

Slide 1
Opening graphic

Good evening and welcome.

Tonight I ask you to pause with me to reflect on what we accomplished this past year, and think about the things for which we should be rightfully proud.

Last year, I opened this address by saying that the state of our city is excellent. One year later, I still believe that is true. Excellence in a time of tremendous challenges, and excellence in light of tremendous opportunities is something that should make us proud and motivate us forward.

Our opportunity and our challenge in Scottsdale is to bring the many facets of our character together into a single, shining gem. We are a great place to live, but also the nightlife capital of Arizona. We are rural and western, but also modern and urban. We are low-key, high-tech, comfortable and active. Scottsdale is all of these things, and has a lot of people to thank for it.

So I begin my remarks this evening by saying thanks. Thanks to the board and commission members who give their time to make Scottsdale better. Thanks to Scottsdale businesses – new and old – who are such important parts of the cultural and economic fabric of this community.

And thanks to all of the employees of the City of Scottsdale, some who are with us here tonight. We have asked you to do more with less – and you have come through. You take pride in helping create Scottsdale’s excellent quality of life, and Scottsdale is proud of you.

I thank my fellow council members, past and present, for your earnest work and thoughtful approach to important city issues. There are two members of that group who deserve special recognition – Tony and Marg Nelssen.

Slide 2
Tony Nelssen

Tony was a tireless advocate for Scottsdale, and losing him last summer was – and still is – difficult. When it came time to fill his seat on the Council, I was not surprised that Marg was courageous enough to say “yes.” It was quite fitting that her name was drawn from that cowboy hat ... Tony’s hat.

Thank you, Tony – we miss you greatly. And thank you, Marg, for your service and continued commitment to Scottsdale.

Finally, and most importantly, thank you to the citizens of Scottsdale – to everyone who calls this great city home.

I have a preview of the recent citizen survey that was conducted – and the results are very encouraging. 94 percent of residents rated Scottsdale’s quality of life “excellent” or “good” – the highest rating we have ever seen.

96 percent would recommend living in Scottsdale to someone who asks.

Scottsdale residents are rightfully proud of this community and its high standard of living, and that inspires us to make Scottsdale better each day.

All of these people deserve thanks because, in the midst of what is being called the great recession, Scottsdale remains an enviable place to live and play, to visit and do business.

In the midst of economic distress, 2010 was a year of investment in Scottsdale.

We strengthened our foundation by investing in people and new ideas. We invested in our future through visionary planning and realistic financial decisions. We worked with our private sector businesses and citizens to bring their investments to Scottsdale.

As a result Scottsdale’s business sector became stronger, more diverse, and more future-oriented than ever before.

Slide 3
Citizen Survey

Slide 4
Business activity

Slide 5
City seal

We will continue to coordinate with the local business community.

You may have noticed that tonight's reception was sponsored by the Scottsdale Mayor's Advisory Council. In the next few weeks, I will be meeting with business leaders to develop an organization that will enable business and community leaders to work together in an effort to bring additional investment to Scottsdale by showcasing the city and by working to make Scottsdale more attractive to the CEOs and entrepreneurs who can bring jobs, infrastructure and yes, tax revenue to Scottsdale.

We have been investing in Scottsdale, and others are joining in. We want to build upon that.

The economic slowdown afforded Scottsdale an opportunity. An opportunity for introspection, for self analysis and for recalibration in a changed world.

We are taking advantage of it.

Nothing has been a higher priority than balancing the city's budget, and I am pleased with the progress we are making in this difficult task. In the years to come, we will be judged on how we managed through this, the most significant and enduring economic crisis in our city's history.

So a dose of reality is necessary to frame tonight's remarks.

The global economic decline continues to redefine the financial and operating context of every company, agency, and government.

Consider that in Fiscal Year 2008, sales tax revenue for Fiscal Year 2012 was projected at more than \$147 million dollars.

