



## Minutes Tempe City Council & Arizona State Legislators Joint Meeting October 21, 2013

Minutes of the Tempe City Council and Arizona State Legislators Joint Meeting held on Monday, October 21, 2013, 8:30 a.m., at Tempe Police Department Apache Substation, 1855 East Apache Boulevard, Tempe, Arizona.

### **COUNCIL PRESENT:**

Mayor Mark W. Mitchell	Councilmember Robin Arredondo-Savage
Councilmember Shana Ellis	Councilmember Joel Navarro
Councilmember Corey D. Woods	

### **COUNCIL ABSENT:**

Vice Mayor Onnie Shekerjian	Councilmember Kolby Granville
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### **ARIZONA STATE LEGISLATORS:**

Senator Ableser	Representative Gallego
Senator McComish	Representative Mendez
Representative Robson	Representative Sherwood
Senator Landrum-Taylor	
Michelle Davidson, District Direct, (Congressman Sinema representative)	
Kendra Leiby, Senior District Advisory (Congressman Sinema representative)	

### **CITY STAFF PRESENT:**

Andrew Ching, City Manager	Jeff Kulaga, Assistant City Manager
Judi Baumann, City Attorney	Kay Savard, Deputy City Clerk
Various Staff Members	

*Mayor Mitchell called the meeting to order at 8:45 a.m.*

## **Welcome and Introductions by Mayor Mark W. Mitchell**

Mayor Mitchell welcomed meeting attendees. He emphasized the importance of working together and noted that the State Legislators and Tempe City Council share the same constituency. He asked attendees to introduce themselves.

Mayor Mitchell provided background information regarding the Police Substation, which opened in 2007. This facility is a result of the City's commitment to redevelop Apache Boulevard.

## **Economic Development in Tempe – Mayor Mark W. Mitchell**

Mayor Mitchell stated that the success of Tempe and surrounding jurisdictions has a positive impact upon the entire region. Tempe has been investing in its infrastructure and working on attracting businesses and people to the community, which in turn generates economic initiative. Community amenities include Tempe Town Lake, Tempe Center for the Arts, light rail and a robust transportation network. Tempe hosts internationally known events such as Oktoberfest and the Soma Triathlon. Solid schools add to the quality of life in Tempe. The Tempe Union High School District has the highest graduation rate in the state.

Councilmembers value their relationship with Arizona State University (ASU), state and federal leaders, who understand the importance of maintaining Tempe's ability to promote its strengths when attracting businesses to the community.

Downtown Tempe is made up of over 70% private, 'mom and pop' businesses. By the month, thousands of jobs are being added in Tempe. Over the past year, approximately \$704 million of capital investment has been infused into Tempe, developing over 3 million square feet of office space, and creating over 5,300 jobs.

Mayor Mitchell provided a slide presentation outlining significant economic development projects underway and their impacts to the City of Tempe as follows:

- State Farm (aka Marina Heights) – largest office development in Arizona
- Liberty Property Trust – the country's fourth largest Real Estate Investment Trust firm
- Stadium District – 30 – 50 year project; ASU is involved in the planning process
- USA Place – hotel and conference center located at Mill Avenue and University
- Hayden Flour Mill – preservation activity is occurring
- The Pier – hotel and conference center bordering the Stadium District
- Discovery Business Campus – two hotels, office and industrial space
- ASU Research Park – more than 47 companies employing 4,600 people
- Go Daddy – 1,000 employees, with the potential of hiring an additional 300 people

Mayor Mitchell continued his presentation as follows: Tempe is a landlocked city; regional partnerships are important to Tempe; over 20% of jobs and businesses in Tempe are tech related; Tempe City Council and staff focus on economic development opportunities, leveraging assets and relying on legislative partners; it is important to ensure that wise investments in infrastructure are made in order to attract business, including the multi-modal transportation system, light rail, parking systems, and potentially a streetcar. As economic development grows, so will quality of life. Mayor Mitchell voiced appreciation for the legislative support and partnership and how it builds regional partnerships among cities. He invited the legislative delegation to comment on trends and challenges that they experience.

## **State Legislative Priorities – State Legislators**

Representative Robson requested feedback regarding how Tempe is maintaining the vitality of the local community, in light of schools closing in neighborhoods; there are instances where debt is still owed on schools that have closed. Mayor Mitchell noted that Tempe needs to improve on how it showcases its neighborhoods, promotes accomplishments of high schools, including graduation rates and continues to attract families and businesses to Tempe. Councilmember Navarro noted that there is a baccalaureate program at Tempe High School; each high school has its niche; Tempe is working on branding their schools and highlighting what schools have to offer.

To help with the aging housing stock, Tempe has implemented a homeowner incentive program that waives building permit fees for home improvements. Councilmember Woods noted that Tempe has closed three schools. One challenge is that residents remain in their homes after their children grow up, leaving no students to re-populate the schools. It is important to take care of taxpayers, while still attracting new families to live in Tempe. Tempe offers a potential streetcar, transit circulator routes, walkability, and biking. The Broadway Road pilot project focuses on creating roads and streets that are pedestrian and bike friendly. Many longtime residents have concerns regarding these changes; however, evolution is important. In terms of multi-family housing, the trend is for people to rent longer versus buying property.

