



Minutes City Council's Technology, Economic & Community Development Committee June 12, 2009

Minutes of the meeting of the City Council's Technology, Economic & Community Development Committee held on Friday, June 12, 2009, at 8:00 a.m., in the 2nd Floor Conference Room, Orchidhouse, 21 E. 6th Street, Tempe, Arizona.

Committee Members Present:

Councilmember Onnie Shekerjian, Chair
Councilmember Corey Woods

City Staff Present:

Jennifer Adams, Dep Pub Wrks/Comm Rel
Shelley Hearn, Comm Rel Mgr
Dave Heck, Deputy IT Mgr
Jyme Sue McLaren, Comm Dev
Chris Messer, Prin Planner
Chris Salomone, Comm Dev Mgr
Alex W. Smith, Technology Dev Spec
Sheri Wakefield-Saenz, Econ Dev Administrator

Guests Present:

Barbara Khalsa, Rio Salado College

Councilmember Shekerjian called the meeting to order at 8:00 a.m.

Agenda Item 1 - Introductions

Everyone introduced themselves.

Agenda Item 2 – Approval of Minutes from May 8, 2009

Motion by Councilmember Woods to approve the minutes from May 8, 2009. Second by Councilmember Shekerjian. Motion passed unanimously.

Agenda Item 3 – Public Appearances

None.

Agenda Item 4 – Neighborhood Commercial Centers

Sheri Wakefield-Saenz stated that she and Chris Salomone traveled to the International Conference of Shopping Centers (ICS) Conference in Las Vegas. This year was one of the finest conferences they have attended. The brokerage community was aggressive and the developer community consisted only of those with money or projects.

- Met with a broker with an understanding of Tempe who handles six different restaurant concepts and was interested in placing nearly all of them in our neighborhood shopping centers. The timeline appears to be less than six months.
- The new Lowe's center at Baseline and Rural has two tenants who are new to Tempe.
- There were a couple of concepts for the downtown area.
- Talked about the Broadway corridor, as well as along Rural and along Mill.
- There was no pushback on demographics or traffic counts or regulatory issues.
- Food service and entertainment were the two areas that retail seem to be expanding in this economy.

Chris Salomone added that an entertainment venue will be going to Arizona Mills and the Halloween store which operates seasonally does \$1M in business in a three-month period. The remainder are new restaurant concepts.

Ms. Wakefield-Saenz provided updates as follows:

- Progress has also been made with Michael Pollack regarding Development Services issues. He is pleased with the dialogue. A specific goal is to get his centers at Elliot and McClintock and Baseline and McClintock rehabilitated. A meeting will be scheduled within the next two weeks. There is a philosophical difference between the architect and the City about the appropriate structure for their façade.
- The southeast corner of Broadway and Mill was going to have Fresh 'n Easy going into the Walgreen's location, but all Fresh 'n Easy expansions are on hold at this point. Staff hopes to help that owner with the same tools we would use for Mr. Pollack to rehab that center.
- Staff has had good conversations with Nancy Hormann of the DTC about concepts she has used around the country. The downtown is perceived as our "living room"; if we have vacancies in the downtown, it looks like retailers aren't doing well in the community generally.

Councilmember Shekerjian stated that she has had conversations with a couple of retailers interested in the downtown area for a grocery store. They have the money to do it, and could get a jump on the market. She has also been exploring some concepts with Nancy Hormann for a community market on Thursday nights starting in the Fall. One organization is Phoenix Permaculture Guild which is interested in helping with that and expanding into the Tempe area. This would bring some synergy on Thursday nights to that area and maybe it becomes more attractive for retailers to be in the DMB center (Madcap theater area). She has also talked to those involved in the Ignite program concerning a group of high-tech people who are looking for a place that could be technologically advanced to be able to conduct business. They would love to land in Mill Avenue.

Councilmember Shekerjian felt that it was evident that Michael Pollack was not up to date on the changes that have been made in Development Services. How can we proactively communicate to the business community?

Mr. Salomone stated that Development Services will be relaxing the sign/banner restrictions, and he suggested initiating an outreach to let the business community know about that.

Shelley Hearn suggested bringing that issue to the Communications Team for brainstorming.

Ms. Wakefield-Saenz added that staff has found that not being aware is not just the case with local businesses, but also with national site selectors. Phoenix had gotten a bad reputation for a slow regulatory process and they have sent a fast-track marketing message to all the site selectors showing construction-ready sites.

DIRECTION: Staff to report back at the next meeting.

Agenda Item 5 – Economic Forum and Technology Forum

Councilmember Shekerjian summarized that the committee has received information from both the Economic Forum and the Technology Forum.