Slide 6
Sales tax revenue
projections

As a result of the recession, however, these projections are currently estimated at \$98 million. That is a \$50 million drop – and it is not unique – other important revenue streams have similar stories to tell.

And the sharp drop in revenues is made doubly painful because it is symptomatic of a long-term illness. When compared month-to-month, Scottsdale’s one-percent sales tax revenues have declined for 40 consecutive months. That’s a negative trend now three-and-a-half years in duration.

Of course this is not just the city’s problem – each of you feels the effects, too.

Businesses have closed, and people’s personal wealth and retirement savings have been seriously diminished.

So how have we confronted this harsh reality?

At City Hall, we continue re-tooling the organization so that it is financially stable and sustainable, while maintaining low taxes, low utility rates and high quality services to the community.

Through a series of increasingly strong and substantial changes, we have curtailed spending in the current fiscal year, and are addressing the financial shortfall projected for next fiscal year.

Some of the steps taken have been simple, some quite difficult.

As we continue to work as smart as possible through measures both easy and difficult, we will balance the budget. We will position this city to better serve the community, and we will grow even stronger.

Slide 7
City seal

One way we are doing this is by analyzing our structure and operating rules. This was the chief duty of the Charter Review Task Force, and they deserve special recognition for the results they achieved.

This group of community volunteers brought fresh perspective and worked hard reviewing the charter – which is akin to Scottsdale’s Constitution. They considered this task carefully and recommended changes that were adopted by the city’s voters in 2010.

This was a victory for Scottsdale. These changes provide better policy direction, stronger protection for the rights of Scottsdale residents, and makes Scottsdale city government more responsive to citizens.

The independence of the City Treasurer as a charter officer ensures a free flow of professional financial information to the Mayor and Council. This improves the overall transparency and accountability of your city government and elected officials.

These changes are part of a commitment to continuous improvement in the governance of the City of Scottsdale.

I again want to personally thank the task force, my fellow council members, and the voters for their strong approval of these amendments.

Members of the Charter Review Task Force are among more than 200 Scottsdale residents who serve on the city’s boards, commissions and committees. These individuals invest thousands of hours of their time each year.

Each of these advisory groups deserves our appreciation, but time prevents me from recognizing each of them tonight.

But I do want to specifically mention a few more.

Slide 8
Preserve

The Budget Review Commission continues to be an integral part of balancing the city's budget – no small task.

Members of the Preserve Commission helped develop the strategy to aid in the acquisition of an additional 2,400 acres to one of Scottsdale's truly wonderful places. I will say more about that significant accomplishment later.

The Tourism Development Commission and Convention and Visitor's Bureau deserve recognition for their role in March's voter approval of an increase to the bed tax. I also want to thank the individual members of the hotel and resort industry who supported that.

This substantial revenue source allows us to fund tourism improvements with tourism dollars.

Investing our time and resources cooperatively, we continue to enhance, improve and refine "The Scottsdale Experience."

Slide 9
Barett-Jackson

Protecting and enhancing Scottsdale's brand is more critical now than ever before. We are in the midst of our busiest season in Scottsdale, which began with events for the Fiesta Bowl and BCS Championship game.

It then continued with the P.F. Chang's Rock & Roll Marathon. Then the Barrett-Jackson, Russo & Steele, and Gooding car auctions. Then the Arizona Sun Circuit Quarter Horse Show.

Slide 10
Phoenix Open

This week it's "the greatest show on grass" – the Waste-Management Phoenix Open at TPC Scottsdale, followed by the world-renowned Arabian Horse Show and the Parada Del Sol and rodeo.

Can you imagine Scottsdale without these events?

Without the international spotlight and hundreds of thousands of visitors they bring?

Without the revenue they generate, which supports our high quality services and high standard of living?

I would rather not imagine Scottsdale without these events, and so I continue to advocate thoughtful, innovative and aggressive investment of our bed tax dollars to help these events grow stronger and better, year after year.

I am also a big believer in the power of partnerships.

