



Minutes City Council's Technology, Economic & Community Development Committee March 13, 2009

Minutes of the meeting of the City Council's Technology, Economic & Community Development Committee held on Friday, March 13, 2009, at 10:00 a.m., in the 3rd Floor Conference Room, Tempe City Hall, 31 E. 5th Street, Tempe, Arizona.

Committee Members Present:

Councilmember Onnie Shekerjian, Chair
Councilmember Corey Woods

City Staff Present:

Kris Baxter, Com Dev
Michelle Gurrieri, Com Relations
Jan Hort, City Clerk
Shelley Hearn, Community Relations Mgr
Dave Heck, Deputy IT Mgr
Jyme Sue McLaren, Pub Wrks, Light Rail
Chris Messer, Prin. Planner
Micah Miranda, Comm Dev Spec
Jenae Naumann, Asst. City Atty
Gene Obis, IT Mgr
Sheri Partridge, Comm Rel
Nikki Ripley, Comm Relations
Chris Salomone, Community Dev Mgr
Larry Schmalz, Com Dev
Alex W. Smith, Technology Dev Spec
Sheri Wakefield-Saenz, Econ Dev Administrator

Guests Present:

Patti Culley, ASU School of Engineering, Career Center
Barbara Khalsa, Rio Salado College
Kathleen Lee, GPEC
Erica Tellez, ASU student

Councilmember Shekerjian called the meeting to order at 10:00 a.m.

Agenda Item 1 - Introductions

Everyone introduced themselves.

Agenda Item 2 – Approval of Minutes from February 3, 2009

The minutes from February 3, 2009, were approved.

Agenda Item 3 – Public Appearances

None.

Agenda Item 4 – Social Media Opportunities

Shelley Hearn summarized that a Social Media/Website Subcommittee has been developed to look at social media opportunities for the City. The subcommittee consists of the communicators from all departments, representatives from IT, and representatives from the City Attorney's Office. In general, the subcommittee's goal was to look at social media tools to create transparency in city government. This media will allow staff to get information out in an efficient, timely manner to selected audiences. The subcommittee will meet monthly and will create policy and guidelines for internal and external use. It will be constantly looking for web changes.

Janae Naumann summarized the draft of the "City of Tempe Recommended Social Media Tools", which is a guide to departments. The tools are:

- BLOG - Blogger.com, owned by Google, is the most popular blog generating site.
- Mobile Messaging - Twitter
- Social Networking Site – Facebook (already revising its terms of use)
- Video – YouTube, Blip.tv

Councilmember Shekerjian asked about the definition of "official capacity" and whether the document defines what that means.

Ms. Naumann responded that it is a gray area and is dealt with more in the "Social Computing Guidelines for Online Electronic Behavior." If someone mentions that they work for the City and gives an opinion, are they speaking in that capacity? Under "Public/Private Personas", anyone speaking on behalf of the City should be very clear. It is important to identify whether speaking as a representative of the City or as an individual and not on behalf of the City. Under "Off-duty Blogging, Online Behavior", comments posted outside of working hours or sent from a City computer, have the potential to cause employment problems such as disciplinary action or termination. She further summarized proposed amendments to the Employee Rules and Regulations to include Social Media guidelines:

- Amendments to Section 612: Computer and Telephone Use would need to go through the City Council process.
- Recommendation is to include reference to the Social Computing Guidelines.
 - Section 612, B. Computer System Use – addition of "including, but not limited to social networking sites."
 - Section 612, E. Email Confidentiality and Public Records – addition of "online/electronic communication" is not secure.
 - Section 612, F. Public Record Nature of Email/Confidentiality – expanded to include case law

She added that any change to the Personnel Rules and Regulations would typically need to go to Council, as well as to the employee work groups.

Councilmember Shekerjian clarified that from this committee, it would go the employee groups and then eventually to the City Council.

Ms. Hearn added that the subcommittee felt that it was important to create a Social Media Registration format. It is important that everyone have a clear purpose as to why they will use a particular tool, how long, and which tool to use. It is suggested that those requests come to her and then go to the committee so that staff can assist and

monitor. Some of the tools require a lot of resources and users must commit to keeping them updated. Otherwise, it reflects badly on the City.

