



Minutes Tempe City Council and Arizona State University Joint Meeting November 25, 2014

Minutes of the Tempe City Council and Arizona State University Joint Meeting held on Tuesday, November 25, 2014, 8:00 a.m., at the Fulton Center, 6th floor Board Room, 300 East University Drive, Tempe, Arizona.

COUNCILMEMBERS PRESENT:

Mayor Mark W. Mitchell

Councilmember Kolby Granville

Councilmember Corey D. Woods

Councilmember Robin Arredondo-Savage

Councilmember Joel Navarro (*arrived at 8:30 a.m.*)

COUNCILMEMBERS ABSENT:

Vice Mayor Onnie Shekerjian

Councilmember Shana Ellis

COUNCILMEMBERS-ELECT PRESENT:

Lauren Kuby

David Shapiro

ARIZONA STATE UNIVERSITY STAFF PRESENT:

Michael M. Crow, President

Angela Creedon, Assistant Vice President, Public Affairs

Steve Miller, Deputy Vice President Public Affairs

Ray Anderson, Vice President, University Athletics

Michael Thompson, ASU Police Chief

Sethuraman "Panch" Panchanathan, Deputy Vice President for Research and Economic Affairs

Morgan Olsen, Chief Financial Officer

James Rund, Sr. Vice President, Ed. Outreach & Student Services

Jim O'Brien, Sr. Vice President University Affairs & Chief of Staff

Rocky Harris, Sr. Associate Athletic Director, External Relations

Tye Thede, ASU Special Events

CITY STAFF PRESENT:

Andrew B. Ching, City Manager

Judi Baumann, City Attorney

Brigitta M. Kuiper, City Clerk

Elizabeth Higgins, Mayor and Council Chief of Staff

Ken Jones, Deputy City Manager – Chief Financial Officer

Steven Methvin, Deputy City Manager – Chief Operations Officer

Nikki Ripley, Communication and Media Relations Manager

Parrish Spisz, City Council Aide

Mayor Mitchell called the meeting to order at 8:19 a.m. and welcomed attendees. Participants introduced themselves.

Mayor Mitchell stated that this meeting is the beginning of quarterly joint meetings between the City Council and Arizona State University (ASU) officials. As he stated in his State of the City address, there is economic momentum in Tempe. ASU is an important partner to the City; ASU's development of the stadium district and Class A office space positively impacts the community.

President Crow noted that staffs from both entities meet regularly; this is an opportunity for leaders to share strategic ideas, discuss issues, and keep each other informed. ASU is an "A" University and has an "A" relationship with the City of Tempe; improving the relationship is the goal. ASU is focusing on many issues, including global expansion of research and offices in

various countries, development of the athletic facilities district, and evolving from an agency model to an enterprise model of private sector partnerships and alliances with various organizations and funding programs. ASU is expanding its online presence and has increased the number of international students, which provides for additional opportunities to contribute to Arizona's economy and increases revenue to the university. The positive impact of ASU graduates on Arizona's economy was discussed.

Arizona State University Stadium Renovation Stadium District Update

Various ASU representatives provided updates on the stadium renovation and stadium district. The new model for the stadium is a state of the art community asset that will be utilized throughout the year and host amateur sporting events and various community events. The renovation will cost approximately \$256 million and will be completed in three phases, beginning after this year's Cactus Bowl and ending in August 2017. Facility amenities include improved connectivity and circulation, ADA upgrades, new restrooms and concessions, and technology upgrades. The stadium will also open up to Hayden Butte "A" mountain. The renovated stadium is a collective vision of all ASU departments, a new collegiate model. The Athletic Facilities District will provide 50% of the revenue needed for renovation with the remaining 50% from donations and fundraising. The financing and design components of the stadium renovation are complicated and challenging. Once completed, this will be a world class stadium that will have the flexibility for upgrades as needed and as funding becomes available. The project shows a commitment to the City of Tempe. ASU could use the City's assistance with town hall meetings to involve the community with the stadium renovation project. The City would like to partner with ASU on stadium events to maximize its impact and attract visitors. It was noted that student attendance at ASU games is the best in the PAC 12 Conference, and the highest in ASU history.