An amazing partnership transformed the Scottsdale Waterfront into the ultimate fan experience during the BCS Championship Game weekend.

The City and the Scottsdale Convention & Visitors Bureau partnered with:

- **Fred Unger's Springcreek Development**
- **the Fiesta Bowl**
- **SportsOne**
- **M Culinary Concepts**
- **Scottsdale Fashion Square**
- **Golub & Company**
- **and Ground-Up Development**

to bring ESPN – and about 75,000 college football fans – to downtown Scottsdale.

These visitors arrived early and stayed late, enjoying our restaurants, bars, shops and Scottsdale Fashion Square. They clearly enjoyed the Scottsdale Experience.

Slide 11
Bud Light Fiesta

Scottsdale was even recognized during ESPN's broadcast of the National Championship Game as the site for most of the game's festivities. The game may have been played across town, but Scottsdale received most of the economic impact from fans who stayed in our resorts and spent money throughout our city.

The event would not have come together without a collaborative partnership – thank you to everyone who played a role in its success.

Our spring events season culminates with 30 days on the diamond – Spring Training with the World Champion San Francisco Giants.

That has a nice ring to it, doesn't it?

Congratulations to the Giants – we look forward to a very memorable March as we celebrate your World Series win.

The community will be transformed in the weeks ahead to welcome the Giants and tens of thousands of visitors, thanks in large part to the creativity and energy of the partnership of city staff, the CVB, and the Scottsdale Charros.

Speaking of partnerships, I'm proud to announce today the creation of the Cactus League Legacy Trail. The Trail is a collective effort by the Scottsdale and Mesa historical societies and Scottsdale restaurants Don and Charlie's and the Pink Pony. The idea is to celebrate our rich spring training history through exhibits, displays and education.

More details on the Cactus League Legacy Trail will be available in the days ahead.

Slide 12
Giants Champs Logo

Slide 13
Legacy Trail Logo

Slide 14
City Hall

We also made important investments in leadership in 2010 – by removing the “interim” tags from the titles of City Manager Dave Richert and City Treasurer David Smith.

These men were clear number one choices who earned their jobs through competitive recruitments. We are fortunate to have them onboard.

They are working in a new environment, and building different relationships. As we expected, they are doing it very well.

In fact I want to compliment all of our charter officers and their staffs – City Attorney Bruce Washburn, City Auditor Sharron Walker, and City Clerk Carolyn Jagger. They are key parts of our overall focus on improving efficiency, and increasing accountability to the council and to the community.

Slide 15
City seal

The results continue to be positive and productive, and are helping us create conditions for future success in a challenging time.

In Scottsdale we continue to combine dollars and hard work with imagination and creative energy to lay the groundwork for a better future.

We are creating plans and tools to attract and motivate investors – in downtown, in our tourism infrastructure, and in our business landscape.

Character area plans for southern Scottsdale and the Greater Airpark Area were completed and adopted by the City Council in October.

Thanks to extensive community input and dialogue these plans reflect the public’s desire for comprehensive and creative thinking that will support the future viability and vitality of these important economic areas.

Thousands of people provided input – I appreciate and commend that level of community investment into the planning process.

Slide 16
Scottsdale
Neighborhood

In southern Scottsdale, the result is a plan focusing on the stability and revitalization of some of our most distinctive neighborhoods.

It also recognizes the need to enhance the regional resort corridor along Scottsdale Road and the possibility of other hospitality locations along McDowell Road near Papago Park.

The Greater Airpark Plan expresses the importance of maintaining the airpark as an international center of commerce and tourism. It also outlines opportunities for the private sector to assume a strong leadership role in building the area's future success.

Both plans encourage a diversity of businesses that will strengthen Scottsdale's economy by generating tax revenues, but more importantly by providing high-quality, good paying jobs for Scottsdale residents.

Once these plans were adopted, we immediately moved forward, taking plans into action.

The city issued a request for proposals for four-acres of land adjacent to SkySong in the Los Arcos Redevelopment Area.