Councilmember Shekerjian clarified that the Social Media Subcommittee has already looked at these tools and the subcommittee has agreed they were ready to come forward to the Committee. The next step would be to go from this committee to the City Council. The subcommittee includes representatives of most of the users. For the next committee meeting, she suggested an update on the progress with a timeline.

DIRECTION: Update on Social Media progress.

Mr. Hearn added that Community Development, Community Relations, Parks and Recreation, and the Police Department are working on projects. They aren't all technically social media, but they are interactive and are a much better resource for the community.

Kris Baxter summarized the Community Development projects.

- On front page of their business page, they will have a box to contact the Community Development Department.
- The blog will be updated once a week for links to current events and information on Tempe.
- There will be a "comments" section.
- In order to see the Facebook pages, the user will need to have a Facebook account.
- Various links will be available for pictures and photo galleries.
- The Town Lake Facebook page will eventually be turned over to Parks & Recreation.

Councilmember Shekerjian suggested hooking businesses up that already have Facebook pages.

Ms. Baxter stated that she would not be using Twitter. The DTC has a Twitter account and it is very active. A video page is being transferred to Blip.tv. It will show how many people have watched the videos, and it can be embedded into a web page, and shared with other people. It is important to monitor these on a regular basis. The Blog is set up to allow comments which come to her email box for review. If she gets some unacceptable comments, they won't go forward to the website. Comments can be hidden if we decide we don't want them to be visible. Blogs can also be set up not to receive comments. It went live yesterday afternoon.

Councilmember Shekerjian suggested that when the changes are taken to Council, staff should also do a presentation at the IRS.

Ms. Baxter added that "Adictomatic" is also available. It takes a snapshot of a moment and it will show what everyone is saying about Tempe. If you type in "Tempe development" you will get a completely different set from "Tempe Town Lake." It is a comprehensive glance of what is happening.

Nikki Ripley added that a lot of promotion of the City is going on through social media and we are only doing a fraction of it.

Ms. Baxter added that "Ignite Phoenix" is a new technology group consisting of creative people and technology people from all over the Phoenix metropolitan area. At their first meeting, there were 125 people. The only way they promoted their event was through press releases that ran on line, Twitter, their blog and their web page. They had 350 to a room that held 232.

Councilmember Shekerjian added that this allows us to tell our story rather than having other people tell our story. This is phenomenal.

Nikki Ripley summarized a new page that will be ready in a month. It will be a comprehensive place where both media and the public can find Tempe news. Every communicator in the City will be contributing. One spot will feature rotating ads for events. There will be links to media contacts. It will be a home to the social media tools and will be updated daily. It will feature the news story of the day with press releases added. Staff plans to use Twitter initially as a means to distribute the headlines of the news releases. She also showed the Tempe 11 page. This has become the multi-media hub of the City. It isn't just about the channel anymore, but is about populating the website with video and photography. It has the video-on-demand feature which will be live when this site is ready. This will have a link back to the Tempe news room as well as to our U-Tube page which has been in existence for over a year.

Councilmember Shekerjian noted that the subcommittee has such a good balance. There are those who are ready to go, and those who are cautious. It is the balance of the two that will take this to the next level.

DIRECTION: Make a presentation on Social Media tools to the City Council.

Dave Heck expressed a concern about the effect of widening the digital divide. This tool is geared toward specific people and there are those who cannot grasp this and those who cannot afford this luxury. We will still have to do both and it, therefore, adds extra cost. Ultimately, we would like to get to point where we don't have to do a lot of paper printing.

Councilmember Shekerjian stated that we are in a transitional period and the people who will not access this as often will be older people. The digital divide is not just in terms of socio-economics, it is also in terms of age. She asked that the subcommittee address it and seek other ways in which we might continue to make sure that everyone is getting the information.

Ms. Hearn added that the "Opportunities" brochure will have an online version with a request to have it mailed. Fewer copies will be printed. The bottom line of this as a tool is that those are the people we are missing right now and that is an audience we will add to.

Mr. Heck clarified that he wasn't suggesting that we treat them differently, but the question is how to bring them into this.

