

**NOTICE OF PUBLIC MEETING
PHOENIX CITY COUNCIL
DOWNTOWN, AVIATION, ECONOMY AND EDUCATION SUBCOMMITTEE
*REVISED**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the **DOWNTOWN, AVIATION, ECONOMY AND EDUCATION SUBCOMMITTEE** and to the general public, that the **DOWNTOWN, AVIATION, ECONOMY AND EDUCATION SUBCOMMITTEE** will hold a meeting open to the public on **February 6, 2013, at 10:00 a.m. located in Phoenix City Hall, Assembly Rooms A, B, C, 200 W. Washington Street, Phoenix, Arizona.**

One or more board members may participate via teleconference. Agenda items may be taken out of order.

The agenda for the meeting is as follows:

1.	Call to Order	Chairman Johnson
2.	Approval of January 9, 2013 minutes.	Subcommittee
Items 3-4 are for Consent. No presentations or discussions are planned, but Council Members may ask for further information.		
3.	<p>AUTHORIZATION TO ISSUE RFP FOR TICKET DISTRIBUTION SERVICES FOR THE PHOENIX CONVENTION CENTER</p> <p>This report requests the Downtown, Aviation, Economy and Education Subcommittee recommend City Council authorization to issue a Request for Proposals (RFP) for Ticket Distribution Services for the Phoenix Convention Center Department (PCCD).</p> <p>This item is for Action.</p>	<p>Debbie Cotton, Convention Center Director</p> <p>Page 9</p>
4.	<p>ACQUISITION OF STRATEGIC DOWNTOWN PROPERTIES</p> <p>This report requests the Downtown, Aviation, Economy and Education Subcommittee recommend City Council authorization to acquire fee title of two strategic properties in the downtown area for future development, and enter into a development agreement with the Phoenix Industrial Development Authority to facilitate acquisition of one of the properties.</p> <p>This item is for Action.</p>	<p>John Chan, Community and Economic Development Director</p> <p>Page 11</p>
Items 5-7 are for information only. No presentations or discussions are planned, but Council Members may ask for further information.		

5.	<p>MONTHLY HEAD START REPORT FOR DECEMBER</p> <p>This report provides an updated summary to the Downtown, Aviation, Economy, and Education Subcommittee on the financial and programmatic status of the program.</p> <p>This item is for Information Only.</p>	<p>Deanna Jonovich, Human Services Director</p> <p>Page 13</p>
6.	<p>PHOENIX REGIONAL AIR CARGO PLANNING STUDY</p> <p>The purpose of this report is to update the Downtown, Aviation, Economy, and Education Subcommittee on the Phoenix Regional Air Cargo Planning Study.</p> <p>This item is for Information Only.</p>	<p>Danny Murphy, Aviation Director</p> <p>Page 19</p>
7.	<p>POTENTIAL IMPACT OF US AIRWAYS MERGER</p> <p>The purpose of this report is to update the Downtown, Aviation, Economy, and Education Subcommittee on the potential impacts to Phoenix Sky Harbor International Airport (Sky Harbor) with a proposed merger between US Airways and American Airlines (American).</p> <p>This item is for Information Only.</p>	<p>Danny Murphy, Aviation Director</p> <p>Page 21</p>
*8.	<p>PHOENIX PUBLIC LIBRARY SERVICES 24/7</p> <p>This report provides information to the Downtown, Aviation, Economy, and Education Subcommittee on the wide array of digital resources available to residents through the Phoenix Public Library's website.</p> <p>This item is for Information and Discussion.</p>	<p>Rita Hamilton, City Librarian</p> <p>Page 23</p>
9.	<p>BIO-MEDICAL CORRIDOR</p> <p>This report will provide information to the Downtown, Aviation, Economy, and Education Subcommittee on the Arizona Biomedical Corridor at Desert Ridge, request adoption of a development strategy, and request authorization to proceed with procurement of a consultant team to prepare a Comprehensive Development Plan, in collaboration with the Mayo Clinic, ASU, the Arizona State Land Department and the Master Developer.</p> <p>This item is for Discussion and Action.</p>	<p>Rick Naimark, Deputy City Manager</p> <p>Scott Sumners, Deputy Economic Development Director</p> <p>Page 25</p>

10.	<p>PHOENIX TERMINAL REDEVELOPMENT PROGRAM</p> <p>The Aviation Department requests the Downtown, Aviation, Economy and Education Subcommittee's approval of the Phoenix Sky Harbor International Airport (PHX) Terminal Redevelopment Program.</p> <p>This item is for Discussion and Action.</p>	<p>Danny Murphy, Aviation Director</p> <p>Page 27</p>
11.	<p>Request for Future Agenda Items</p>	<p>Chairman Johnson</p>
12.	<p>Call to the Public: Consideration, discussion and comments from the public; those wishing to address the Subcommittee need not request permission in advance. Action taken as a result of public comment will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.</p>	<p>Chairman Johnson</p>
13.	<p>Adjournment</p>	<p>Chairman Johnson</p>

For further information, please call Corey Williams, Management Assistant, City Manager's Office at 602-261-8875.