Farther north, additional requests for proposals around WestWorld are gauging private sector interest in developing tourism and event venues on the 80-acres north of Bell Road, and on the grounds of WestWorld itself.

One very intriguing idea brought forth is "Stage Coach Gap" – a Western Town that would include a hotel, shops, restaurants and other attractions that would provide visitors a taste of the old west. The Scottsdale Museum of the West may find a home there as well, and would be a natural fit.

We do not yet know which of these ideas may become reality, or what kind of partnerships may be forged, but I am excited about the prospects and the level of private sector interest expressed.

Slide 17
Airport

Slide 18
WestWorld

I believe that the area around WestWorld has the potential to become an entertainment and tourism destination that would rival some of the best in the country, or even the world.

While these efforts are still in their early stages, each are generating creative ideas and breathing new life into the future growth and development of Scottsdale.

I look forward to learning more – and talking more – about the ideas that are brought forward in the months ahead.

We are not just asking for ideas, however. We are also expanding our tool set to help ideas move forward – to turn creative concepts into real projects.

We worked with the state legislature on a financing mechanism – House Bill 2003 – that provides a new way for private and public investment to partner in developing projects in a tight financial market.

The Infill Incentive District recently recommended by the Downtown Task Force and adopted by the City Council is another tool intended to encourage positive development, where and how we want it.

Neither of these tools relieves private business or city government of the responsibility to ensure development is compatible with the community, its financial goals and overall quality of life.

But the tools expand our options. With them, we have the chance to explore opportunities that would not otherwise be available to us.

Scottsdale’s history is one of investment. Not just of money, but investment of ideas, investment of creativity, and investment of hard work.

The Scottsdale McDowell Sonoran Preserve is a living example.

Slide 19
State Capitol

Slide 20
Downtown

Slide 21
Preserve Intro

It shows what is possible when productive partnerships combine long-range vision with the creative and financial capacity to make that vision real.

The Preserve is a statement about who we are and what we value in Scottsdale.

On five separate occasions, the city's voters approved local tax increases or other measures to support purchasing land for preservation.

Our longstanding efforts to preserve the McDowell Mountains has not slowed or stopped despite the difficult economy – but rather, has grown faster.

That commitment helped Scottsdale add 2,400 acres – nearly four square miles – to the Preserve in the last 18 months.

The timing was right. The economic downturn caused prices to fall to the lowest level in years – and of course that extends the purchasing power of dedicated Preserve sales tax dollars.

Over the last 18 months we also have leveraged more than \$25 million in state grant funding to double our purchasing dollars.

As a result, the Preserve is now about 17,000 acres – which puts us about halfway toward our ultimate goal of protecting approximately 34,000 acres of beautiful Sonoran Desert.

And that deserves a round of applause.

[APPLAUSE]

In 2011 we will be looking to again purchase, at auction, roughly 4,400 acres for purposes of preservation. To that end, we will be applying for State matching funds that will likely extend our purchasing power by an additional \$20 to \$40 million.

Slide 22
Preserve hiker

There are now nine trailheads and two dozen trails in the Preserve, which total more than 67 miles. In the year ahead, we will begin major improvement to the Tom’s Thumb trailhead and design a new trailhead at Brown’s Ranch.

Other projects will improve accessibility and connectivity within the Preserve, because we want everyone to experience Scottsdale’s most precious natural resource.

And I mean everyone. This summer, it was my pleasure to accept on behalf of the city, and with the McDowell Sonoran Conservancy, an Arizona Disability Advocacy Award for the Bajada Nature Trail.

That, it should be noted, was made possible through the generous support of longtime McDowell Sonoran Preserve advocates, the Richard and Christine Kovach family.

Richard and Christine are with us here tonight – thank you for joining us, and thank you for your commitment to Scottsdale and to the Preserve.

[APPLAUSE]

Of course a key partner and driving force in the Preserve is the McDowell Sonoran Conservancy, their staff, and hundreds of volunteer stewards.