The City's light rail connectivity is important for the stadium project, the Marina Heights project, and the community. Transit will be integrated into the project to provide connectivity between the district area, ASU campus, and downtown Tempe. Pedestrian traffic flow will also be incorporated into the design. ASU officials have met with State Farm officials to discuss amenities that will be in place once State Farm becomes operational.

Catellus Development Corporation (Catellus) was selected by ASU to develop the stadium district. Catellus is currently studying the utility infrastructure, traffic impacts, market analysis, and possible land uses within the district. ASU will be hosting neighborhood and community meetings, and will continue to meet with City staff as the project moves forward. The redevelopment project is complex and will take time to complete. Mayor Mitchell noted that several Councilmembers recently had an opportunity to tour a Catellus redevelopment project in Austin, Texas, and were impressed with the project.

Research Infrastructure Update

Sethuraman "Panch" Panchanathan, Deputy Vice President for Research and Economic Affairs, provided an update on ASU's research infrastructure. Currently research is a \$425 million enterprise at ASU and ASU is ranked 15th in the country for university research facilities that do not have a medical facility. ASU's goal is to be a \$700 million enterprise by 2020 and employ approximately 40,000 people. \$150 million has already been invested in the ASU Research Park. Mr. Panchanathan reviewed several new technology companies in Tempe, the potential of expanding existing companies, and the importance of entrepreneurship and its link to economic development. In the last five years, local venture capital investments has totaled \$500 million. ASU now ranks in the top 10 universities for both science and technology.

Approximately \$400 million of capital investment will be needed to build research laboratories, several of which will be located on the Tempe campus. Mayor Mitchell noted having a qualified workforce to meet the needs of the business community is a regional challenge. Councilmember Navarro discussed opportunities to work with universities in Mexico.

Upcoming Legislative Priorities

Mayor Mitchell stated that the City and ASU must work together to support legislative priorities; the City has previously supported ASU's budget through a City Council resolution of support. Recently he met with fellow Mayors and company executives to discuss the unintended consequences that the legislature has placed on cities and higher education. In Arizona, 80% of residents live in a city or town.

Steve Miller, Deputy Vice President Public Affairs, stated that ASU's legislative agenda includes the following:

- 1) Work to update out-of-date state statutes regarding operations, to include deregulation and modernization of statutes.
- 2) Budget – university funding cuts should not be used to balance the state's budget.
- 3) Defense on various bills including gun bills and bills that have a negative impact on how Arizona is viewed.

ASU will also be seeking a placeholder for performance funding, even if there is no funding this year. Attendees discussed the State's budget and its impact to cities and educational institutions, revenue streams, transaction privilege tax reform, and tax collection activity.

President Crow stated that any ASU representative in attendance today can articulate ASU's position on issues. ASU officials are committed to being responsive to, and engaged with, City officials.

Introduction of Arizona State University's Police Chief

Morgan Olsen, Chief Financial Officer, introduced Michael Thompson, ASU's new Police Chief. Chief Thompson was hired after a national search and has experience in a multi-campus environment. He served the City of Mesa Police Department before coming to ASU. Chief Thompson reviewed his background and experience. He discussed the priorities of customer service by working with community partners and expanding the department with changes in salary structure, number of officers, and shared patrol activity with the City. ASU PD is developing a strategic plan that will be shared with Tempe Police Chief Ryff when complete. President Crow restated ASU's commitment to holding students accountable for their behavior. Students can be sanctioned for their behavior, even if not arrested.

Andrew Ching, City Manager, stated that the City drafted an Intergovernmental Agreement (IGA) for ASU's review to memorialize the two entities' working relationship. ASU is currently reviewing the draft IGA.

Mayor Mitchell thanked participants in attendance. This productive dialogue will continue at future joint meetings.

The meeting was adjourned at 9:47 a.m.

I, Brigitta M. Kuiper, the duly-appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the Joint Meeting of the Tempe City Council and Arizona State University held on November 25, 2014, in Tempe, Arizona.

Mark W. Mitchell, Mayor

ATTEST:

Brigitta M. Kuiper, City Clerk