Persons paid to lobby on behalf of persons or organizations other than themselves shall register with the City Clerk prior to lobbying or within five business days thereafter, and must register annually to continue lobbying. If you have any questions about registration or whether or not you must register, please contact the City Clerk's Office at 602-262-6811.

For reasonable accommodations, call Corey Williams at Voice/602-261-8875 or TTY/602-534-5500 as early as possible to coordinate needed arrangements.

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**Phoenix City Council
Downtown, Aviation, Economy and Education Subcommittee
Summary Minutes
Wednesday, January 9, 2013**

Assembly Rooms A, B and C
1st Floor Atrium
200 West Washington Street
Phoenix, Arizona

Subcommittee Members Present

Councilman Daniel Valenzuela
Councilman Michael Nowakowski
Councilwoman Thelda Williams

Staff Present

Brendan Mahoney
Corey Williams
Caitlyn Mitchell
Cynthia Segovia
Danny Murphy
Deanna Jonovich
Deborah Ostreicher
Ed Zuercher
Jeff Jamison
John Chan
Judy Ross

Staff Present

Molly Monserud
Patricia Nightingale
Penny Parrella
Rita Hamilton
Tamie Fisher
Tim Valencia
Toni Maccarone
Wathsna Sayasane
Wendy Resnik
Wendy Villa

Public Present

Eugene Scott
Dr. Lee McPheters

1. Call to Order

Councilwoman Williams called the meeting to order at 1:11 p.m. with Council members Nowakowski and Valenzuela present. Vice Mayor Johnson was absent.

2. Approval of Minutes of the December 5, 2012 Downtown, Aviation, Economy and Education Subcommittee Meeting

Councilman Nowakowski motioned for approval of the December 5, 2012 meeting minutes. Councilman Valenzuela seconded the motion, which passed 3:0.

3. Approval of Head Start Shared Governance Documents

4. Membership in the U.S. Travel Association Gateway Airports Council (GAC)

Councilman Nowakowski motioned to approve items 3 through 4. Councilman Valenzuela seconded the motion, which passed 3:0.

5. Monthly Head Start Report for November

Item was for information only. No questions were asked.

6. Report on the Delegate Agency Monitoring Results for 2011-2012

Item was for information only. No questions were asked.

7. Head Start Program Information Report

Item was for information only. No questions were asked.

8. Job Help Hubs at Phoenix Public Library

Item was for information only. No questions were asked.

9. Phoenix Airport System Economic Impact Study Update

This item was taken out of order.

Tammie Fisher, Aviation Department Assistant Director, introduced the item and Dr. Lee McPheters. Ms. Fisher noted that Dr. McPheters has a longstanding history of conducting the Aviation Department's economic impact studies and thirty years of experience in the field, with recent work in transportation studies.

Dr. McPheters provided a brief history of his work with the Aviation Department and noted this was his eleventh follow-up study for the airport. He explained the purpose of the study was used to help trace the growth of the Phoenix airport system, which includes Sky Harbor Airport, Goodyear Airport and Deer Valley Airport. He stated the 2011 data demonstrates that the airport system still plays a major role in Arizona's economy.

Dr. McPheters detailed the findings of the study emphasizing the total economic impact for 2011 to be 28.7 billion dollars. He explained the differences between secondary versus direct impact and the overall differences between the 2007 peak year and 2011 recovery period. He presented the data utilized in the study, such as the number of on-airport jobs, regional jobs, air cargo, construction activity and spending on fuel. He highlighted the system economic activity, Sky Harbor employment impact and the system's contribution to tax revenue.

Dr. McPheters continued with a summary of the international and air visitor data. He discussed their average spending and contribution to the economy. He emphasized the significant impact of one British Airways flight accounting for approximately 3.8 million dollars. Dr. McPheters concluded with a summary of the daily impact, noting an average of 111,000 daily passengers, 828 tons of air cargo transported and 79 million dollars added to the economy.

Councilman Nowakowski commented on the significance of the study and opportunities related to international flights. He additionally inquired as to how the Phoenix airport system compared to other comparable sized airports in regards to the changes between 2007 and 2011. Dr. McPheters responded that the study did not include that specific analysis but he noted most airports conduct similar types of reports, which some may be hesitant to publicize due to the drop in numbers from the economic downturn.

Councilman Nowakowski commented on the opportunity to analyze the contribution of cargo transportation. Ms. Fisher stated the airport recently received a grant to evaluate the existing air cargo market and will report back when completed.

Councilman Valenzuela expressed his gratitude for the study and noted his support for more investment in international travel.