Ms. Baxter added that more than 80% of the national population is on line currently, and the Library also has a substantial number of computer stations and the schools have computer libraries. The percentage of Tempe residents who are not on line is very small. Facebook, for example, is the #9 most popular internet site. If we don't have one of those, we would miss a huge amount of our audience. It's not that we are trying to take away something from the people who don't have, we are just trying to reach those people who are already so far ahead.

Ms. Hearn added that, for example, Tempe 11 has a small audience and more people are switching to the internet, but we can't do away with that because there is an audience that expects it. We understand that we will always be doing printed pieces and using multiple means to reach audiences.

Councilmember Shekerjian asked if we have demographics about who has computers and suggested that the community attitude survey might ask that kind of question.

Mr. Heck added that even if there are 200 people who are being left out, maybe we can target those people. He is looking for other ways to reach them.

Ms. Hearn added that the Education Partnerships Committee might be a good place to target some of that, because the schools could use those resources.

Councilmember Shekerjian added that the organization, Struts, re-works computers and makes them available at no charge. Maybe we can look at distributing those through the City.

Gene Obis suggested having Michael Green explain the research he has done in this regard.

DIRECTION: Bring this back on a regular basis for an update.

Agenda Item 5 – Constituent Resource Management

Shelley Hearn summarized that staff had decided to wait make sure that creating a call center which goes hand-in-hand with the resource management tool would actually be something the Council supports. At this point, it appears that Council does support this and staff has researched how that kind of system will provide better service to the community and businesses. She has met with Cindy Lawshe to look at several software packages that could accomplish this. The operators assigned to this area would utilize it to collect information, it would be used interdepartmentally, and there are many ways that we can gather information and target areas and provide better service, determine where we are not meeting the needs of the citizens.

DIRECTION: Return to the meeting on a regular basis for updates.

Agenda Item 6 – Open Access to Information

Gene Obis summarized that IT is committed to facilitating any of the actions in furtherance of getting information out to the public and getting resources where needed. Tempe was one of the first Valley cities to use live streaming video and to put Council meetings on the web.

Agenda Item 7 – Transit Corridor Planning Strategies – Apache Boulevard

Larry Schmalz summarized as follows:

- Apache Boulevard redevelopment area is from Rural Road to the Tempe/Mesa border, from the railroad tracks on the south to University on the north.
- Apache Boulevard was a state highway with the motor lodges and auto repair shops, and when the freeway came in, many of the businesses saw sales go down. Deferred maintenance was being put off and there was an influx of drugs and prostitution.
- In 1996, the redevelopment area was established and is a partnership between the City, the surrounding neighborhoods, and the business owners along Apache Boulevard.
- The City has bought the old bars, closed them, put in infrastructure, new fire station, new police station, new park, remodeled Escalante Center, subsidized a grocery store, and brought in services that were lacking.
- Apache Boulevard was selected as one of the corridors for light rail, which is a revitalization and economic tool.
- To maximize the value of light rail, a Transportation Overlay District (TOD) was activated in 2004, and it limited automobile uses, no new auto repair stations, no new car sales lots, and did away with the auto-dependent uses.
- There are four light rail stations in the redevelopment area, as well as one on the border at University and Rural Road.
- When the TOD was enacted, the City also made a commitment to the neighborhoods and property owners to go back and do more detailed station area planning. Station area planning was completed last summer.
- The TOD encourages mixed-use development.

