

## RESPONSES TO QUESTIONS FOR DDCS FROM THE MCDOWELL SONORAN CONSERVANCY

1. If Desert EDGE is built within the Preserve, what would prevent a future City Council from placing another venue within the Preserve? Isn't a dangerous precedent established since the café and gift shop, or even the entire Desert EDGE, will be considered commercial activities by some and used to justify additional projects?

An educational interpretive center/museum facility with ancillary uses has been part of the vision for the Preserve from its inception, when the Scottsdale McDowell Mountains Task Force included such a use in its report recommending the Preserve boundaries. Desert EDGE is the culmination of almost 30 years of City planning to bring the Preserve vision to completion. City councils have approved a series of studies and reports over the years to advance the implementation of the Desert Discovery Center concept based upon its appropriateness in the Preserve, and they never considered it a precedent for inappropriate uses.

First, Desert EDGE does not set a precedent for commercial activity because it is not a commercial use. It is a municipal use, and the café and shop are accessory uses which, as defined by the Scottsdale Zoning Ordinance, are "customarily incidental, related, appropriate and clearly subordinate to" the principal use. Similar accessory uses currently exist in other municipal facilities, and "a small café" was expressly included in the description of the Desert Discovery Center approved by City Council as Phase 2 of the Gateway Municipal Use Master Site Plan (MUMSP) in 2007. The General Plan and the zoning of the Preserve do not allow commercial uses there, and DDCS opposes any commercial zoning in the Preserve.

Second, in 1993 the Preserve vision was first articulated by the McDowell Mountains Task Force in its report to City Council and included "...visitor centers, interpretive or educational centers...limited museum facilities..." An educational and interpretive facility including food service and retail continued to be studied and included in approved Preserve planning documents and informational materials after that. There is a clear distinction between public access area facilities like Desert EDGE that long have been planned for the Preserve and other uses that never were envisioned.

Furthermore, in order to be issued a permit under the Preserve Ordinance, activities must serve or further a legitimate public, civic or educational purpose and be consistent with the Preserve purpose or management objectives set forth in the Ordinance. Activities which do not satisfy these criteria are not permitted. Several City Councils and City Attorneys determined that the Desert Discovery Center use served such a purpose and was consistent with the Preserve purpose and objectives, and we believe the City Council will again decide that the facility and its uses satisfy these requirements. Any future

projects proposed by others in the Preserve will have to satisfy these same conditions to be eligible for consideration under the Preserve Ordinance.

Charging fees for educational activities and selling food, beverages and merchandise already are allowed in the Preserve per the Ordinance with a permit (see Section 21-22, paragraph [b]) provided that they meet the basic requirements noted above. The management agreement between the City of Scottsdale and the operator will serve as the City's permit mechanism and be periodically reviewed. As you know, merchandise already is sold in the Preserve and fees/donations already are collected for some services.

In summary, considering Desert EDGE and selected functions in it to be commercial activities or to be precedents for future commercial activities reflects a misunderstanding of the Preserve Ordinance, the General Plan, and the Zoning Ordinance. Desert EDGE will not be a commercial activity, it will be a municipal use. It's an education, interpretive and research center owned by the City. These desirable functions, all allowed by the Preserve Ordinance, cost money to provide – which is why admission will be charged. The café and shop are common, expected amenities for facility users and are incidental to the basic purpose of Desert EDGE, just as they are at many other such facilities and indeed even at some public libraries. We intend that they become part of the total educational experience there.

As Sam Campana pointed out at the Aug. 10 joint McDowell Sonoran Preserve Commission/Tourism Development Commission meeting, probably the best way to prevent inappropriate future uses in the Preserve is to educate as many people as possible about its value and that of the desert generally, so that future City Council members will be strongly motivated to continue to protect it. Inspiring as many people as possible to understand and love the Preserve and the desert is part of the basic purpose of Desert EDGE.

This ultimately is an issue that the City of Scottsdale will address. We expect the City to continue to protect the Preserve from inappropriate uses and will strongly support all efforts to prohibit inappropriate uses in the Preserve.

2. The GDI buildings are the second largest structure in the project with a construction cost of \$5M paid for by the residents of Scottsdale but used by ASU. What benefits will the residents of Scottsdale gain from this investment?

