There has been public debate about the proposal, and that is healthy. I ask citizens to consider four major points.

First, the current proposal would limit the City's investment in this marketing effort to the same ratio as our investment in the downtown marketing effort. In both cases, the major funding comes from businesses, not the city. We invest about 3 percent of the sales taxes we receive from the downtown in their marketing program, and we would be investing about the same percentage in the Motor Mile. We should be willing to make the same investment in this part of the community.

Second, the Motor Mile auto dealers pay roughly the same amount in sales taxes each year as Scottsdale Fashion Square – about \$9 million. That gives you an idea of their importance to the city and the local economy.

Third, the dealers have a positive impact on adjacent businesses and small businesses in the area. The support for this proposal is widespread. Many of the businesses in this area rely on the auto dealers to generate additional customer traffic for them.

Fourth, these are existing businesses. Through the years they have invested millions in Scottsdale and we want them to stay and be part of the revitalization of the area.

**As elected officials there is no room for grandstanding. We must walk the walk, not just talk the talk about revitalization! I am not about to gamble with the economic health of southern Scottsdale or to risk the gains we have made in revitalization by missing a good opportunity to help promote this part of our community and secure one of our key economic engines.**

To keep up this momentum we must also continue to encourage small businesses to reinvest. We began a building permit fee waiver program for businesses in the downtown two years ago and extended it to all businesses south of Camelback last year. More than 300 commercial properties in the downtown and the southern area have received fee reductions for building or remodeling.

We have also encouraged reinvestment in homes with a residential fee waiver program for the area south of Indian Bend Road.

More than 600 homeowners have taken advantage of the program so far. We have waived more than \$130,000 in fees. I propose to extend the program for another year and ask for a staff analysis of the potential benefits of extending it even further.

We are also seeing tremendous results with public and private investment at the new McDowell Village Project. We'll open a brand new "Green" Senior Center there later this year, and a private developer is constructing residential next door. Scottsdale was able to redevelop the site, work with the adjoining neighborhood to ensure redevelopment worked for everyone, and recover more than 90 percent of the city funds invested in the land. We took the initiative to create the future for that difficult property for the benefit of the residents of the area.

**But, we need to continually set additional goals for southern Scottsdale.** This coming year, we must implement updated zoning standards for the area, to allow additional flexibility for homeowners wishing to make renovations. Many of the homes in this area were built under

codes that are now 50 years old, and they do not work for the needs of today. We need to look at commercial zoning, as well, to determine whether it still meets the unique needs of the area, and to come back with creative solutions that can be implemented. Scottsdale has been in a growth mode for 50 years, and our codes reflect that fact. We now need to determine what truly works in a city revitalizing its mature areas.

We plan to work closely with the Scottsdale School District in its efforts to renovate schools in the southern area, as we did in the renovation of Supai Middle School.

The city needs a true partnership of southern area residents and businesses in the revitalization effort. I ask each of you to get involved and learn what you can do to help yourself and your community.

The southern area has so many advantages – a great location, excellent schools, a strong base of businesses and employers, and closely-knit neighborhoods. On top of all of that, trendsetters in the design profession have now attached the ultimate label to ranch homes and other styles built during the 50s and 60s in that area – they are “cool!” This renewed interest in the architectural styles of “Original Scottsdale” is the reason we are taking the first steps to designate five historic neighborhoods. This area is well on its way to meeting the potential as one of the region’s most attractive places to live and work.

## **CREATING THE FUTURE**

In the coming years, I believe we’ll look back and remember 2005 as a year when, together, we “created the future” in Scottsdale. The time is right and we have tremendous positive momentum. We must keep focused on the implementation of plans and programs that promise to carry this city far into the 21<sup>st</sup> Century and beyond. As I have outlined tonight, “creating the future” means a strong and continued commitment to these tasks:

- Providing city services and amenities that make Scottsdale’s quality of life second to none.
- Increasing community support for the arts and their special place in Scottsdale’s future
- Protecting our environment, not only by completing our preserve and making it even more accessible to all citizens, but also by using sensible and cutting-edge techniques in constructing buildings and conserving water in our desert environment
- Ensuring a vibrant and growing economy in Scottsdale through strategic decisions and continued support of key industries like tourism
- Taking a leadership role in resolving regional economic issues, and implementing effective local and regional transportation solutions.
- Fulfilling the bright promise of revitalization in the southern area, with an unshakable commitment to its future, keyed by the ASU Scottsdale Center and its surrounding areas
- Building on the new vitality of downtown, with its expanded housing alternatives and unmatched shopping, dining and cultural attractions.

To understand in a very real way what lies ahead for us, I ask you to imagine a day in Scottsdale a few years from now.

If you are living downtown, on a Saturday morning you might enjoy breakfast at a boutique restaurant, stroll a block to watch the Parada del Sol parade, duck into a Southwestern museum, browse the downtown shops and then spend the evening at the theater.

If you are living in “Original Scottsdale” in one of those still-very-cool ranch houses, you might start the day with a jog in the beautiful Indian Bend Wash, meet business associates for breakfast at a trendy shop near the ASU Scottsdale Center for New Technology and Innovation, check out a new hydrogen car at a nearby dealership, and head to Scottsdale Stadium to watch the San Francisco Giants take on the Chicago Cubs in Spring Training.

If you live in the north, you might start the day with a hike in the desert, head to work at a computer software company in the Airpark, and later in the day stop off for a cultural program at Taliesin West, the Frank Lloyd Wright School of Architecture.

Today, your everyday experience in Scottsdale is unmatched. But in the coming years it will become even richer and more rewarding. Yet, its basic features will be unchanged. The hallmarks of Scottsdale will be there – quality, innovation, a sense of community, a deep connection with our families and our Southwestern heritage and especially, an unwavering optimism about the future. These things will endure thanks to the good work we all are doing and will continue to do this year, and in the years to come.

Tonight I will leave you with a thought from the late actor Christopher Reeve, who became an inspiration for many. He said:

**“So many of our dreams at first seem impossible, then they seem improbable, and then, when we summon the will, they soon become inevitable.”**

My fellow citizens, together, we have the ability and the will to keep this city a wonderful place to live.... **a place we are proud to call our home!**

Thank you, and God Bless America!