Councilwoman Williams asked whether Sky Harbor Airport had the capacity for future growth. Ms. Fisher replied the Aviation Department would be presenting a redevelopment study regarding the long range plans of the airport at the next Subcommittee meeting.

Councilman Nowakowski and Councilwoman Williams commented on the future possibility to develop a hotel or conference center at the airport.

10. First Things First at Phoenix Public Library

Rita Hamilton, City Librarian, introduced the item and Wendy Resnik, Children Services Coordinator with the Library Department. Ms. Resnik discussed the context behind the First Things First program. She stated the primary objectives were to educate parents and target early literacy efforts. She emphasized the goal to reach children before they enter kindergarten and the belief that parents are the best and first educator.

Ms. Resnik summarized Arizona statistics related to early literacy and pointed out Arizona's disadvantages related to the large number of non-English speaking parents and lack of resources for low-income families. She highlighted Arizona's bottom 10 national ranking related to proficient reading levels of fourth graders. She discussed the Library's extra focus on a comprehensive family literacy approach, for example their ability to provide GED preparation courses for parents while their children participate in the Library's Winter Reading Program. She mentioned existing partnerships with Head Start and various daycares to assist in their outreach efforts.

Councilman Valenzuela and Councilman Nowakowski expressed their support, acknowledging the Library Department's work in providing the community with more than just books but providing a new type of community center for residents.

Councilwoman Williams asked for confirmation regarding the Library's work with Head Start. Ms. Resnik clarified that the grant funding allows them to work with the Head Start facilities in the north Phoenix area.

11. Head Start Child and Family Outcomes Report

Deanna Jonovich, Human Services Department Director, introduced the item and Patricia Nightingale, Human Services Department Deputy Director. Ms. Nightingale provided an overview of the background of the report and emphasized how the Office of Head Start mandates each program to have a balanced child assessment system. She noted the City of Phoenix has been proactive for the past nine years collecting data and determining outcomes and it was only recently the federal government required these outcomes be provided.

Ms. Nightingale presented details regarding the content and implementation of the Teaching Strategies Gold Assessment System. She described the teacher observation methods, domains, anecdotes and scoring techniques of the system. She highlighted the three lowest areas of child outcomes typically occurred in language, cognitive

literacy and mathematics, but the 2011-12 data showed children were making the most significant gains in math and cognitive development.

Ms. Nightingale continued with a discussion on the family focused portion of the Head Start program. She described the eight domains families are scored on and emphasized the improvement observed in the domains. Ms. Nightingale also discussed the family outcomes implemented in the Early Head Start program. She noted the Parent-Child Relationships domain was added due to its particular focus in the program. She stated the overall assessment of the family outcomes in Early Head Start indicated progress across all domains scored, such as the 1.75 point increase in the Parent-Child Relationship domain. Ms. Nightingale summarized that overall the results of the assessments demonstrate the success and effectiveness of helping children and their parents prepare for schooling.

Councilwoman Williams asked for clarification on how the scoring is completed. Ms. Nightingale responded that parents and staff discuss together where they feel the family is on the scale but that teacher observation is the predominant component of the scoring.

Councilman Nowakowski expressed his support and noted the importance of city government in regards to the progression of education.

12. Request for Future Agenda Items

Councilwoman Williams requested a report of the potential impacts if the U.S. Airways merger moves forward.

13. Call to the Public

None

14. Adjournment

The meeting adjourned at 2:09 p.m.

Respectfully submitted,

Wathsna Sayasane
Management Intern

CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: Debbie Cotton, Interim Director
Phoenix Convention Center

SUBJECT: REQUEST AUTHORIZATION TO ISSUE RFP FOR TICKET
DISTRIBUTION SERVICES FOR THE PHOENIX CONVENTION CENTER

This report requests the Downtown, Aviation, Economy and Education Subcommittee recommend City Council authorization to issue a Request for Proposals (RFP) for Ticket Distribution Services for the Phoenix Convention Center Department (PCCD).

THE ISSUE

PCCD currently contracts to provide exclusive ticket distribution services for ticketed events at the PCCD. This service allows PCCD ticket office staff to use computerized ticket distribution software on a daily basis to sell admission tickets for public events occurring at the Phoenix Convention Center, Symphony Hall and Orpheum Theatre. The ticket distribution system sells tickets, keeps accurate seating inventory and provides all financial reporting required for event settlement. The system also allows PCCD staff to sell events online, over the phone and at ticket outlets throughout the state. The current contract expires November 30, 2013, so a new contract is needed for ongoing services to ensure that the PCCD remains competitive with other local entertainment venues providing similar services.