Also with us tonight is Mike Nolan, the conservancy’s new executive director. Welcome to Scottsdale, Mike – I look forward to working with you.

[APPLAUSE]

The Preserve is a constant reminder of our community’s commitment to an unparalleled quality of life. It is also a reminder of Scottsdale’s unprecedented opportunity to lead the region in environmental sustainability and ecotourism.

Slide 23
Bajada Trail

Slide 24
Preserve Intro

2010 was also the year that the Desert Discovery Center continued forward. As we move into phase three, which will tell us how we might make this wonderful concept a reality, the excitement builds.

It was a great year for public art in Scottsdale as well.

Scottsdale remains a leader in arts and culture, as evidenced by the fact that once again we were named a Top-25 Arts Destination by American Style magazine.

A visionary artist with an affinity for Scottsdale – Frank Lloyd Wright – once said this:

***If you foolishly ignore beauty, you will soon find yourself without it.
But if you invest in beauty, it will remain with you all the days of
your life.***

The Soleri Bridge, which we dedicated in December, is an investment in beauty.

The bridge and plaza is a joint City of Scottsdale and Scottsdale Public Art project. It was made possible thanks to funding and support from the Starwood Capital Group, Golub & Company, Ground-Up Development and Salt River Project.

Thanks to Paolo Soleri’s genius and these community partners, we have a beautiful and functional foot bridge, whose iconic stainless steel columns are now a signature landmark for Downtown and the Waterfront.

Another iconic project, called “Watermark,” was also unveiled in 2010. You probably know it as five sculpted aluminum horses, poised to leap from the Indian Bend wash.

Investing in beautiful art like the Soleri Bridge and “Watermark” expands Scottsdale’s legacy as a special place among the world’s communities.

Slide 25
Arts Destination

Slide 26
Soleri Bridge

Slide 27
Watermark Statue

Slide 28
Rodeo

Another part of our legacy is not quite as polished – but we like it that way. We are, after all, the West’s Most Western Town.

As such, WestWorld and the events there remain a central part of The Scottsdale Experience.

The City Council recently approved steps to improve and expand the Equidome and other parts of WestWorld. This investment of bed tax dollars will make that facility more attractive as a national, year-round hub of sporting and entertainment activity.

Slide 29
Hospitality Trolley

We are also investing in a pilot “Hospitality Trolley” to link visitors with event centers and attractions like WestWorld, TPC Scottsdale, Downtown, and Scottsdale Stadium.

This partnership with the resort and entertainment industry – which is paying half the cost – is another positive collaboration that will bring our tourism community together and enhance the Scottsdale Experience for our visitors.

I want to thank the sponsors who are making that possible:

- **Van Chevrolet**
- **Van Buick GMC**
- **Infiniti of Scottsdale**
- **Airpark Dodge Chrysler Jeep**
- **Pinnacle Nissan**
- **Scottsdale Healthcare**
- **Barrett-Jackson**
- **Fairmont Princess**
- **Scottsdale Quarter**
- **Ollie the Trolley**
- **and Chaparral Suites**

Slide 30
City seal

It is through partnerships like this that we maximize investment and continue to move Scottsdale forward.

Government doesn't always have to bring dollars to the table. What we can do and will do is encourage business investment in Scottsdale by continuing a positive economic climate of low tax and reasonable regulation.

This is what business wants and needs, and the results of creating it are clearly evident.

Downtown Scottsdale remains the arts, entertainment and dining capital of Arizona. It also is the focus of new development attention that may strengthen and invigorate our central core.

Slide 31
Fashion Square

Scottsdale Fashion Square is an international attraction that got even bigger and even better in 2010.

Fashion Square is an essential part of our economy, and we continue to support Westcor's efforts to maintain its position as the best retail shopping destination in the southwest. And we have been successful.

In the past two years, Fashion Square has added more than 40 new stores and restaurants, with a dozen others investing in relocations or renovations within the mall.