Dr. Alex Smith summarized that staff tabbed the 100 comments received at the Economic Forum in different Excel worksheets and ranked them according to the colors posted (green was highest, yellow was medium, and red was lowest). Green was given a value of "3", yellow a value of "2", and red a value of "1" and the values were summed for each comment for a weighted score. The value shown on the worksheet indicates it was ranked the highest priority based on the scale the weighted scale.

Councilmember Shekerjian suggested that Dave Heck do the same system for the Technology Forum comments so they are consistent. She further suggested that Dr. Smith prepare a spreadsheet for the Economic Forum comments showing "already exists", "current project", "easy to implement", "do-able now, time and money", "good for future plans" and "not a good fit, not practical." With this consistency, the committee can examine the comments to see how the ideas were valued, as well as identify which things require better communication. One idea from the Technology Forum that would be easy to implement was the use of Pay Pal to pay water bills. She suggested revisiting all of this information at the next meeting for comparisons. The committee could also determine which things could be part of the work plan next fall. Each item needs to be evaluated.

Ms. Hearn suggested that once the comments are evaluated, a message from Councilmembers Shekerjian and Woods should be sent to all attendees providing the information.

Councilmember Shekerjian added that she is in the process of drafting a "My Turn" article talking about what we came up with and why it is important to ask for the community's expertise. That's why staff was asked to provide information on three ideas currently being done and three ideas that would be easy to implement. A few can be chosen and used as examples. Some can be passed on to other committees but this committee can still monitor them.

Ms. Wakefield-Saenz highlighted some of the economic comments. The Hayden Ferry Lakeside team spoke to events and the freeing of Town Lake. There was some controversy in terms of events and whether they should be monitored more or less. The perception was that there was too much control, constraint, and cost to what's happening with the events in the downtown and at the Lake. Events are often the first impression for Tempe.

Ms. Hearn suggested finding a way to bring that forward, because there has been discussion that we are pricing ourselves out of the market

Councilmember Shekerjian added that she is hearing public comments about interdepartmental fees and the effect of impeding our ability to grow economically. This is an issue for this committee.

Dr. Smith added that an analogy on his side of things is that we do our best to attract the technology companies but in reality if we have one of those companies come in. They go through the same regulatory hurdles and the same price points on their fees as a distribution center, for example. We don't offer them any competitive advantage compared to other industries that we do not actively seek to attract.

Councilmember Shekerjian suggested that at the next meeting staff present ideas for competitive advantages that could be offered to those industries and then we can take them forward to Council, as well as ideas regarding the interdepartmental fee issue. She asked Ms. Hearn to develop some ideas to discuss at the next meeting. With the information that came from the forums, as well as additional ideas that are brainstormed here as a result of that, we can take that as a package to Council. She suggested doing this in the August/September timeframe. Economic development could be taken to one and technology to another meeting.

Ms. Hearn added that, depending upon how big it is, it could also be a topic for the Council retreat/workshop. We need to think about ways to position ourselves. Instead of regulating ourselves to death, we need to think about what we can do to move us forward. There's something in this that reaches a lot of issues.

Councilmember Shekerjian asked if it would be helpful to bring the forum information forward with some of the other ideas to a Council meeting, and then at the Council meeting suggest that it be brought forward to the retreat/workshop.

Ms. Wakefield-Saenz agreed.

Councilmember Shekerjian suggested bringing the economic information to the July 2nd Issue Review Session and bringing the technology information forward to the August 20th meeting

Ms. Hearn added that it could also include suggestions for making Tempe more of a technology hub in the downtown and other places.

Mr. Heck added that the WiFi piece is in litigation currently.

Councilmember Shekerjian clarified that if it is what people need to do business here well, it plays into the economic development piece. We need to look at the cost of putting it into our business node areas.

Dr. Smith added that MAG has about eight to ten regions within Tempe that they have already been identified.

Councilmember Shekerjian stated that she has heard this issue repeatedly from the business areas.

Mr. Heck agreed. The City may end up with this infrastructure, and if that is the case, going through a project to install other equipment and other providers wouldn't do us any good. We will either end up with the infrastructure and we can use it to do hot spots, or someone will end up with it and they will reactivate it. He thought that over the next couple of months, the outcome will be determined.

Councilmember Shekerjian suggested viewing this in the way that we have the infrastructure, but we should not be hemmed in by that infrastructure because we can't really use it yet, so we should continue down that path, but look elsewhere to find what is available.