The RFP criteria will include the following:

Services to be Provided (description of ticketing system, capabilities of the system to include reporting capabilities)	250 points
Firm History and Experience (years in business, stable/established firm, comparability of size, complexity of comparable services)	200 points
Cost Proposal (equipment rental charge, revenues/expenses incurred by the City and patrons, revenues to City)	200 points
Financial Strength (provide 3 years of audited financial statements)	150 points
Internal Control (audit procedures, client reports)	150 points
Overall Responsiveness to RFP (proposal prepared in accordance with RFP requirements)	50 points
Technical Evaluation Total Points:	1000 points
Interview Process Points – Most Qualified Proposers Only (presentation – 200 points, response to questions – 150 points)	350 points
Total Points:	1350 points

The RFP will be issued no later than March 2013. A formal recommendation for award of a new contract will be presented to City Council in June 2013.

The evaluation panel will consist of a minimum of five members, which will include two PCCD personnel, one representative each from two departments other than PCCD and one member of the public.

Advertising for the RFP will be placed in the City's contracted newspaper, the Arizona Business Gazette. In addition, advertising will be placed in the following publications and association websites:

- Record Reporter
- Prensa Hispana
- Arizona Informant
- International Association of Venue Managers (iavm.org)
- Ticket News (ticketnews.com)
- InTix

RECOMMENDATION

This report request the Downtown, Aviation, Economy and Education Subcommittee recommend City Council authorization to issue a Request for Proposals for Ticket Distribution Services for the Phoenix Convention Center Department.

CITY COUNCIL REPORT

TO: David Cavazos
City Manager

FROM: John M. Chan
Community and Economic
Development Director

SUBJECT: ACQUISITION OF STRATEGIC DOWNTOWN PROPERTIES

This report requests the Downtown, Aviation, Economy and Education Subcommittee recommend City Council authorization to acquire fee title of two strategic properties in the downtown area for future development, and enter into a development agreement with the Phoenix Industrial Development Authority to facilitate acquisition of one of the properties.

THE ISSUE

In late 2012, representatives of two downtown property owners contacted staff to inquire about the City's interest in purchasing property. These prospective purchases, from willing sellers, represent significant opportunities to acquire land in strategically important locations at a time when land values are relatively low and economic indicators are pointing upward.

7th Avenue and Jefferson St.

Representatives of the property owner contacted staff to inquire about the City's interest in purchasing a parcel at 714 W Jefferson Street. This 6,875 square foot parcel is zoned Downtown Code – Business Core. The City currently owns approximately 42,000 square feet of land immediately east and north of the parcel. With this acquisition the City would own over three-quarters of the block, with the 13,750 square foot commercial parcel in the southwest corner of the block as the only exception.

This parcel is directly on the planned alignment for the Phoenix West Extension of light rail and has been identified as a potential site for a light rail station. Purchasing this parcel would be a strategic acquisition to streamline future development and minimize long-term costs incurred by the City.

Acquisition is to be by purchase within the appraised value and would be contingent upon City approval of a Phase I Environmental Report, Title Report and Land Survey.

Community Reinvestment Funds are available for this acquisition. There will be no cost to the General Fund.

6th Avenue and Fillmore St.

Representatives of the property owner contacted City staff to inquire about the City's interest in purchasing four parcels of land at 316, 365, 373 and 377 North 6th Avenue. Combined, these parcels are 43,568 square feet (approximately 1.0 acre) and are zoned Downtown Code – Van Buren Character Area. The City currently owns approximately 2.5 acres immediately north and east of these parcels and with this 1.0 acre acquisition, the City would own 3.5 acres of contiguous property between 5th and 6th Avenues, south of Fillmore Street.

Across 5th Avenue, the City also owns 1.1 acres and has first option rights to purchase an additional 2.8 acres from Maricopa County. In addition, the City's Housing Department owns two residential buildings on 1.5 acres immediately south of these properties.

This parcel is in the Central Business District and Downtown Redevelopment Area, and has been identified as a potential site for a mixed-use project including residential development. Purchasing this parcel would be a strategic acquisition to streamline future development and minimize long-term costs incurred by the City.

Acquisition is to be by purchase within the appraised value and would be contingent upon City approval of a Phase I Environmental Report, Title Report and Land Survey.

Community Reinvestment Funds are available for this acquisition. There will be no cost to the General Fund.

In addition, the Phoenix Industrial Development Authority (PIDA) has expressed interest in partnering with the City on this purchase. PIDA is willing to recommend to their board the following terms:

- PIDA will conduct due diligence and purchase the property
- PIDA will deed the site to the City in exchange for the City paying PIDA 50 percent of the final purchase price
- Upon disposition, the City will pay PIDA 50 percent of the remaining land value

RECOMMENDATION

This report requests the Downtown, Aviation, Economy and Education Subcommittee recommend City Council authorization to acquire fee title of two strategic properties in the downtown area for future redevelopment, and enter into a development agreement with the Phoenix Industrial Development Authority to facilitate acquisition of the 6th Avenue and Fillmore Street property.