Slide 32
Scottsdale Quarter

Farther north, Scottsdale Quarter is growing stronger, with recent additions like the Apple Store, Nike, Eye-Pic Luxury Theaters, and a baby store called, simply, "Giggle."

Glimcher Realty Trust, developers of Scottsdale Quarter, deserves special recognition for taking a previously troubled property, in the middle of this recession, and transforming it into a must-visit retail destination for locals and tourists alike.

There are similar stories of visionary investment elsewhere in Scottsdale, too.

Slide 33
Solis Scottsdale

Solis Scottsdale on the waterfront north of Camelback Road, and Optima Sonoran Village less than a mile to the east, are two exciting potential developments that will further energize the Downtown.

In November, the City Council approved plans for Lyle Anderson’s eco-resort, called “The Reserve.” Lyle and his company have a history of high-end development over 30 years doing business in Scottsdale – Desert Mountain and Desert Highlands are among those.

Unique and thoughtful plans like Solis, Optima, and The Reserve are the kinds of things for which Scottsdale is known, and I hope to see each of them moving forward – and moving dirt – soon.

I believe we will, because I know that Scottsdale remains a marketplace that is desirable, and worthy of investment.

Slide 34
City seal

I know this because in the time I have been Scottsdale’s Mayor, I have been invited to dozens of ribbon cuttings and grand openings. This level of activity was somewhat surprising to me, because of course the last two years are among the toughest economically that this community has ever seen.

But as the saying goes, when things get tough, the tough get going – and things are definitely going in Scottsdale.

In a recent video project, city staff interviewed a dozen local business leaders and asked them why they chose Scottsdale.

What they said is encouraging – take a look:

[OPEN FOR BUSINESS VIDEO EXCERPT 9:00-9:43]

Slide 35
Video Slide

High-tech companies like Sage Software, Yelp and Kyocera (Key-oh-sara) are among the companies that continue to invest in Scottsdale – activity that helped add more than 1,600 jobs to our employment base in the last year.

Slide 36
City seal

Our Economic Vitality Division continues to help businesses find success in Scottsdale. In fact they are currently working on projects that have the potential to add 1,500 jobs, in industries like renewable energy, education, healthcare, and technology.

You may not have noticed, but Scottsdale is becoming a high-tech home base for some of the nation's most innovative companies.

Jawa is a perfect example of our growing tech-sector.

Jawa is located just off the Loop 101 and Raintree Drive, and their story is the kind that keeps me optimistic about Scottsdale.

They are in the mobile communication technology business, and as you may know, that's a pretty good business to be in these days. It certainly is for Jawa, who quadrupled their workforce in 2010, growing from 50 to 200 employees.

They expanded their Scottsdale office from 10,000 to 50,000 square feet – and they plan to double that next year.

While certainly a business success story, Jawa also is impressive because charitable giving is part of their core business model.

Each month, Jawa makes a monetary donation to a different organization, based off nominations from company employees. Last year they donated nearly \$60,000 to local charities like the Boys & Girls Clubs, Ronald McDonald House, and the Muscular Dystrophy Association.

Jawa founder and CEO Jason Hope is with us here this evening – thank you for being here, Jason.

[APPLAUSE]

Another Scottsdale business – AxoSoft – turns its philanthropic efforts toward growing potential competitors.

Slide 37
Jawa Building

Slide 38
Mayor & Hamid

AxoSoft CEO Hamid Shojahee (Show-jaw-ee) and his company are an example of the power of investment – his investment in Scottsdale has helped his business thrive.

Now he is investing his own dollars in the potential of others – by creating a technology incubator to help small, startup technology companies with free office space, utilities, mentoring and advice.

That venture is called AZ Disruptors, and Hamid is currently building out 6,000 square feet of office space to make it real.

It is that kind of innovation that makes Scottsdale, and our nation, great.

Thank you, Hamid, for joining us this evening.

[APPLAUSE]

Jason, Hamid and their companies are shining examples of Scottsdale business, and I am proud that they call Scottsdale home.