ASU has committed to fully equipping, furnishing and staffing its space at Desert EDGE. This is a million-dollar-plus capital commitment and a million-dollar annual operating commitment. It's also possible that ASU could find a donor to support some of the facility construction cost, although this is not assumed in the proposal. ASU already has spent \$30,000 co-sponsoring with DDCS the recent teacher training course (attended by two

Conservancy stewards), and ASU's involvement saved hundreds of thousands of dollars in the experience design process by providing expertise and content without any charge. ASU faculty and staff spent hundreds of hours with Thinc and Swaback during the course of the project.

The presence of ASU and the Global Dryland Institute (GDI) in the facility will give visitors to Desert EDGE direct contact with leading researchers in drylands ecology and sustainable desert living. Visitors will be able to interact in the pavilions with people who helped develop the content of the experiences. Our research at other facilities convinced us that direct interaction with experts adds a unique dimension to the visitor experience and makes a significant impact on those who visit, well beyond what trained docents can provide.

There are two spaces near the Sonoran Seasons called Science Encounters where Global Drylands Institute and ASU faculty and students will present and discuss their work with EDGE visitors on a regular basis. In addition, ASU/GDI have committed to providing talks and demonstrations in the Sonoran Seasons space throughout the year, and whenever possible opening to the public the scientific meetings held there. Finally, we are actively discussing how to open all or portions of the GDI facility to the public for tours, interaction with researchers, and perhaps citizen scientist participation in some of the work there. Our goal is for the GDI facility to become another interpretive area within Desert EDGE.

The Global Drylands Institute's presence adds substantially to the credibility and reputation of Desert EDGE. ASU's intention is for GDI to become a premier global center studying dryland ecology, which perfectly complements our vision for Desert EDGE to become a premier global center for sustainable desert living. For example, GDI already is working with DDCS to sponsor a global symposium in Scottsdale next year that would have a public education component. This would be the first of many important scientific meetings sponsored by GDI and centered at Desert EDGE and the Preserve.

The visible presence of GDI will enhance Desert EDGE marketing, attendance and financial support, i.e., will help achieve some of the other assumptions in the business plan. And as both GDI and Desert EDGE grow in reputation, they will build regional/national/global awareness for the community and for the Preserve. Our goal for Desert EDGE with GDI is to make Scottsdale a global leader in desert ecology and sustainability.

3. Will the City need to re-zone any land within the project to accommodate the café and gift shop?

No, the existing zoning on the property allows the existing Gateway trailhead facilities and Desert EDGE as municipal uses. Both these phases of the Gateway, as explained

above, were approved by the City Council in 2007 in the Gateway MUMSP with no zoning or Preserve Ordinance issues raised. A small café was included in that approval and the small shop also is an allowed accessory use as explained above. No rezoning is needed to accommodate Desert EDGE or its accessory uses.

Desert EDGE implements an explicit Preserve Ordinance purpose of providing appropriate public access for educational purposes as well as the management objectives of supporting tourism, providing opportunities for education and research and providing access areas of sufficient size with adequate amenities for public access. All activities proposed at Desert EDGE including food service and retail are allowed by the City through its permit process, and virtually all activities proposed already have occurred in the Preserve under that process.

According to the plain language of section 21-12 of the ordinance, the “general rules for use” prohibit only unauthorized activities by the public, not those for which permits are issued by the City. The City Council can determine that activities are allowed in the Preserve through the permitting process – including, in the words of the Ordinance, “some activities that otherwise would be prohibited” – if they serve a legitimate public, civic or educational purpose and are not inconsistent with the purposes and management objectives of the Ordinance. Examples of such activities listed in the Ordinance include, among others: educational activities or outdoor classes, not conducted by the City, with fees charged to participants; selling food, beverages or merchandise; and other uses of the Preserve when it is closed to the public (Section 21-22.) The ordinance allows beer in the Preserve subject to a permit (Section 21-23) and restricts use to hours from sunrise to sunset unless authorized by a permit issued by the City (Section 21-13).

Not only is no rezoning required to accommodate the café and shop, but also these functions – and everything else in the proposed facility – are allowed today under the Preserve Ordinance with a permit. As mentioned above, the permitting process for Desert EDGE activities will be handled by the management agreement between the City and the operating entity.

