

Minutes Technology, Economic & Community Development Council Committee June 17, 2011

Minutes of the meeting of the Technology, Economic & Community Development Council Committee held on Friday, June 17, 2011, at 10:00 a.m., in the 3rd Floor Conference Room, Tempe City Hall, 31 E. 5th Street, Tempe, Arizona.

Committee Member Present:

Councilmember Onnie Shekerjian, Chair

City Staff Present:

Brigitta Kuiper, City Clerk

Kris Baxter-Ging, Community Outreach, Mktg Coord.

Ken Jones, Finance and Technology Director

Grace Kelly, Energy & Grants Project Manager

Shauna Warner, Neighborhood Program Manager

Lisa Collins, Deputy Community Dev. Dir – Planning

Amanda Nelson, Community Outreach Marketing Supv.

Nancy Ryan, Senior Planner

Adrienne Richwine, Deputy Community Services Dir. – Library/Cultural Svcs

Amber Wakeman, Assistant to the City Council

Micah Miranda, Economic Development Specialist

John Osgood, Dep. Public Works Dir. – Field Operations

Jyme Sue McLaren, Development Project Officer

Eric Iwersen, Senior Transportation Planner

Crista Alvey, Community Relations Intern

Don Hawkes, Deputy Public Works Dir. – Water Utilities

Shannon Selby, Business Development Officer

Guests Present:

Nick Bastian

Nancy Hormann, Downtown Tempe Community, Inc., (DTC)

Councilmember Shekerjian called the meeting to order at 10:05 a.m.

Agenda Item 1 – Public Appearances

None.

Agenda Item 2 – Review of Minutes

The May 20, 2011 minutes were accepted.

Agenda Item 3 – Action Plan Update

City staff members provided updates on the Committee Action Plans, as follows:

Action Item #1: Expansion of the use and availability of technological enhancements by City government and Tempe residents and businesses.

- This item has been scheduled for an update at the September 2011 Committee meeting.

Action Item #2: Develop and apply cost-effective, environmentally sustainable programs, including recycling programs and resource conservation and waste reduction programs, both for City operations and community application.

- The first two measures of success, Energy Efficiency and Conservation Block Grant and the streetlight induction project, will be briefed under agenda items 11-14.
- Community Gardens (on private property) – zoning code text amendment ordinance was reviewed and approved with modifications by the Development Review Commission; next step is to present the revised ordinance to the City Council.

Action Item #3: Consider and develop environmental design standards that are specifically applicable to the arid, relatively warm climate of Tempe.

- Action Plan item will be briefed under agenda items 8 & 9.

Action Item #4: Address strategies to create economic stabilization and revitalization, including facilitating, and working with ASU for development of high-tech, bi-tech, nanotech facilities within Tempe.

- Staff is working on the action plan items; items should be completed within the timeframe listed.
- Various updates to staff members' names needed.

Action Item #5: Redevelopment and development services policy formation for recommendation to Council and implementation of Council-approved projects.

- Revisions are necessary to the timelines listed.

Action Item #6: Development, implementation, and assessment of economic development approaches, projects and proposals.

- Staff is preparing a matrix of incentive policies; data will be provided on a national scale.
- Revisions are necessary to the timelines listed.
- This item has been scheduled for an update at the August 2011 Committee meeting.

Action Item #7: Redevelopment of neighborhood commercial centers.

- Action plan items should be completed within the timeframe listed.
- This item has been scheduled for an update at the August 2011 Committee meeting.

Action Item #6: In conjunction with Sports, Tourism, Recreation, Arts and Cultural Development Council Committee, consider economic development associated with hotel and conference facilities, business tourism, arts and culture drive tourism, youth and amateur sports and outdoor and active tourism.

- A meeting of City staff and Tempe Convention and Visitor's Bureau (CVB) will be held shortly.
- This item has been scheduled for an update at the August 2011 Committee meeting.

Councilmember Shekerjian requested that staff update their portions of the Action Plan and submit revisions to Amber Wakeman. Action Plan items will be reconfirmed at the August 2011 Committee meeting.

Agenda Item 4 – Community Focus Video and New Fly Around Video for Tempe

Kris Baxter-Ging, Community Outreach, Marketing Coordinator, presented several videos produced by City staff, as follows:

- New Fly Around video for Tempe – features business parks
 - Available on U-Tube and presented at the CoreNet conference, to the Arizona Department of Commerce, Arizona Business Park representatives, Salt River Project (SRP), and the Greater Phoenix Economic Council
- Sustainability video – Councilmember Shekerjian's Committee video featuring sustainability issues
 - Will be added to the sustainability website
 - Will be featured at an upcoming bio-conference
- LaunchSpot video – features incubator space in Tempe
- Tempe video, www.tempe.gov/business - features video images throughout Tempe and background music
 - Will be modified to include natural sounds such as light rail and splash parks
 - Will be used for economic development purposes and at conferences

Agenda Item 5 – Consider establishing / reinstating a Tempe Historical Tour

Kris Baxter-Ging, Community Outreach, Marketing Coordinator, stated that as one of the Arizona Centennial projects, a walk through history tour will be held in Tempe in February 2012. This is a project developed and funded by the Tempe Historic Preservation Foundation; no City funds will be used other than staff assistance. Ms. Baxter-Ging will provide an update on the event at the January 2012 Committee meeting.

