



Scottsdale, AZ

Population 221,000

Located in the magnificent Sonoran Desert, Scottsdale is a community of remarkable contrasts. Residents and visitors can ride a horse through pristine Arizona desert in the morning, visit one of the country's best contemporary art museums in the afternoon, catch a professional baseball game during spring training, and never leave the city limits. Famous as a resort destination nestled in desert splendor, it is also a working city that draws employees from the greater metropolitan area and is home to many progressive businesses and corporations. The lifestyle is casual southwestern which is complemented by a sophisticated arts community and a vibrant downtown shopping/entertainment district.

With a population of approximately 221,000, the City prides itself on its Western values and hospitality, and on being The West's Most Western Town. It is renowned as one of the most livable cities in America: a great place to live, to work, and to raise a family.

Bordered by Phoenix to the west and the McDowell Mountains on the east, Scottsdale is an internationally recognized tourism destination. It is widely known for its spectacular golf courses (125 within city boundaries), recreational amenities, climate, five-star resorts and emerging downtown. The City hosts numerous events and attractions, world-class restaurants, and art galleries, as well as high-end nightclubs, restaurants, and hotels. During winter and spring, Scottsdale becomes the special events capital of Arizona. The TPC Scottsdale Golf Course plays host to the PGA's Waste Management Phoenix Open - the best attended golf tournament in the world. The WestWorld Complex hosts the Barrett-Jackson Collector Car Auction and some of the largest equestrian events in the nation, including the Scottsdale Arabian Horse Show. In March, Scottsdale Stadium is the spring training home of the San Francisco Giants. Other highlights include the Scottsdale Center for the Performing Arts, the Scottsdale Arts Festival Taliesin

West, the McDowell-Sonoran Preserve, and more than 125 professional art galleries and studios (one of the highest per capita in the nation).

Scottsdale routinely wins a wide variety of awards. Some of the more recent include being ranked by Bloomberg Businessweek in September 2011 as the fourth best U.S. city – based on, among other things, outstanding schools, low unemployment, and a high number of park acres per person. In 2012, it was ranked the 12th Best Meeting Destination (Cvent), and the 17th Best U.S. Arts Destination in the mid-sized cities category (AmericanStyle Magazine). It was also named one of the “Ten Best Burbs for Biking” (Sunset Magazine) and one of the “100 Best Communities for Young People” (America’s Promise Alliance). WallStreet 24/7.com selected it as one of the top ten of the Best Run Cities. Another notable award it has won is the Voice of the People award for excellence (based on high resident satisfaction with city garbage and recycling services, recreation programs and classes).

But Scottsdale is much more than a trendy tourist destination and winner of awards. Its residents are what make the City truly special. While they are laid back, warm and friendly, they care about their community and are passionate in preserving and improving it. Citizens place a high value on their quality of life, expecting excellent services from the City and government agencies. The public schools rise to this expectation: the Washington Post rated two of Scottsdale’s high schools in the top 7% for preparing students for college in 2011. Crime is relatively low and residents feel safe in this “biggest small-town”. A former Police Chief remarked, “If



the people of Scottsdale would leave their garage doors closed, we wouldn't have any crime." The residents are also environmentally conscious, innovative and forward thinking. An example is their active support of the purchase of land for the McDowell Sonoran Preserve—the largest urban wilderness area in the United States at 28,000 acres and planned to grow to 34,000 acres.

All that is needed now is an outstanding City Manager to partner with the City's elected officials, continuing the forward progress.

History

In 1888, U.S. Army Chaplain Winfield Scott visited the Salt River Valley, was impressed with its potential, and subsequently made a down payment on 640 acres to start a farming operation. Agriculture began in the form of figs, potatoes, peanuts, almonds and citrus (the area was known as Orangedale until 1894). The community's original settlers established the Scottsdale public school system in 1896, and supported a growing number of artists and writers in the community during the early 1900s. With the arrival of the Ingleside Inn in 1909, Phoenix's first resort, Scottsdale's affinity for tourism began.

The development of a reliable water supply was crucial to the early growth of the community and the entire Valley. The construction of the Granite Reef Dam in 1908 and the Roosevelt Dam in 1911 transformed the Salt River Valley. Between 1908 and 1933 Scottsdale grew steadily as a small, market town providing services for families within the agricultural industry. In its early years, the area also saw the development of ranching operations that later inspired "The West's Most Western Town" moniker.