- There are opportunities for student housing, work force housing, and opportunities for infill projects and developments. Current projects are:
 - The Vue on Apache (close to Apache and Rural Road) is student housing, mixed use with 10 stories, 113 units.
 - Grigio Metro is unique, first one in the State, and incorporates retail with a parking structure.
 - Campus Suites on the Rail is across the street from the Police substation. It is student housing with 5 stories.
 - Apache Trails is a mixed-use, tax-credit project designed for low/moderate income deaf seniors. Permits are ready to be pulled, and the developer is in the process of finding a buyer for the tax credits.
 - The Element Hotel is adjacent to Rural and Apache. They are beginning the development process, with 6 stores, 152 rooms, restaurant and retail.
 - The Retreat is adjacent to The Vue and is student housing with 5 stories. It is currently construction staging for The Vue and is going through the PAD process.
 - 910 East Lemon Street is a student housing complex of 4 towers with 12 stories and 16 stories.
 - 529 Tempe (Golub) is at Rural and 8th/Terrace. The City and the FTA own a piece of the property. An RFP was issued and Golub (adjacent property owner) will develop a multi-stage, mixed use, residential, with 3 towers. Part of the issue is that ASU has their daycare there, but ASU has been amenable to working with everyone. Staff is beginning work with FTA for permission.
 - Dorsey Station is on property owned by the City and the FTA. It is a mixed-use, retail, residential, hotel. Plans are to demolish the current hotel, replace it with a Holiday Inn Express, a 5-story hotel with 135 rooms. Consideration is being given to implementing a 5-story, 120-residential units adjacent to it. Staff is waiting for final approval.
- Planning Strategies
 - Modify the TOD to include Station Area Plans, Neighborhood Scale, and Work Force Housing.
 - Coordinate with developers.
 - Facilitate property assemblage.

Councilmember Shekerjian asked about neighborhood scale. This committee is also looking at how to help strip malls redevelop, helping to create synergistic centers and encourage the kinds of businesses that would meet the neighborhood needs, as well the needs of a TOD.

Mr. Schmaltz responded that there were previous studies done. With the redevelopment area four miles in length, staff had concerns that it could end up being four miles of retail. Staff is encouraging the retail component to be located around light rail stations. No dry cleaners, no dentists, no doctors, no attorneys, no Starbucks, and no banks. They are offering assistance by working with developers to encourage types of business.

Councilmember Shekerjian asked if the City is proactive in going to different companies and showing demographics to encourage development.

Chris Salomone responded that staff does that. Apache Boulevard is not adequately retailed, but is actually over-retailed. An inventory of City-owned parcels scattered along the Boulevard is also available. Currently, retail is contracting, so they are strategizing.

DIRECTION: Return with an update on strategy package. As soon as a strategy is available for the strip malls, package that with Apache Boulevard planning and make a presentation for creating those synergistic centers to Council sometime this spring.

Agenda Item 8 – Workforce Development

Sheri Wakefield-Saenz summarized that staff had a partnership meeting with Maricopa Community College District (MCCD) and Rio Salado College. Barbara Khalsa, Karen Poole and Chris Bustamante met with staff for a brainstorming session. The outcome was that we are doing a lot of things well together already, but with stimulus money coming forward and needs of the community, there are ways to be working more closely together. The baseline issue is how to grow the workforce.

Barbara Khalsa stated that Rio Salado College is the largest of the ten community colleges and is known as the college that is within everyone's reach. It has never been a traditional college, and programming has been focused to working adults and mature students. Their workforce development programming has been built around partnerships. For example, one of their larger partnerships has been with US Airways. Any US Airways employee that moves through their employee training program earns college credit for training specifically to their job requirements, so that it can fold into an associate's degree, which in turn can fold into a baccalaureate degree. These are the kinds of educational models they apply to workforce development.

Ms. Wakefield-Saenz added that Rio Salado Community College has done on-site, specific training exactly to the employer's needs. That is a critical piece of what is going on in the community already. The other piece is the MCCD piece which consists of the regional workforce development centers:

- Regional workforce development initiatives
- Fulfills the job training needs of diverse employers
- Current labor market information
- Rapid response to employer community requests

Specific action items are:

- Increase visibility of partner organizations:
 - Combine marketing materials to attract new business
 - Increase utilization of MCCD CWD and Rio Salado
 - Run Channel 11 workforce spots
 - Co-branding (COT/MCCD/RSC)
- Investigate partnering on grant opportunities
 - Integrate marketing messages on respective Web sites (COT/MCCD)
 - Investigate partnering on respective Web sites (COT/MCCD)
 - Department of Labor grants
 - Pursue economic development grants related to stimulus package
 - Work to create East Valley career fair/re-careering retired baby-boomers.