Agenda Item 6 – Sustainable Communication Plan

Amanda Nelson, Community Outreach Marketing Supervisor, distributed a Communication Plan for sustainable programs entitled “Sustainable Tempe – programs, practices and policies that support people, profit and planet”. Presentation and discussion highlights include:

- Sustainability Communication Plan fits within the City of Tempe’s overall Strategic Communication Plan
- Provides a framework for communicating and promoting sustainable programs, policies and practices
- Goals of the plan, target audiences, mission statement, key messages and graphic elements were presented
- Includes a section on sustainability programs, resources and awards received
- Next step: update the City’s sustainability webpage
- Important that Leadership in Energy and Environmental Design (LEED) certifications be included
- Need to include one staff point of contact information for sustainability issues/programs

Agenda Item 7 – Update on the Citizen Request Management System

Shauna Warner, Neighborhood Program Manager, provided an update on the Citizen Request Management (CRM) system, as outlined in the agenda packet. Presentation and discussion highlights include:

- CRM operations began in November 2010
- Next steps: 1) web portal and smart phone services for residents; 2) mobile technology for staff to receive and close requests in the field; 3) citywide service; 4) communication plan
- Staff is working towards a regional 311 system; recent meetings have been productive
- Staff will make a CRM presentation in July to Maricopa County Association of Governments (MAG) Management Committee
- Minimal cost for 311 calls - .012 per call
- Staff will provide an update to the Committee in August 2011 and an update to Council at an Issue Review Session in September 2011.
- Goal: 80-85% first call resolution; increase efficiencies

Agenda Items 8 – Establish a Rebate program for Residential Improvements above Code

Lisa Collins, Deputy Community Development Director – Planning, provided an update on a rebate program for residential improvements, as follows:

- This agenda item is #3 on the Committee Work Plan
- Staff is reviewing potential programs; example: solar installations
- Recommendation is to require permits so that inspections will be required to ensure units are installed properly
- Update to be provided by Mike Williams, Deputy Community Development Director – Building/Permits, at the August 2011 Committee meeting

Agenda Item 9 – Continue to Explore new Sustainability Programs

Lisa Collins, Deputy Community Development Director – Planning, provided an update on sustainability programs in the City of Tempe, as follows:

- Need to resolve the City’s commitment to green buildings, including municipal buildings
- Staff has drafted a resolution for the Committee to review and provide feedback
- Issue will be briefed at the September 2011 Committee meeting

Agenda Item 10 – Water Rates/Water Resources Portfolio Update

Don Hawkes, Deputy Public Works Director – Water Utilities, provided an update on use of the City's water resources portfolio as an economic development tool, as follows:

- A meeting among staff members has been scheduled for July to discuss leveraging resources
- An update will be provided to the Committee in September 2011
- Councilmember Shekerjian noted biogas as a possible resource

Agenda Items 11, 12 and 13 – Update - Install energy efficient HVAC upgrades, HVAC controls, interior and exterior lighting, water fixture upgrades, and a computer power management system in city buildings and facilities; Replace aging mechanical equipment with cost savings instead of using the CIP budget; Keep thermostat at a range of 72-78 in summer and changing custodial schedule to day-cleaning at the 80 city buildings

John Osgood, Deputy Public Works Director – Field Operations and Grace Kelly, Energy & Grants Project Manager, provided the following update:

- The City received a \$900,000 Energy Efficiency and Conservation Block Grant (EECBG) and leveraged an \$8 million project with Arizona Public Service Energy Services (APSES)
- Project undertakes a significant asset management/preservation strategy
- Annual savings is the funding source to pay for the project bonds
- Project-wide schedule was reviewed, including tracking and monitoring requirements
- Grant to be paid back in 15 years
- Estimated annual utility savings is \$610,000
- Estimated annual utility savings and utility costs by City building was reviewed, including usage and cost
- Working on a webpage to outline energy efficiency; will include energy use by building and progress made
- Important to balance operations and energy savings when determining temperature range
- 80% of energy savings is related to equipment, not behavior
- City is required to report kilowatt hours and average cost to the Department of Energy
- Use of thermal shades may help with temperature/energy efficiency
- New lighting has been installed – daytime, cleaner look
- Custodial staff is working during daytime hours. Impacts include: reduced energy costs, reduction in shift differential pay, positive response from staff, sick leave usage decreased
- Facilities staff is working with building operators to work out remaining issues
- Important for Council and the community to hear about the changes
- After six-month implementation phase, project and its benefits will be briefed at an Issue Review Session
- News release to be issued about the status of the project
- City issued \$7 million in 15-year bonds for the project, the payment source is the energy savings
- Fiscally responsible/innovative program, a model for other cities
- Publicity on fiscal responsibility to be included in the Phoenix Business Journal and the Valley Forward blog

Agenda Item 14 – Review progress on the Streetlight Induction project and explore options for additional streetlight electric savings