4. In the initial capital costs for Desert EDGE, how much is expected to come from the Preserve Tax?

As Sam Campana said at the Aug. 10 joint McDowell Sonoran Preserve Commission/Tourism Development Commission meeting, decisions about capital funding – other than the 10% private sector commitment – will be made by City Council with guidance from the City Attorney and the City finance staff. This includes both the sources of funds and the amounts from each source. We examined a range of financing options and recommended an alternative – Bed Tax plus Preserve Tax – that we believe has the following benefits:

- These funding sources already exist, and it is our understanding that they have sufficient projected capacity to support the capital cost of Desert EDGE without jeopardizing other important uses from the same sources, such as the Preserve endowment proposed by the McDowell Sonoran Preserve Commission.
- No new taxes would be needed.
- The Bed Tax is paid almost entirely by non-residents and the Preserve Tax is paid by everyone who shops in Scottsdale, which includes many non-residents.
- Both sources legally can be used to support constructing Desert EDGE in the Preserve. Indeed, both sources already have been used to support the planning studies associated with the facility, including the current contract.
- The tourism industry has indicated that Desert EDGE is its highest investment priority and has urged the use of Bed Tax funds as one source to support its completion.

We did not recommend how much of the capital cost should come from each source, other than the \$6+ million private sector commitment. Presumably City Council, if it decides to proceed with the project, will evaluate these assumptions and our recommendation plus alternatives suggested by City staff and others. Then it will decide on the actual funding sources and amounts from each.

5. Does the projected budget include payment for services to be provided by partners of Desert EDGE, including the Conservancy?

Yes, but not explicitly. The expense projections for the facility include costs for services that could be provided by the Conservancy and other partners. (See Tables VIII-6 and VIII-7 in the business plan.) If we reached agreement about such services, they would be covered by contracts between the parties. The compensation called for in the contracts would be paid using funds allocated for the associated services in the business plan.

For example, the business plan calls for a volunteer coordinator/lead trainer position with a salary of \$35,000 plus benefits. If this function was performed by the Conservancy, some or all of the projected cost of this position would be available to pay the Conservancy under contract. There are several positions in the Visitor Services and Education Programs section of Table VIII-6 and several non-personnel operating expense items in Table VIII-7 whose functions could be fulfilled or supplied entirely or in part by the Conservancy or other partners.

6. What is the justification for using the Preserve Tax in funding the capital costs?

The ballot language approved by the voters in 2004 allows the Preserve Tax proceeds to be used for “constructing improvements” to acquired land. The ballot language does not provide any specifics at all – simply “improvements.” The pamphlet commentary accompanying the ballot mentions access areas as an example of improvements.

Preserve Tax funds have been used to build all trailhead buildings and other facilities, including those at the Gateway. If the Desert Discovery Center that was approved by City Council in 2007 as Phase 2 of the Gateway MUMSP had been built at the same time as the other Gateway facilities, it would have been funded as they were by Preserve Tax proceeds.

At a City Council meeting some time ago, Preserve Director Kroy Ekblaw listed some of the things that have been paid for with Preserve Tax funds. These included amphitheatres, perimeter fencing around the Preserve, interpretive and directional signage, display areas, meeting spaces, offices, maintenance structures, helicopter pad, one of the prior planning studies for the Desert Discovery Center, and more. Some of these uses clearly are not limited to trails or trailheads nor things usually associated with access areas, and one use was directly related to studying the precursor of Desert EDGE.

The plain language approved by voters in 2004 and the precedents since then clearly establish that Preserve Tax funding could be used for Desert EDGE, which is an improvement to the acquired land and whose predecessor facility was included in the approved Gateway access area plan. Therefore we have included it in our recommendation as a source of funds for the capital cost of the project.

Ultimately the funding decision will be made by City Council with guidance on this point from the City Attorney.

7. What portion of the of the projected \$3.6 million annual employee expense is attributable to recruiting, training and managing the “Desert Keepers” volunteers?

As noted above in the answer to your question #5, there is one position directly identified with this function. There are other positions and expenses in the operating budget that may be indirectly related to volunteer services.

8. Has there been an assessment of peak parking demand (January-April)? If overflow parking is needed during that time, how will it be allocated, on-site vs off-site?

There was a very detailed study of potential traffic and peak parking demand included in the architectural report (section 12) and summarized in Table VII-4 in the business plan. There will be 250 parking stalls at the support site. It is assumed most Desert EDGE staff will park there, and a visitor shuttle will be in service on high demand days. High demand days initially will be predicted based on historically known high demand days as currently monitored by the City.

Desert EDGE will monitor parking availability during peak periods and direct visitors to the support lot as necessary. Working with City staff, we anticipate that over time smart

parking technology can be integrated into the Gateway parking area and linked to a phone app. Then all visitors could know the parking situation at any time, and know when the support site is open and the shuttle is in operation. An app and website will be developed for Desert EDGE that initially will indicate historical peak days and times and eventually will be linked to smart parking technology.

