

ORDINANCE NO. 4633

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, ADDING A NEW SECTION 16-52 TO CHAPTER 16, LICENSES, TAXATION AND MISCELLANEOUS BUSINESS REGULATIONS, ARTICLE III, PRIVILEGE AND USE TAXES, OF THE SCOTTSDALE REVISED CODE (CODE) TO DETERMINE THE SPECIFIC DISTRIBUTION OF REVENUES FROM THE 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.

WHEREAS, on November 5, 2024, voters will consider whether to authorize the City to impose a 0.15% transaction privilege and use tax (the "2025 0.15% Tax") for 30 years, effective July 1, 2025, to fund the (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 McDowell Sonoran Preserve, with all being more specifically determined by City ordinance;

WHEREAS, if the voters approve the 2025 0.15% Tax, the City Council will adopt a subsequent ordinance codifying the new tax rate, to be effective July 1, 2025;

WHEREAS, as contemplated by the 2025 0.15% Tax ballot question, in this Ordinance, the City Council desires to predetermine and codify the specific distribution of revenues from the 2025 0.15% Tax, if approved by the voters; and

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

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

Section 16-52. Use of 2025 0.15% Tax. All revenues generated from the 0.15% transaction privilege and use tax approved by City voters on November 5, 2024 (the "2025 0.15% Tax") 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 McDowell Sonoran Preserve, and to increase Police and Fire resources related to Citywide Parks and the McDowell Sonoran Preserve, for the benefit of all geographic areas within the City, with an emphasis on restoring and updating the Indian Bend Wash

Greenbelt and other aged Parks. Revenues from the 2025 0.15% Tax shall be distributed as determined by the City Council with the following specific ordinance restrictions:

- A. After Section (C) is satisfied, all other remaining 2025 0.15% Tax revenues shall be distributed as set forth below:
- 51% for City Parks improvement needs.
 - 18% for McDowell Sonoran Preserve maintenance and protection.
 - 14% for City Parks and Recreational Facilities maintenance (excluding WestWorld).
 - 10% to the Scottsdale Fire Department for Citywide related needs within the purposes of the 2025 0.15% Tax, which specifically includes, but is not limited to, technical rescue team(s) for the McDowell Sonoran Preserve and City Parks and for fire fuel mitigation around the McDowell Sonoran Preserve and in and around the City Parks for the protection and maintenance of the McDowell Sonoran Preserve and City Parks.
 - 7% for increased McDowell Sonoran Preserve and City Park Police ranger unit(s) and Park and McDowell Sonoran Preserve security.
- B. At the end of each year, any unused 2025 0.15% Tax revenues in each category listed in Section (A) will be carried forward for use in future years within the same category.
- C. Debt may be used to fund capital improvements in accordance with the City's adopted financial policies (for instance, debt will be issued for WestWorld capital improvements). Notwithstanding Section (A) above, on an annual basis, the 2025 0.15% Tax revenues will be used to satisfy any debt requirements as required by bond covenants. Debt requirements will be limited to no more than \$4,500,000 of the 2025 0.15% Tax revenues on an annual basis.
- D. Beginning with the 2025/26 fiscal year end audited financial results, and continuing for the term of the 2025 0.15% Tax, the City Treasurer will prepare an annual accounting of the 2025 0.15% Tax for the City Council.

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

(c) The Parks and Recreation Commission shall:

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(4) For the term of the 2025 0.15% Tax described in Section 16-52 of the Scottsdale Revised Code, serve as the citizens' oversight committee for the implementation of the 2025 0.15% Tax as it relates to the use of the 2025 0.15% Tax revenues for all park improvements, capital projects, and master plans relating to the use of the 2025 0.15% Tax with an emphasis on restoring and updating the Indian Bend Wash Greenbelt and other aged parks.

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

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

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

(1) For the term of the 2025 0.15% Tax described in Section 16-52 of the Scottsdale Revised Code, serving as the citizens' oversight committee for the implementation of the 2025 0.15% Tax as it relates to the use of the 2025 0.15% Tax revenues for maintenance and protection of the Preserve. Specifically, the McDowell Sonoran Preserve Commission shall review and recommend to City Council an annual budget proposal for use of the 2025 0.15% Tax revenues in accordance with master plans and strategies related to:

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

Section 4. If the voters approve the 2025 0.15% Tax, this Ordinance shall be effective as of July 1, 2025.

Section 5. This Ordinance cannot be modified except by an affirmative vote of at least 5 members of the City Council.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this 2 day of April, 2024.

ATTEST:

Ben Lane
Ben Lane, City Clerk

CITY OF SCOTTSDALE, an Arizona
municipal corporation

David D. Ortega
David D. Ortega, Mayor

APPROVED AS TO FORM:

Sherry R. Scott
Sherry R. Scott, City Attorney