John Osgood, Deputy Public Works Director – Field Operations and Grace Kelly, Energy & Grants Project Manager, provided the following update on the streetlight induction project:

- Project is an element of the EECBG program
- Project includes residential and downtown overhead lighting components
- Residential streetlight program includes a Department of Housing and Urban Development (HUD) grant; procurement for streetlights is underway.
- Streetlight project in downtown area is 75% complete; funded through a \$376,000 grant + annual savings
- Lighting is crisper and cleaner; provides for additional safety; virtually maintenance free
- Statistics from the Police Department on how the new lighting has assisted would be helpful
- City is hiring an intern to apply for additional energy savings and sustainability grants

Agenda Item 15 – Research the potential implementation of a Small Business and Arts Overlay district to help spur “micro site redevelopment”

Micah Miranda, Economic Development Specialist, and Nancy Ryan, Senior Planner, provided research on a potential small business and arts overlay district to spur micro-site redevelopment, as follows:

- Idea for transportation overlay district program was received from an economic development forum last fall
- A map entitled *Station Area Planning Business and Micro Development Opportunities* was distributed and reviewed, which outlined micro development opportunities along the light rail from the Priest Station to the Price Road/101 Station
- A handout entitled *Typology of Tempe’s Transportation Overlay District (TOD) Station Areas* was also distributed and reviewed
- TOD allows for flexibility
- Staff has compiled data on businesses, number of employees, housing, arts/entertainment, shopping and events within ½ mile of each station
- Staff is currently working on how to promote the micro areas as areas of opportunity
- The TOD ordinance must be amended to lay the groundwork for moving forward with micro development sites; public process to begin in late fall 2011.
- Development Review Commission will review ordinance language
- Staff is also working on the branding and identification of station areas
- Branding can be accomplished based on the characteristics of the area; for example: banners for specific station areas, Dorsey Station – International District; this will require funding
- Staff will provide an update to the Committee in November 2011
- A Small Business Improvement District is a possibility, which is an economic development tool used to create districts and receive revenue for district improvements

Agenda Item 16 – Resolve pre-existing, non-permitted building improvement problems faced by architects/contractors. Research how other cities solve this issue.

Micah Miranda, Economic Development Specialist, stated that this item will be briefed to the Committee in August 2011.

Agenda Item 17 – Update - Explore, assist and create incubator space

Micah Miranda, Economic Development Specialist, provided an update to the Committee regarding incubator space. Presentation and discussion highlights include:

- LaunchSpot was created for the purpose of providing incubator space in Tempe; staff is sending inquiries to Mr. Fred von Graf, founder of LaunchSpot.
- Staff is exploring the possibility of a privately funded bio-science campus; staff has met with representatives at ASU Polytechnic, developers and brokers; funding is the primary challenge
- Exploring branding an identity for the East Valley
- Entrepreneurial development – shift is from funding real estate development to funding technology-oriented venture capital
- Staff is developing educational forums and curriculums to explain venture capitalism for bio-technology and sustainability development; fund managers that specialize in software development are involved
- The Governor’s economic development competitive package indicates support at the State level; tax credits have been increased for Angel Investors and qualified research and development investments
- Staff is working on facilitating entrepreneurial development opportunities
- Councilmember Shekerjian recommended that City staff talk to Mayor Hallman about potential investors
- Perhaps market this concept in conjunction with the Intel Investment Group at the Science Fair in February 2012
- Look at venture capitalists from a regional standpoint – there is a funding gap for the Southeast Valley area
- Staff is working with Mesa, Chandler and Scottsdale to pull together financial resources to spur entrepreneurial development; currently there is a funding gap
- A resource list of all Arizona incubators will be added to the website

- City staff will produce a second video of LaunchSpot when it is up and running; a press conference is scheduled as well.

Agenda Item 18 – Qualitative land use and economic development template for the Tempe Streetcar application to enter small starts project development

Eric Iwersen, Senior Transportation Planner, and Jyme Sue McLaren, Development Project Officer, provided an update regarding the Tempe Streetcar qualitative land use and economic development template, dated April 2011, as follows:

- Template includes narrative and visuals to depict downtown and economic and redevelopment opportunities
- Includes employment centers, major events and projects that have already been approved
- Outlines how the streetcar project relates to the overall regional transportation system and major destination centers
- Final draft of document has been presented to the Transportation Council Committee
- Document will be included with the grant application for the Federal Transportation Administration (FTA) Small Starts application
- Document will be used to apply for additional grant funding
- Staff is also preparing materials for a potential Transportation Investment Generating Economic Recovery (TIGER III) grant application
- Visualization will be used to promote economic development and display stages of public improvements in the downtown area to stimulate private development

Agenda Item 19 – Future Agenda Items

Amber Wakeman will e-mail future agenda items to staff members.

Agenda Item 11 – Future Meeting Date

The next meeting is scheduled for August 19, 2011 at 10:00 a.m.

Agenda Item 12 – Announcements

Councilmember Shekerjian noted that her son has been accepted into ASU's architecture program.

The meeting adjourned at 11:40 a.m.

Reviewed by: Amber Wakeman

Brigitta M. Kuiper, City Clerk