Currently there are 381 stalls in the Gateway parking area. The approved Master Use Municipal Site Plan for the Gateway access area site included an eventual total of 524 parking stalls within the perimeter road. By repurposing the large and lightly-used equestrian parking area for bus and shuttle drop-off and conventional parking, the total parking within the original parking footprint at Gateway will be 544 spaces. Equestrian parking will be provided at a location determined by City staff working with the equestrian community.

As additional trailheads have been opened, visitation at Gateway has decreased over the last two years according to the Preserve Director. Given a new major trailhead being opened at Pima and Dynamite, expansion of the Tom's Thumb trailhead, and building facilities at Fraesfield and Granite Mountain, Gateway usage will stabilize if not decrease further. We believe that on most days even during peak periods there will be parking available for all users at Gateway, and that the support site parking stalls will be needed only for peak days within peak periods. (As mentioned below, the support site stalls also will be used for evening program parking.)

9. The Business Plan, page VIII-13, proposes annual City funding of \$758k for a five-year period, which appears intended to supplement operating reserves. Is this anticipated to be from bed tax funds?

We were directed by City staff to use the Museum of the West as a model for our business plan. The Museum received a \$400,000 matching annual supplement from the City for five years after opening, paid from Tourism Development Fund Bed Tax cash reserves (money already collected but uncommitted and unspent).

The Desert EDGE facility and operating budget are several times larger than the Museum's. However, we felt that a \$700,000 supplement for five years would be a reasonable equivalent. (\$700,000 today in 2021 dollars is \$758,000.)

As you noted, in the business plan this supplement is assumed to support operating reserves, not to support operations. We did not specify the source of these funds. That would be decided – as would whether such supplements would be provided and, if so, in what amount and with what conditions – by City Council with advice from the City finance staff and, in the case of the Tourism Development Fund, from the Tourism Development Commission.

The Desert EDGE operator may request supplemental funding as part of the management agreement with the City. Our hope is not to request this supplement at all, depending on the projected status of operating reserves at the time of opening.

10. A significant portion of Non-operational revenues are derived from “fund-raising events.” Some of these events will necessarily be held in the evening, serviced by “approved” caterers. These caterers often furnish alcohol. How will these evening events be managed to minimize evening traffic, noise and maintain Preserve integrity?

Anyone driving to attend an evening program will be directed to the support area and shuttled by bus to Desert EDGE. The only vehicles allowed to enter the Gateway parking area after sunset will be the shuttles, which will return to the overflow lot until the program ends. Staff vehicles for those working at an event will be allowed to remain in the Gateway parking area until one hour after the event concludes (10 p.m. at the latest) to allow cleanup. So we expect minimal traffic in and out of the Gateway parking area after sunset.

There will be no rock concerts at Desert EDGE. Desert EDGE intends to exceed the standards specified in Scottsdale’s noise ordinance, i.e., to be quieter than what is allowed in the ordinance. We expect compliance to be monitored.

Within Desert EDGE there will be no lighting after sunset outside the pavilions involved in a program except that necessary for safe passage through the facility. No lighting will be directed upwards into the sky or out into the Preserve. No additional parking lights in the Gateway parking area are anticipated.

Events after sunset will be limited to the footprint of Desert EDGE. There will be no access to the rest of the Preserve. Any connections open during business hours will be closed. Perimeter egress from the facility into the Preserve will be protected by grade changes, vegetation, surveillance video and other security mechanisms – the same precautions used to discourage unauthorized after-hours entry.

We expect these provisions to be included in the management agreement between the City and the operating entity.

Note that the Gateway area already is surrounded on three sides by facilities that are active after sunset including homes, restaurants and bars, the health club, and several major streets. We researched the policies of surrounding neighborhoods (Windgate Ranch, McDowell Mountain Ranch and DC Ranch) regarding outdoor uses like weddings, parties, concerts, picnics, etc. The limitations proposed for evening programs at Desert EDGE – program conclusion by 9 p.m. and cleanup finished and the site vacated by 10 p.m. – are as or more restrictive than those of the surrounding neighborhoods. For



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example, Windgate Ranch's Outdoor Living Room has a departure time of 11 p.m. on weekends.

We did not find any research indicating an adverse effect on the Preserve from the existing nearby activities. We would continue to work with ASU and the Conservancy's Field Institute and citizen scientists to study possible impacts from Desert EDGE or nearby sources and examine ways to prevent or minimize any. This is consistent with our objective to be a model for sustainable desert living.