During the Depression Scottsdale experienced an influx of artists and architects including Frank Lloyd Wright. In 1937, Wright and his wife purchased 600 desert acres at the foot of the McDowell Mountains and built Taliesin West, his winter home and his architectural firm's Southwestern headquarters. During World War II, Thunderbird II Airfield was built in 1942, where 5,500 pilot cadets received their primary flight training before the war's end.

The 1950s brought incorporation (1951) and the arrival of two Motorola plants in and near Scottsdale. Town residents began the annual Parada del Sol celebration, brought major league baseball to town for spring training and organized the first All Arabian Horse Show—activities that continue to define the character of modern-day Scottsdale.

In the 1960s, a succession of storms caused significant flooding. The Army Corps of Engineers wanted to cement the Indian Bend Wash and create a large canal. City residents rejected the idea and voted to install an innovative system of parks, golf courses and open space in the Wash. That project became known as the Scottsdale Greenbelt and has proved to be extremely successful. At the same time, the cost of heat pump air conditioners decreased dramatically and Scottsdale quickly became a popular city for new families and retirees.

In the early 1970s, the 4,236 acre McCormick Ranch was sold to Kaiser-Aetna. The area was developed into homes, recreational parks and business parks. It included three resorts, two 18-hole golf courses and 130 man-made lakes. The tax money derived from the development of McCormick Ranch was used to purchase the dilapidated area adjacent to Old Town via eminent domain. The Scottsdale Center for the Arts was constructed with the funds, and spurred private development in the area.

Beginning in the 1980s, residents' concerns prompted a movement to protect the McDowell Mountains and adjoining land. Voters enacted a sales tax in 1995, which helped the city acquire the 28,000 acres to date, nearly one-quarter of Scottsdale's land area. See Table I on page 4, for Scottsdale population growth.

As the city continued to grow, the Scottsdale Airport, surrounding the city's airport, became a magnet for a variety of large and small businesses, ranging from light industry to luxury auto sales. The area has emerged as one of the top employment centers in the Phoenix metro area.

Since its founding, Scottsdale has fostered a culture of innovation. In the early 1970s, the city passed one

of the country’s earliest sign ordinances. The city also pioneered in privatization as it contracted out its fire department, and developed the first robot arm garbage truck. Scottsdale is home of SkySong, a research center which is a collaboration of Arizona State University, local businesses and global companies.

Demographics

The City of Scottsdale is predominantly White: 89.3% of population, with 3.3% Asian and 1.7% Black. The remainder is composed of other races, or people of two or more races. Those of Hispanic or Latino origin (of all races) make up 8.8% of the population. The population is spread reasonably evenly over all age groups. See Table II below.

Per the Census, Scottsdale’s population is older (median age is 45.4) than that of the United States as a whole (median age of 37.2) and the population is well educated. Of those over 25 years of age, 96% have a high school degree, 52% have a Bachelor’s degree, and 20% have a professional degree. The latter two statistics are more than twice the national average. The City’s population also earns a higher salary than the rest of the state (median per capita income is \$51,276 versus \$25,784).

Table II: Age Distribution

Age Group	Percent
Under 5	4.5%
5 to 15	9.8%
15 to 25	10.2%
25 to 35	11.5%
35 to 45	12.9%
45 to 55	15.6%
55 to 65	15.1%
65 to 75	10.8%
75 to 85	6.4%
85 +	2.8%

Source: U.S. Census

Table I: Population Growth

Census	Population
1930	1,047
1940	2,761
1950	2,032
1960	10,026
1970	67,823
1980	88,622
1990	130,075
2000	202,705
2010	217,385

Source: U.S. Census

The median home price is \$457,700, though the range is fairly wide, and opportunities exist for much higher and lower priced homes.

Geography

The City is located in the Salt River Valley, or the "Valley of the Sun", in the northern reaches of the Sonoran Desert. A portion of the McDowell Mountain Range lies in northeast corner of Scottsdale. The City borders Phoenix and Paradise Valley to the west, Tempe to the south, and Fountain Hills to the east. It runs 35 miles north to south and is approximately eight miles east to west for most of its length. The City has a total area of 184.4 square miles and only 0.2 square miles of that total is water. Indian Bend Wash, a rarely flowing river, bisects the city lengthwise.