Mr. Heck agreed that if we want to target specific areas, the City could provide free WiFi access in those areas. The infrastructure is there. The only cost issue would be providing the pipe from our WiFi cloud to our internet cloud. The 3G cards from the phone companies that fit into the laptops have faster download speeds than WiFi. This is through a cellular network that is nationwide. He suggested speaking to internet access rather than WiFi access.

Mr. Heck summarized the Technology Forum comments. There are a lot of current projects and projects already existing. We may need to promote these a little more and maybe allow the public to see what we are working on. The "easy to implement" column is barren. That means we are good at picking off the low-hanging fruit. There are many in the "money and time" column. "Easy to implement" means it is a good idea and it wouldn't take a lot of time or money. The numbers are not weights.

Councilmember Shekerjian asked him to provide a key for abbreviations, for example "DS" means Development Services.

Mr. Heck added that there some ideas that were out of their scope and there were not many for "future plan" items. He suggested that we promote what is already out there.

Councilmember Woods added that the website is difficult to use from a mobile phone.

Mr. Heck responded that we would probably have to contract out to have someone make our website mobile.

Councilmember Woods added that he would like to know the cost.

Councilmember Shekerjian asked about the item that asks why the City website doesn't list charter and private schools. We have the highest achieving school in the State in our boundaries and she suggested listing all schools within the City's boundaries.

Ms. Wakefield-Saenz added that a site location consultant surveyed 18 site location firms across the country and the top resource for information is this website.

Councilmember Shekerjian added that there are two things people look at when making a final decision about where to move a company. The first is housing and the second is schools. If we are looking at our website being used as a communication tool for economic development purposes, we need to communicate all the schools available. Besides the University, we are also the home to the biggest community college district in the nation. She asked Ms. Hearn for a webpage that is strictly about Tempe's education with links to the community college district, ASU, school district, and all charter and private schools.

Ms. Hearn added that the Communication group will be looking at the website on a regular basis. Charlie Meyer had talked about a content management system. When you open our website, it sits up in the corner and she suggested changing the format.

Mr. Heck responded that it is device-driven. If someone is using an old system, they will have issues.

Ms. Wakefield-Saenz added that there has been discussion concerning an external informational piece, but possibly an internal piece would be good.

Mr. Heck added that he has requested a website that lists all of the IT projects, gets rid of the monthly/weekly reporting, and includes real time, live, project status, project completion date, etc. We were generating weekly, monthly and quarterly reports on projects and they weren't posted anywhere.

Ms. Hearn added that it should be on the public website as well is a part of transparency.

Mr. Heck clarified that what he wanted to see might not be what the public will see, so two views may exist. It is do-able.

DIRECTION:

- Staff to place "Feedback from the Community Economic Forum and Recommendations" on the IRS agenda for July 2nd and "Feedback from the Community Technology Forum and Recommendations" on the August 20th IRS. The suggested recommendation from staff and committee should be that some of the specific pieces that you pull out on economic forum be jettisoned to be considered at the Council workshop. Staff should identify items to be considered, such as interdepartmental fee issue, competitive advantages to specific industries and over-regulation of events. Look at those things that might need an individual ad hoc task force to examine, since there may be some things that aren't necessary to take to Council because there won't be enough information to make a conclusion. Recommendation from the committee would be that it be moved forward and discussed at the workshop. Chris Messer will set up a meeting the week prior

to the Council meeting to include Ms. Wakefield-Saenz, Mr. Heck and Ms. Hearn, as well as anyone else interested.

Ms. Hearn suggested that she didn't want to take departments by surprise concerning the interdepartmental fees.

Councilmember Shekerjian added that it will be important to communicate with them that this is not about doing away with the fees but finding some way in which we can make sure we are accomplishing the big picture and at the same time making sure everyone's budgets are in line.

Agenda Item 6 – Future Agenda Items

Next meeting will be on July 10, 2009.

- GPEC (what they have done for Tempe specifically)
Councilmember Shekerjian has requested several times an evaluation on the amount of involvement in bringing businesses to Tempe. The document should have three values identified as high, medium and low. She envisioned that on the one side of the sheet would be all the businesses that came to Tempe in the last year and across the top it would rate them as highly involved, somewhat involved, or minimally involved. The information should also be provided to all Councilmembers. Every organization should be evaluated for presentation to Council. Next time the GPEC contract comes to Council for renewal, she would ask that Council be provided this information.
- How changes in Development Services and doing business in Tempe are being communicated
- Post mortem on information given to Council regarding the forums
- Revisit the work plan.

Meeting adjourned at 9:15 a.m.

Prepared by: Connie Krosschell
Reviewed by: Chris Messer

Jan Hort
City Clerk