CITY COUNCIL REPORT

TO: Jerome E. Miller
Deputy City Manager

FROM: Deanna Jonovich
Human Services Director

SUBJECT: MONTHLY HEAD START REPORT - DECEMBER

The purpose of this report is to provide the Downtown, Aviation, Economy & Education Subcommittee, which serves as the City of Phoenix Head Start Governing Board, an updated summary on the financial and programmatic status of the program.

THE ISSUE

Under the Improving Head Start for School Readiness Act of 2007, each Head Start agency has the responsibility of sharing information, on a monthly basis, with the governing board and policy council about program planning, policies, and operations. In order to comply with the Act, the Head Start program provides this report on the following Head Start areas:

- Fiscal Expenditures
- Medical/Dental Exams
- School Attendance
- Enrollment Reports
- Program Information Summaries

Fiscal Expenditures: A report which includes all expenditures to the City of Phoenix Head Start grant is prepared and presented to the Policy Council for information each month. Attachment A shows December expenditures for the \$27,262,819 Head Start grant for Fiscal Year 2012 – 2013. Both reports include a breakdown for each Delegate Agency, the Policy Council and staff support for each fiscal year. Expenditures are tracked on a year to date basis and the percent expended for the fiscal year.

School Attendance in Head Start: Monthly information on school attendance is submitted by the Human Services Department (HSD) to the City Manager by the tenth of each month. This data generates the chart shown in Attachment B. The monthly target for attendance set by the Office of Head Start is 85 percent and as of December the year-to-date attendance is 89 percent.

Medical/Dental Exams: Tracking information is submitted to the City Manager on the number of medical and dental exams completed since the start of the program year (see Attachment B). As part of the Head Start regulations, all Head Start children are required to have complete medical and dental exams each year. The target goal is 6,800 exams and year-to-date 5,935 exams have been completed.

Enrollment Reports: The Office of Head Start also requires all programs to submit the total number of funded slots and children enrolled in the program on the last school day of the month. Attachment C indicates enrollment is fully enrolled at 3,390 children/slots.

Program Information:

Deer Valley Head Start Dad's Night Out: During the month of December, the Deer Valley case worker team, along with the delegate staff, coordinated and facilitated a Dad's Night Out with a focus on Literacy. The presenter was Aaron Poggi, sixth grade teacher from Surprise Elementary, along with his son Ethan. His presentation covered how to read to your child, and the importance of the male role model in a child's life. He asked for the children to come into group, then read the book "Me and My Dad" written by Mercer Mayer. During the reading he engaged the children by asking them questions and having them use their imagination. Mr. Poggi handed each father a book and thanked them for coming. Each father and child was also given the book "Smarly Adventures", a backpack, as well a pamphlet on the importance of being an active father in their child's life. Twenty-one parents participated, along with their children. The delegate provided light refreshments.

Library Collaboration: The Washington School District's Mountain View Head Start hosted a "Story Time with Your Child" event during the month of December to help increase literacy awareness in the home. City casework and intern staff collaborated with Phoenix Public Library who spoke to the parents about story time events and schedules at the Acacia Library. They also discussed the importance of reading to your child every day and how every story can be turned into a lesson. Parents and their child sat on the carpet and listened as Library staff read "Pete the Cat and His Four Groovy Buttons." Families were engaged and sang throughout the story. After story time, the Head Start families created their own "Pete the Cat" picture. All families received a voucher for a free book from the library. A total of 30 families attended including four fathers.

Alhambra Head Start Father Celebration Workshop: On December 13, the Alhambra Casework Team facilitated the Father Celebration Workshop at the John F. Long Family Services Center. Forty fathers and over 60 children attended the workshop. The fathers participated in a workshop with a presentation provided by Head Start staff focusing on the importance of father involvement and the correlation between success of their child's development and education. The team also facilitated an Open Doors "The Spider Web" activity, which enabled parents to visualize how neurological connections are formed in their children's brain through love and attention and opportunities to learn. At the end of the evening, the children presented the fathers a baseball cap donated by the Arizona Diamondbacks.

Head Start Donation: The Head Start children at Mountain View Elementary were surprised with books, warm clothing, games, toys and a new bike this week. All 68 students enrolled received these items. The children were filled with joy and the families were very grateful of the generosity from Alliance Financial Resources. One student shouted, "I got a new pair of pants!" He walked around showing his classmates his pants and looked at the sponsors and said "Thank you!" The holiday assistance provided to these students made an impact with the families in the program.

CBS 5 KPHO Adopts Head Start Family: A second-year parent from Roosevelt Head Start was selected for Christmas adoption through the Salvation Army Adopt-A-Family program. The parent has both a three and a four-year-old enrolled in the program. The mom, who has struggled to overcome adversity in her life, is active in school activities with her children and is working hard on her own education. Since enrolling her first child in the program she has earned her GED through College America and is now working towards her CPA. On December 19, a Channel 5 News crew was on location at the family's home, along with a representative from the Salvation Army and a Roosevelt caseworker, when a decorated Christmas tree and gifts for mom and her two Head Start children were delivered. They also received a basket filled with candy canes, cookie dough, cookie cutters, hot cocoa, and gift cards. The donations came from the Channel 5 News crew and from the station's viewers.