Climate

Scottsdale has a subtropical desert climate, typical of the Sonoran Desert in which it lies. Summers are hot but dry, and winters are quite pleasant. The average summer high temperatures are some of the hottest of any major city in the United States, while the winter months tend to be in the 70’s and many people enjoy recreational activities primarily during these months. See Table III.

Table III: Climate Data

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Normal High °F	68	72	77	85	92	101	104	103	99	89	77	86
Normal Low °F	40	43	47	52	60	68	76	75	69	58	46	56
Precipitation in Inches	1.08	1.20	1.11	0.28	0.14	0.03	1.06	1.36	0.68	0.64	1.10	9.37

Source: NOAA

Precipitation is sparse during a large part of the summer. In early July through mid-September, there is an influx of moisture which raises humidity levels and can cause heavy, localized precipitation and occasional flooding.

Commerce

During the winter season, thousands of tourists flood the area for long-term visits. They tend to be older (the typical tourist is 56) and wealthier (median household income is \$97,600) than other markets target. Further, they often return each year, purchasing second homes or moving their businesses to the City. Due to the availability of high-end nightlife, upscale restaurants, art galleries and luxury shopping, Scottsdale has also been attracting young, wealthy, and style-conscious tourists. The City's Economic Development Department reports more than 8 million visitors come to Scottsdale annually with an economic impact of \$3.7 billion. All this contributes to the City having retail sales per capita more than twice the statewide average.

Although Scottsdale is known for its tourism industry (which accounts for almost 40% of the city's workforce), the City also offers a wonderful opportunity for start-ups and for companies to re-locate. Companies headquartered in Scottsdale include APL, Henkel (Dial), Fender, Go Daddy, Kahala, Kona Grill, Medicis, Paradise Bakery & Café, P.F. Chang's China Bistro, Rural Metro, iCrossing, Discount Tire, and Taser. See Table IV on page 6 for Scottsdale's Principal Employers.

The famed Mayo Clinic has one of its three major branches in Scottsdale and Scottsdale Healthcare's Corporation's (SHC) Shea Medical Center is extremely well regarded. In 2009 the latter won the Thomson Reuters 100 Top Hospitals Award (which recognizes

facilities in the United States that deliver high-quality, efficient care). Further, SHC's reinvestment in downtown has been a primary driver in the area's revitalization. As a result of these and other related facilities, Scottsdale has become a national destination for medical care.

The aviation industry has also become significant. It began with the construction of Scottsdale Airport (known as The Airpark) in the 1960s. Today, it is one the busiest single-runway airports in the United States and nearly all the operations are corporate or general aviation. The immediate area surrounding The Airpark has developed rapidly as a regional center of commerce. It is the second-largest employment center in the Phoenix Metropolitan Area with approximately 2,500 businesses and 48,000 people being employed in financial, retail, service, technological, design and manufacturing fields. The economic impact is estimated to be over \$3 billion annually.

The Government

The City of Scottsdale operates under a Council / Manager form of government with a separately elected Mayor and six Council Members. All are elected at large on a non-partisan basis and serve staggered four-year terms. Elections are held in November of even numbered years to coincide with the national elections. The longest serving Council Member was first elected in 2002 with the second longest being elected in 2004. One Council Member was elected in 2008 and re-elected in 2012. Two other Council Members were first elected in 2010, with the other two in 2012. The Council Members have strong opinions but work well together and are respectful of one another. Debate in Council meetings can be lively but all have the best interests of the City at heart.

Table IV: Principal Employers

Rank	Employer	Employees	Percent of All Employees
1	Scottsdale Healthcare Corporation	6,700	6.04 %
2	Scottsdale Unified School District	3,600	3.24 %
3	General Dynamics C4 Systems	2,700	2.43 %
4	City of Scottsdale	2,445	2.21%
5	CVS - CareMark	2,238	2.02 %
6	Mayo Clinic	2,061	1.86 %
7	The Vanguard Group	1,899	1.71%
8	Scottsdale Insurance Company	1,501	1.35 %
9	Troon Golf	1,342	1.21 %
10	International Cruise and Excursion	1,000	0.90 %

Source: U.S. Census

The City has six charter officers: the City Manager, City Attorney, City Clerk, City Auditor, City Treasurer, and Presiding Judge. The positions have the same duties as similar positions found in other cities. The City Treasurer serves as the City's chief financial officer and is responsible for budget to actual reporting, finance, accounting, customer service and risk management.