Ms. Wakefield-Saenz added that this committee has discussed a career fair in the past. It is already being done very well with over 100,000 people participating in a recent career fair at the University of Phoenix stadium.

Councilmember Shekerjian added that the committee worked for over a year to try to get ASU to work with the community colleges to have the career fair at the ASU campus so participants could not only see what the community colleges do, but could also have the opportunity to see what ASU does. That didn't happen but there is no reason why it can't be done here. She hoped those discussions could be renewed. It was a facilities issue, but hopefully a large enough facility can be found. Although there are so many career fairs happening, this was a different population that might not normally go to the ASU campus. By having it on ASU campus, it might open up horizons.

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Councilmember Woods left the meeting at 11:25 a.m.

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Ms. Wakefield-Saenz added that there was a recognition of staff issues and how we can reach out to the math, science, technology, education piece in the high school population. Maybe a customized piece could be put into the high school's pot of existing programs so that students have a clearer view of their options at graduation. A long term objective is the exploration of potential facilities in the City to be used for educational facilities for long term embeddness in the community.

DIRECTION: Return with an update in May.

DIRECTION: Councilmember Shekerjian added that Mark Duplissis is the liaison from high schools to college and she suggested that staff talk with him. He is putting together a collegiate scholarship program that gets high school seniors into doing a college class at ASU in a variety of engineering fields.

Agenda Item 9 – Expansion of Solar and Biotech Companies

Alex Smith summarized that before attracting new businesses, it is important to figure out what Tempe has as a baseline. The North American Industrial Classification System (NAICS) is the standard and the Occupational Employment Statistics (OES) and Standard Occupational Classification (SOC) were also used. These provide data on the industry. The basis of the program staff is developing is the 2002 National Employment Matrix study and the NAICS codes that define high-technology.

- The average business has 4.9% of their workers considered technology workers. In order to be considered high-tech, a company has to have a minimum of 9.8%.
- There are 46 four-digit NAICS codes.
- The 2007 and 2000 Maricopa Association of Government's employment databases were used.
- Mapped all employers based on address and technology level using ArcGIS 9.3.
- The maps cover the entire valley as well as any portion of Tempe.
- Tabular data used to compare Tempe to Valley and other competitor markets.
- Population of Valley cities was compared, as well as number of high-tech companies.
- Tempe's percentage of employment considered high-tech is 20%. Austin, Texas, is 18% and the Bay area is 25%.
- The I-10/143 corridor and parts of the 101 corridor are the biggest areas. Tempe stands well compared to some of the other metros that are the competition for these businesses.

Ms. Wakefield-Saenz added that Chandler is the only valley city that surpasses Tempe due to Intel. Tempe was in that same boat 20 years ago with Motorola. Since that time, the City's economic base has been diversified.

Dr. Smith continued that maps are used to show transportation corridors from Phoenix to the California market and to show how Tempe fits into the Valley. Staff provides additional data which reflect on the City's efforts to attract businesses because they can see they are in close proximity to the highest density of high-tech employment.

Councilmember Shekerjian clarified that density is about high-tech employment not just people.

Dr. Smith clarified that it is people, so the businesses are geo-coded based on their address and the variable that is mapped is the number of employees at that particular site. The limiting factor at this point is the most robust data available is the 2000 census. The American Communities Surveys are good for general population but they won't get into census tracking. To do a meaningful map it would be necessary to have the data down to the block route level.

Ms. Wakefield-Saenz added that the primary driver these days for solar and bio-tech companies is whether they can find a specific high-tech worker in high enough concentration to locate their company there. Will they find people within a 25 minute drive of their site?

Dr. Smith continued that staff also has high resolution aerials of a specific site so they can go into the site, see what other buildings are close, see if there is rail access, etc. For example, by taking the number of employees per address, he can designate type of business by NAICS code, and he can show how many employees and how many businesses are within that NAICS code. It is also possible to look at services vs. manufacturing. Staff sends a letter to specific businesses. If they are going through an expansion, staff provides the numbers, providing them with information they may not have, which can be customized to individual sectors, letting them know how many other businesses are there. Once a business knows that there are more businesses than they thought in their cluster, they may get a little more excited about it. Staff uses existing sector leaders to help recruit users from other markets, so when new businesses come in, they get two or three people to work with on a regular basis and have them “chat them up.”