RECOMMENDATION

This report is for informational purposes only.

Attachment

Attachment A

Yr 47 Head Start Financial Summary Fund 1620
Planned level of Expenditures 50%
For the Month Ending December 31, 2012

Fund Center	Program	FTE	Revised Estimate	FY13	FY13
				YEAR-TO-DATE Expenditures	YEAR-TO-DATE % Spent
8940050001	HS Administration	10	2,298,305	1,052,149	46%
8940050004	HS T&TA	-	111,348	10,247	9%
8940050012	HS Policy Council	-	18,792	6,993	37%
8940050015	HS Mental Health	5	512,038	239,471	47%
8940050016	HS Casework Support	67	4,834,128	2,364,841	49%
8940050017	HS Classroom Support	18	1,775,942	851,913	48%
	Total City of Phoenix	100	9,550,553	4,525,614	47%
8940051001	Alhambra	-	2,063,491	648,665	31%
8940051003	Booker T Washington	-	1,327,909	767,114	58%
8940051005	Washington	-	2,523,129	486,722	19%
8940051006	Deer Valley	-	849,489	277,322	33%
8940051007	Golden Gate (ACA)	-	1,312,128	372,054	28%
8940051008	Murphy	-	1,034,137	300,770	29%
8940051010	Greater Phoenix Urban League	-	1,879,568	967,217	51%
8940051011	Roosevelt	-	1,941,536	424,055	22%
8940051013	Wilson	-	689,337	177,709	26%
8940051116	Fowler	-	772,839	233,497	30%
	Total Delegates	-	14,393,563	4,655,124	32%
8940505021	Early Head Start Operations Support	46	3,237,759	1,573,877	49%
8940505024	Early Head Start T&TA	-	80,944	30,960	38%
	Total Early Head Start	46	3,318,703	1,604,837	48%
	Grand Total	146	27,262,819	10,785,575	40%

Delegate Agency data is one month behind due to the billing process, with the exception of Booker T. Washington and Greater Phoenix Urban League.

Percentage of School Attendance

Target: 85%

YTD Percent: 89%

Goal:

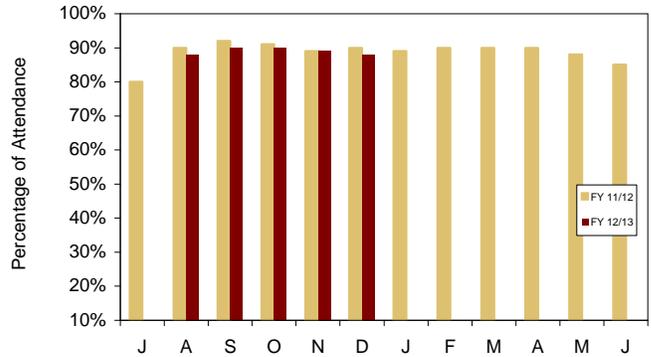
Increase attendance of Head Start kids

Target:

85% of school days attended

Significance:

Attendance is a key factor in being able to get kids ready to attend kindergarten.



Medical and Dental Exams Completed

Target: 6,800 exams

YTD Exams: 5,935

Goal:

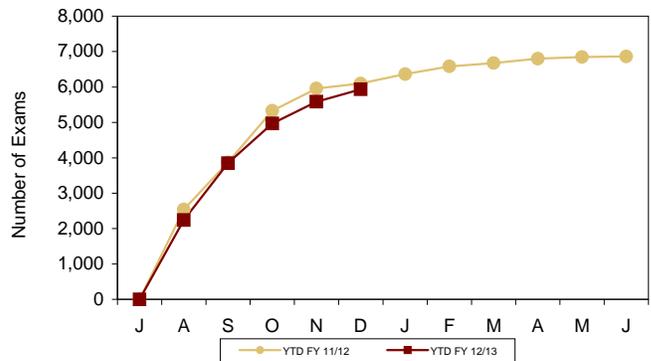
Ensure Head Start kids receive necessary medical and dental exams

Target:

6,800 exams

Significance:

Head Start kids are required to have medical and dental exams as part of Head Start regulations.



Attachment C

City of Phoenix Head Start Enrollment			
<u>Month</u>	<u>Enrolled</u>	<u>Funded</u>	<u>Status</u>
July 2012	300 ¹	3,390	8.8%
August 2012	3,390	3,390	100%
September 2012	3,390	3,390	100%
October 2012	3,390	3,390	100%
November 2012	3,390	3,390	100%
December 2012	3,390	3,390	100%
January 2013			
February 2013			
March 2013			
April 2013			
May 2013			
June 2013			

¹Head Start was not operational. Early Head Start was fully enrolled.