The City Manager is charged with the responsibility of developing the annual operational budget, administering daily operations and implementing Council directives. In particular, the Manager oversees Administrative Services, Community Services, Community and Economic Development, Public Safety, Public Works, the WestWorld event campus, the Tournament Player Course (Home of the Waste Management Phoenix Open at the Scottsdale TPC) and two enterprise funds with the Water Resources (Utility) and the Scottsdale Airport. Scottsdale also has 42 parks, 15 fire stations, 5 libraries, 4 police stations and 2 senior centers. The City's total budget for 2012-2013 is \$1,284.7 million of which the primary components are: Operating Budgets, Grants Trust and Special Districts, Capital Projects, and Contingencies / Reserves. The General Fund Budget totals \$250.3 million and is broken down as follows: Police (\$79.5 million; 32%), Community Services (\$33.8 million; 13%), Administration and Support (\$32.9

million; 13%), Contract Payable and Debt Transfers Out (\$32.0 million; 13%), Fire (\$29.2 million; 12%), Public Works (\$17.7 million; 7%) and Pay for Performance and Range Adjustments (\$3.3 million; 1%).

The City's General Fund revenues come from Sales Tax (\$97.3 million), State Shared Revenues (\$47.6 million), Charges for Services/Other (\$39.8 million), Primary Property Tax (\$25.3 million), Bed Tax (\$13.4 million), Franchise Fees and In Lieu of (\$11.5 million) and Transfers in (\$7.1 million) for a total of \$242.0 million.

The City has 2,423 full time equivalent positions. The largest departments are: Police (663 FTEs), Community Services (454 FTEs), Public Works (293 FTEs), Fire (258 FTEs), Water Resources (204 FTEs), Community and Economic Development (190 FTEs) and Administrative Services (125 FTEs). The remaining employees are spread among the charter officers and elected officials.

The City's General Use Plan calls for 48.2% undeveloped/open space (includes street rights-of-way, parks, golf courses, and open-space preserves), 45.4% residential and 6.4% commercial. Arizona is a right to work state and while the City of Scottsdale does not have a written contract with its workforce, or a formal meet and confer requirement, City Management does meet with and

strives to maintain open communications with three active employee organizations, in addition to the employees themselves.

The Opportunities and Challenges

Scottsdale is financially sound and has an AAA bond rating for its General Obligation Bonds and MPC bonds from Fitch, Standard and Poor's, and Moody's. Still, as one might expect in the current economic situation, resources are tight. The City needs to continue to look critically at all its expenses and to optimize service delivery. Tax payer dollars must be protected and used wisely while ensuring the continuation of the high quality services resident expect.

The second issue is the tension between future development and preserving the community as it currently is. Residents are rightly proud of what they have and while they favor progress, getting just the right mix can be a challenge. It will require careful planning and not too much change. In March of 2012, the City put the decennial update of its General Plan (comprehensive plan) before the voters. Some residents felt the choice was between maintaining the City's lower population, Western Heritage and tourism base, or expanding upward with taller buildings, transforming Scottsdale into a Phoenix-like metropolis. Some wanted to keep the existing General Plan. Voters rejected the proposed plan, 52% to 48%. To paraphrase one resident, "We value geological canyons, not canyons between buildings."

The third challenge is economic development/redevelopment. While the City covers 184 square miles, it is largely built out given current land use designations. Hence, it will be important to identify opportunities to redevelop and then act upon them. For example, until the downturn, the McDowell Road corridor in southern Scottsdale was a vibrant center of commerce and home to 32 car dealerships. What was once called Motor Mile now has 8 to 10 dealerships and needs to be repurposed. Business retention and growth of existing businesses will be critical.

The final challenge is leadership. The City has had three permanent City Managers over the past twelve years

and two over the last four. The Council is committed to selecting the right person this time, and to supporting that individual for the long term.