Alex Smith outlined staff's involvement with solar/nano/semi clusters:

- Partner with existing groups within cluster – working with AZ Nanocluster on their Solar Summit to hopefully get 50 or more leaders to talk about solar.
- Stay in touch with research units within ASU - Arizona Institute for Renewable Energy (AIRE) and Global Institute for Sustainability.
- Stay aware of infrastructure issues – available clean room space and expansion needs and permitting requirements.

He added that outreach for bio/med device/poly cluster follows the same plan. With the database and the NAICS codes, there is a big polymer cluster that is tied to the supply chain for the medical device companies so that is something staff will work on. Staff participates with the Bio Leadership Board and works with GPEC to integrate healthcare and biotech strategies. They also keep current and prospective tenants informed of expansion opportunities and maximize leasing opportunities. He outlined how staff makes the business case:

- Super Weighted Sales Factor works for large capital investment projects.
- Additional depreciation which helps minimize business operating costs
- No “Throw Back” Rules (income derived from sales in states that are non-taxable are not reclaimed in Arizona.
- Personal and real property taxation.
- Unemployment Insurance
- Workers Compensation
- Enterprise zone program
- Arizona Job Training Program
- Research & Development Tax Credit
- Angel Investor Credit

Councilmember Shekerjian asked for the goals for the next year.

Dr. Smith responded that the database was developed over the last eight weeks and it was not in existence prior to that. The databases will be used more effectively. With the outreach letters, he thought they would be able to generate more leads from existing industry sectors. The goal would be to maximize what we have here and use those folks to get more people.

Councilmember Shekerjian added that one of the things she was hoping to do this spring was to present this to the Council so the community knows we are trying hard to create new businesses in the technology sector.

DIRECTION: Make a presentation to the Council this spring as an information-only item to show what we have done in the past and what we are doing to bring new businesses to the community.

Barb Khalsa added that their sales marketing team would be available to highlight how they train people and re-tool the workforce.

Councilmember Shekerjian added that she would like to assemble a package for the faith community regarding the different opportunities for re-tooling and where the jobs are in Tempe. The group called "For our City" has put together disaster preparedness information for their congregations and there have been additional requests. We need to give them what we are doing, i.e. web page, and bring resources to various vehicles to connect workers with employers. She asked Chris Salomone to work with Mike Crusa.

Agenda Item 10 – Drum and Bugle Corps Update

Chris Messer distributed a resolution that is working its way through the process. It should be on the Council agenda for April 9.

Agenda Item 11 – Economic Forum and Technology Forum

Councilmember Shekerjian stated that a Technology Forum will be held on Wednesday, April 15th from 5:30 to 6:30 p.m. at the Tempe Transportation Center. This will be a brainstorming session. She suggested that the social media piece be part of the Technology Forum. She asked who will be invited.

Shelley Hearn responded that invitations have been sent to department managers, school superintendents, Community Development has sent it to several businesses, Chamber of Commerce, Development Services to see if someone can represent the development community, and the Neighborhood Advisory Commission. One of the commission members is an ASU faculty member who sent it to a listserv. There should be a good turnout. She suggested sending out questions via email and asking that answers be provided to staff for a starting point.

Patti Culley will contact the ASU School of Engineering so they can provide input as well.

Councilmember Shekerjian stated that the Economic Forum is scheduled for May 27th from 5:30 to 6:30 p.m. at the Tempe Transportation Center.

Dr. Smith stated that the invitees will be predominantly small-business owners, large businesses, corporations, and some of the technology service providers.

Councilmember Shekerjian asked that Michael Pollack be invited, as well as GPEC and DTC. She also reminded staff that these forums will be for brainstorming only and gathering of data.

Agenda Item 11 – Future Agenda Items

- Discovery Triangle Process
- Social Media
- Transit Corridor
- Strip Center Strategy
- Workforce Update

Meeting adjourned at 12:00 p.m.

Prepared by: Connie Krosschell
Reviewed by: Chris Messer

Jan Hort
City Clerk