CITY COUNCIL REPORT

TO: Ed Zuercher
Assistant City Manager

FROM: Danny Murphy
Aviation Director

SUBJECT: PHOENIX REGIONAL AIR CARGO PLANNING STUDY

The purpose of this report is to update the Downtown, Aviation, Economy, and Education Subcommittee on the Phoenix Regional Air Cargo Planning Study.

THE ISSUE

The Phoenix Regional Air Cargo Planning Study (Study) is a comprehensive analysis of the cargo service opportunities for the Phoenix metropolitan airports -- specifically Phoenix Sky Harbor International Airport, Deer Valley Airport, Goodyear Airport, and Phoenix Mesa Gateway Airport. In addition, the study will analyze the cargo operations from a select group of airports within a 500 mile radius of the Phoenix region, including Mexico, to gain an understanding of the cargo demand. The scope of the study includes: 1) analyzing current and future regional demand for air cargo services; 2) identifying possible air cargo facilities and infrastructure needs; and 3) assessing the financial feasibility and cost/benefit aspects of potential investments at these airports related to cargo. InterVISTAS has been selected by the City of Phoenix Aviation Department to conduct the Study. The final document will provide a business case for air cargo development that will meet the forecasted demand at each of the airports identified above.

An important aspect of the Study process is the involvement of an Advisory Committee comprised of business community representatives, such as the Arizona Chamber of Commerce, the Arizona Commerce Authority, and various other chambers of commerce. Other participants will include government officials, airport representatives, airport business partners, and airport users. The Advisory Committee will be instrumental in contributing their diverse knowledge throughout the process and reviewing the incremental findings. The Advisory Committee will meet at four key milestones that have been identified during the process.

OTHER INFORMATION

The project budget is \$637,614 and is funded with a Federal Aviation Administration Airport Improvement Program grant of \$307,500 and Aviation Department funds. The Study is estimated to be completed by December 1, 2013.

RECOMMENDATION

This item is for information only.

CITY COUNCIL REPORT

TO: Ed Zuercher
Assistant City Manager

FROM: Danny Murphy
Aviation Director

SUBJECT: POTENTIAL IMPACTS OF US AIRWAYS MERGER

The purpose of this report is to update the Downtown, Aviation, Economy, and Education Subcommittee on the potential impacts to Phoenix Sky Harbor International Airport (Sky Harbor) with a proposed merger between US Airways and American Airlines (American).

THE ISSUE

American filed bankruptcy on November 29, 2011. After multiple requests for extensions, American now has the exclusive right until March 11, 2013 to propose a plan of reorganization and until May 10, 2013 to solicit acceptances from creditors. Labor unions on both sides have been negotiating and coming to agreements in favor of a merger, but no decisions have been made. An announcement could come within days or could be months away. A non-disclosure agreement between the airlines prevents the two airlines from discussing the merger issue so information has been severely limited.

Currently, US Airways operates about 300 flights per day with 50 gates and American operates about 20 flights per day from 3 gates at Sky Harbor. US Airways CEO Doug Parker has publicly stated, "Our intention would be to put our two complementary networks together, maintaining both airlines' existing hubs and aircraft."

In the event of a merger, both airlines are likely to operate independently until a joint operating certificate is issued (12-18 months after the transaction is closed). The most likely impact could be changes to flights served currently by both carriers at Sky Harbor to Chicago O'Hare, Dallas Fort Worth and Los Angeles. Together the two airlines total about 35 flights per day to these airports.

If a merger is successful, increases or decreases could occur on flights that rely heavily on connecting passengers. The new combined airline may choose to route connecting passengers through another hub or route additional passengers through Sky Harbor.

Phoenix is a significant aviation market due to the high number of passengers traveling to and from the area. US Airways is currently meeting a strong demand in this market and has publicly stated their intent to continue doing so. In fact, access to American's large fleet of aircraft could also result in more international nonstop flights in Phoenix.

OTHER INFORMATION

Sky Harbor has a very strong passenger base; much larger than the hubs which were downsized in recent years, such as Pittsburgh and Cincinnati. It is also important to note that the operating costs in Phoenix are significantly lower than in Pittsburgh – a matter which is critical to airlines when deciding where to operate.

The Phoenix market is critical to serve, regardless of where an airline “hubs” because there is a significant demand for passengers traveling to and from this market. This is different than airports that are used primarily for transfers, with passengers never setting foot outside the airport. In fact, Phoenix could become an even stronger hub for the merged airline as in the example of Detroit and Minneapolis with the merger of Delta and Northwest; or Newark and Dulles after United and Continental’s merger.

The capacity and/or costs at American’s current hubs could make growth difficult in those locations. Sky Harbor has room for growth at a much lower cost to airlines than most competing top ten airports. Operations are rarely impacted by weather in Phoenix and the airspace is clear. These issues, combined with such competitive airport costs, are critical factors to airlines when deciding where to fly.