Councilmember Arredondo-Savage stated that it is about school choice and what is the best fit for a child. Funding for schools is complicated and minimal. School boards and districts strive to provide the best quality education. It would be helpful to improve the funding formula so that classrooms are not overly crowded, and to value the work that teachers do. Keeping schools relevant is important; opening up the playgrounds or utilizing empty buildings could create a center or hub where people could spend time.

Mayor Mitchell stated that Tempe's challenge is investing in neighborhoods; Tempe has aging neighborhoods and infrastructure, with limited resources. Councilmembers prioritize what to invest in so that the groundwork is laid for the next generation. The cornerstone of Tempe is its neighborhoods and the cornerstone of neighborhoods is schools.

## **Legislative Partnership – State Legislators/City Council**

Representative Mendez acknowledged that the actions of the legislature impacts cities and voiced appreciation for the open dialogue. He asked how the legislature can assist with expanding trends in Tempe to the rest of the State. Public investment secures private success. The business sector is doing well, which has a lot to do with public transportation and planning. The housing programs in Tempe secure public investment. He expressed an interest in programs concerning aging in place and maintaining an ongoing relationship with the City Council.

Mayor Mitchell stated that one of the main goals for the City of Tempe is to maintain local control of local resources, through state and federal legislation. Federal mandates increase City costs. Street infrastructure maintenance is adversely impacted when Highway User Revenue Funds (HURF) are swept by the legislature, making it necessary for the City to use General Fund revenue for street infrastructure needs. Due to lack of funding, Tempe has delayed capital improvement projects and deferred maintenance for parks. An emphasis has been placed on economic development so that the City can continue to provide a good quality of life and keep up with aging infrastructure in order to attract businesses. Partnering with the legislature is important to Tempe leaders.

Representative Robson acknowledged that cities deliver services that are the closest to the citizens. Senator McComish voiced appreciation for Tempe's regional awareness; working together benefits all communities. Although trends are positive, the economic recovery has been slow. The legislature is currently talking about alternatives to sweeping HURF funds, because communities need that revenue.

Senator Landrum–Taylor stated that this dialogue is helpful to determine priorities and asked what the City of Tempe has done to adjust to the economic downturn. Mayor Mitchell stated that Tempe cut \$33.5 million from its budget. Staff also developed an asset management plan to address infrastructure maintenance. Based on that data, Councilmembers prioritized how the budget was allocated. City staff will send legislators information regarding how HURF funding impacts Tempe.

Representative Sherwood stated that it would be helpful to receive data regarding where Tempeans spend their free time and how they spend their money. Mayor Mitchell stated that this is a regional economy; Tempe has IKEA, and the Arizona Mills Mall. Arizona Mills Mall sales declined when the Phoenix Premium Outlets Mall opened. Councilmember Woods stated that City staff has divided Tempe into character areas that identify historic areas, demographics, cultural amenities, as well as deficiencies. For instance, in south Tempe, there is a lack of retail and restaurant options, yet that is the highest per capita income area. Positive things are also happening in Chandler, Mesa and Gilbert; regionalism is shared successes. Freeways connect communities. Mayor Mitchell noted that Tempe leaders are involved with quality of life services for its residents and requested that legislators inform Councilmembers of challenges they experience, with the hope that Tempe can assist.

Representative Robson noted that the Lakes Shopping Center is being revitalized and asked what is being done to reduce demolition versus restoration. Mayor Mitchell stated that what was sustainable 20 years ago is not the same as what is sustainable today; the Lakes Shopping Center has been rezoned. The trend is to have walkability between shopping centers and neighborhoods. Councilmember Navarro stated that the Lakes Shopping Center is an opportunity to make this an urban outlet area that provides connectivity to other areas of Tempe. HURF funds provide a way to create attractive streets and right-of-ways that Tempe is trying to achieve. Communities are competing with one another. Tempe is also working on doing things that will attract elderly residents to live in Tempe. It is important to make thoughtful, strategic improvements that are urban like.

Mayor Mitchell concluded by emphasizing that the Tempe City Council considers legislators it's friends; local control is important to cities and towns; and that the City Council's doors are always open and the Council is willing to assist the legislature. He voiced support for school override elections and invited legislators to participate in an upcoming Tempe Neighborhood Day.

## **Tour of Communications/Dispatch Center**

Mayor Mitchell concluded the meeting by inviting meeting attendees to participate in a tour of the communications/dispatch center.

There being no further business, the meeting was adjourned at 9:28 a.m.

Tempe City Council and Arizona State Legislators Joint Meeting Minutes  
October 21, 2013

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 Tempe City Council and Arizona State Legislators Joint Meeting of October 21, 2013 by the Tempe City Council, Tempe, Arizona.

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Mark W. Mitchell, Mayor

ATTEST:

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Kay Savard, Deputy City Clerk