Another center for innovation, SkySong, continues to realize its potential. SkySong generates about \$100 million in annual economic impact for Scottsdale.

Companies like Vergo Interactive, R-Smart Software, Virtuon, and Mahindra Engineering are investing in SkySong and in Scottsdale – and it's a sign of more to come.

The international flavor of the business activity at SkySong is evidence of the world beyond our borders. And we are active there as well.

Scottsdale continued to build international relationships in 2010.

In March, it was my honor to lead a delegation to Haikou, China to explore business and other partnerships that will be beneficial to both communities.

Slide 39
SkySong

Slide 40
Mayor in China

Slide 41
Sister Cities Logo

Exchange visits like that, and a recent visit by a delegation from our sister city in Alamos, Mexico, contribute to better understanding and friendship.

These relationships enhance economic development, tourism, arts, and education opportunities between Scottsdale and the world.

I would like to specifically thank Mayor Navarro and the delegation from Alamos. Their visit was a reminder that Scottsdale, and Arizona, will continue to appreciate and strengthen our relationship with the people and nations of Mexico and Latin America.

Max Rumbaugh is President of Scottsdale Sister Cities, and he is with us here tonight.

Thank you, Max, for the positive contributions that you and everyone in your organization have made to Scottsdale's international reputation and relationships.

[APPLAUSE]

I have said a lot of positive things tonight, because there are a lot of positive things to talk about.

But more impressive is what other people are saying about Scottsdale.

2010 saw our Parks & Recreation programs earn re-accreditation. We won three environmental excellence awards. The Civic Center Library was named the Valley's Best.

And Parents Magazine ranked Scottsdale as the nation's "Best City for Babies."

And so we are encouraging babies to invest in Scottsdale, too – and bring your parents.

[LAUGHTER]

Slide 42
Best of Phx/
Accreditation

Slide 43
Parents Mag

Slide 44
Horse & riders statue

The list of accolades goes on, and I could certainly say a lot more. But I think it's best to wrap it up here.

Last year, I used the metaphor of Scottsdale's bucking bronco, and talked about how we've had a tough ride on top of that horse. At the end of 2009, I was pleased to say that we were still in the saddle.

With 2010 behind us, I can report that we are still in the saddle, and riding confidently toward a more prosperous Scottsdale.

2011 will be a year of recovery. I am optimistic that we can turn from cutting costs to growing the top line of receipts with increased economic activity.

We have done the work necessary to adjust to the new economy, and will continue searching for ways to refine our efficiencies.

Our financial standing remains strong. We have created tools that open options, opportunities, and avenues that we didn't have before.

We have strong partners – in the Arizona Commerce Authority, the Greater Phoenix Economic Council, and the Maricopa Association of Governments.

Partners in Arizona State University and SkySong.

Partners in the Scottsdale Convention and Visitors Bureau, and in strong Scottsdale business leaders and advocacy groups.

Moving forward, we must play to our strengths – sound finances and infrastructure combined with a positive, international reputation that is hard earned, and well deserved.

Slide 45
SoC title slide

There is a growing synergy here. Scottsdale offers an environment that is very attractive to residents and visitors. This in turn attracts business investment that contributes back the overall quality of life.

History teaches us that unity can conquer any obstacle, withstand any challenge and ignite the fires of prosperity. We have set the stage for the year ahead – now is the time for decisions and action. But we cannot succeed if we move divided.

I think the Roman author Publius Syrus (Poob-lee-us Seer-us**), who was famous for his maxims, said it best: “Where there is unity there is always victory.”**

I agree.

So I am optimistic that we can come together, understanding the immense value of unity. Even with slight shades of difference, we have a strong common goal – to make our city an even better place to live, work, and play.

And to reach that goal, we share a powerful set of common values in limited and effective government, freedom, and individual responsibility.

Let’s continue to move Scottsdale forward and far beyond our greatest expectations - and never forget that if we work together, we will triumph together.

Thank you.