One other point bears discussion. In 2010 and 2012, the voters passed 14 charter amendments. Many were clarifications of the city charter and most were designed to improve transparency, accountability and control of taxpayers' resources. In particular, the Charter Officers' professional responsibilities to the Mayor and Council were better defined / clarified and the Treasurer was specifically named the City's Chief Financial Officer (with all requisite accounting and financial duties normally assigned under that position). Some Council Members believe this change has put the City Manager in the untenable position of not having full control over the finances. Others see it as important to have the Treasurer as a Charter Officer so the individual can give his unfiltered professional opinion and provide direct and unfettered access to financial records.

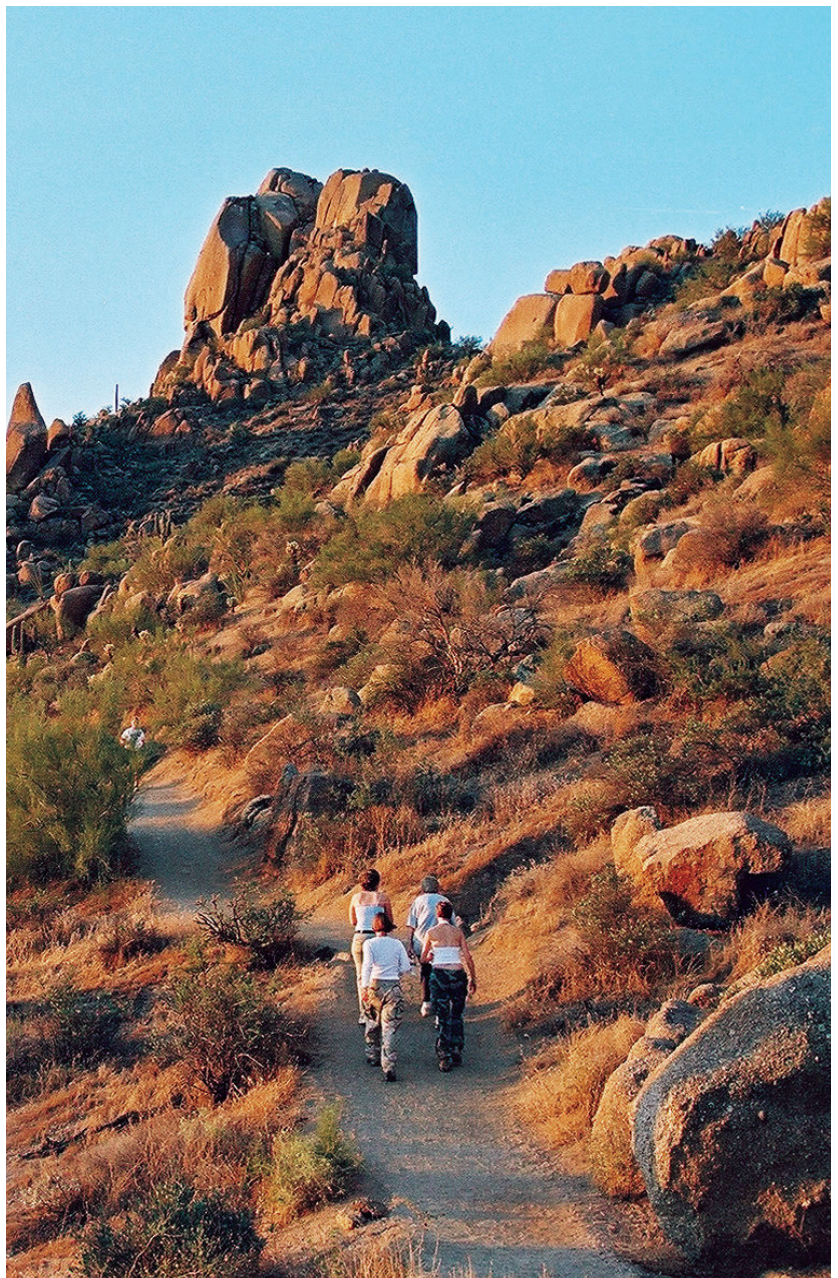
The Ideal Candidate

The City is seeking an energetic, experienced leader and manager with a professional demeanor and a track record of achievement. The individual will possess a great deal of self-confidence yet be humble and serve as a partner and advisor to the Council. While he / she will recognize the elected officials are responsible for the City's vision, the manager will not simply sit around and wait for direction. Instead the individual will have his / her own ideas, be proactive, look into the future, make suggestions and develop alternatives. At the same time the individual will always remember whom he / she works for and be a team player. Internally, the manager will inspire and motivate staff and be a team builder while simultaneously making difficult decisions and pushing the organization to the next level. The individual will always be mindful that the boss sets the tone and determines the speed of progress. The citizens of Scottsdale have high expectations and the manager will work hard to meet them. Customer service will be a way of life for the individual and he/she will expect the same from the staff. A resident may not always be right but does deserve a fair hearing and an explanation whenever the request cannot be satisfied. The next manager will

be open and honest, possess a high degree of integrity and encourage transparency. The individual will work diligently to keep all seven Council Members well informed, providing each with the same information and with necessary data to make good, informed decisions. The manager will be politically savvy but not politically involved.

The ideal candidate will always look for ways to optimize operations, and be someone who has a head for business and heart for service. Scottsdale has a history of innovation, and the Council wants to strengthen that tradition. The City Manager will be creative and encourage staff members to question everything while trying new ideas and methodologies. Performance assessments, measurable outcomes, and accountability will be used by the next manager. He / she will not be a micromanager but someone who will have high expectations for the staff, set goals and provide the necessary resources. The individual will then step back and let the managers develop their plans and do their jobs. He / she will monitor progress and step in where necessary to ensure projects stay on-track. Hence, the ideal candidate will be able to demonstrate both experience and expertise with organizational performance management systems. Scottsdale has begun to institutionalize a performance management system to improve performance and provide accurate and useful information for the governing body and the public to use in decision-making. It is important that the manager hold City staff accountable for results. Deadlines will be met and the staff will be expected to produce demonstrably positive successes.

The next manager will have strong communication skills and be able to converse honestly and openly with individuals from all walks of life in a way



that they can readily understand the concepts being conveyed. He/she will encourage a friendly atmosphere in City Hall while also recognizing the importance of the residents' concerns and quality of life. The manager will be looking for win-win solutions, while also realizing the wise use of taxpayer dollars is critical. The individual will possess strong analytical, financial and budgeting skills. While the Treasurer is the CFO, the manager will oversee the application of the resources.

The ideal candidate will have a minimum of ten years, progressively more experience in public or private sector management, coupled with a minimum of five years overseeing the efforts of 500+ employees in a wide variety of activities. A Bachelor's Degree from an accredited college or university, with a major in administration, management or a related field is required. A Master's Degree is strongly preferred.

Finally, the person the Council selects will be someone who will cherish the opportunities Scottsdale presents, embrace the community and its unique character and cachet, and stay a very long time. If that person is you, please apply immediately.

Residency

The City Manager is required to become a resident of the City within six months of commencing employment with the City.

The Recent City Managers

The City has had three permanent City Managers since 2000 and two since 2008. The Council is committed to finding a manager for the long term and giving that manager its full support. The current Interim City Manager is not eligible to apply.

Compensation

Salary will depend on qualifications, but will be attractive and at least comparable to that of similar cities in terms of size and complexity. Benefits are excellent.

Confidentiality

All applications will be kept confidential until finalists are named. At that point, under Arizona law, the names of the finalists must be made public. The City Council does plan to have a reception where the public can meet the finalists.

How to Apply

E-mail your resume to Recruit23@cb-asso.com by March 27th. Faxed and mailed resumes will not be considered. Questions should be directed to Colin Baenziger of Colin Baenziger & Associates at (561) 707-3537.

Schedule

Candidates will be screened between March 28th and April 29th. Interviews are anticipated to be held on May 10th and 11th with a selection made shortly thereafter.

Other Important Information

The City of Scottsdale is an Equal Opportunity Employer and strongly encourages minorities and women to apply. It is a drug-free workplace. Additional information can be found at: www.scottsdaleaz.gov & www.experiencescottsdale.com

COLIN BAENZIGER  ASSOCIATES
EXECUTIVE RECRUITING