Most US Airways employees work in maintenance, technology, reservations, flight training, customer service, flight crews, and operations such as ramp workers. US Airways executives have publicly stated that those types of functions would remain in Phoenix although the corporate headquarters would likely move to Fort Worth, TX.

CEO Doug Parker stated in the Arizona Republic regarding a possible merger, "We are vibrant partners in the Valley and will remain so after any merger. We'll keep the hub and a significant corporate presence."

RECOMMENDATION

This item is for information only. Aviation staff continues to monitor the situation on a daily basis.

CITY COUNCIL REPORT

TO: Lisa Takata
 Deputy City Manager

FROM: Rita Hamilton
 City Librarian

SUBJECT: PHOENIX PUBLIC LIBRARY SERVICES 24/7

This report provides information on the wide array of digital resources available to residents through the Phoenix Public Library’s website.

THE ISSUE

Since Fiscal Year 2005, Phoenix Public Library has provided downloadable media and access to online classes to customers. The goal was to provide free, 24/7 access to popular materials. Since that time, the Library has added several major services to its online and downloadable offerings and continues to seek out other materials.

OTHER INFORMATION

In 2005, the Library formed a consortium of local libraries to offer customers e-books and e-audio books through the Greater Phoenix Digital Library (GPDL). GPDL currently carries more than 74,000 titles comprising more than 132,000 items. Since 2005, Phoenix customers alone have checked out nearly 1.3 million items with the consortium circulating more than 3.6 million items.

As customers’ needs and devices have changed, the Library’s offerings have been adjusted to respond. While e-audio books were often the most popular format through Fiscal Year 2011, e-books surged in popularity during this past year. With the addition of materials that were accessible on Android, iPad, Kindle and other devices, customer demand for e-books has dramatically increased. The number for Fiscal Year 2012 is approximately 9 percent of Phoenix Public Library’s total active card holders.

GPDL Circulation	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Total e-Books	3,824	9,695	18,295	30,536	36,967	44,849	94,252	235,417
Total e-Audio books	1,455	8,968	21,839	48,013	73,808	94,438	120,998	132,690
Number of Unique Customers	1,234	2,665	4,254	7,428	9,246	11,473	14,657	22,259

In Fiscal Year 2011, the Library subscribed to a service offering more than 450 online classes free to library cardholders. The classes are self-paced with real instructors to guide learning, engaging video-based lessons, graded tests and certificates of achievement. Customers may enroll in up to five courses at one time and have six

months to finish each course. While courses are non-credit, some professional associations and organizations may accept them for Continuing Education Units.

Since the Library began offering the service, nearly 3,000 customers have enrolled in more than 3,900 classes. As of January 2013, the ten most popular classes were:

- Accounting and Bookkeeping 101 for Everyone
- GED Test Preparation
- Excel 2007
- ABC's of English Grammar
- Quickbooks 101
- Typing and Keyboarding 101
- Digital Photography 101
- Nutrition 101
- Computer Basics 101
- Excel 2010

Phoenix Public Library also offers e-audio books through OneClickDigital. Since the service began in early Fiscal Year 2011, more than 2,000 titles have circulated nearly 9,000 times. Among the most popular items are three nonfiction titles, two of which are in-depth Spanish Language instructional programs.

The Library offers an online language-learning program, Mango Languages. The service offers instruction in 49 languages, including 15 modules for learning English in different languages. Since the service began in late Fiscal Year 2011, the Library has provided more than 7,300 online and nearly 1,400 mobile sessions.

In January 2013, Phoenix Public Library initiated a new service to offer customers online access to more than 290 magazines, including *Motor Trend*, *The Economist*, *Newsweek*, *Rolling Stone*, *Men's Health*, *PC Magazine*, *Science Illustrated*, *Runner's World* and *Arizona Highways*. Fifty of these magazines are Spanish language. The service provides full-color, full-page access that fully mimics the print edition.

RECOMMENDATION

This item is for information only.

CITY COUNCIL REPORT

TO: Rick Naimark
Deputy City Manager

FROM: John M. Chan
Community And Economic
Development Director

SUBJECT: ARIZONA BIOMEDICAL CORRIDOR AT DESERT RIDGE – ADOPTION
OF A DEVELOPMENT STRATEGY AND APPROVAL TO COMMENCE
THE PROCUREMENT PROCESS FOR A COMPREHENSIVE
DEVELOPMENT IMPLEMENTATION PLAN

This report requests the Downtown, Aviation, Economy and Education Subcommittee recommend City Council adoption of a strategy to develop the Arizona Biomedical Corridor (ABC) at Desert Ridge. Also requests the subcommittee recommend authorization to commence the procurement process for a consultant team or teams to prepare a Comprehensive Development Implementation Plan, in collaboration with the Mayo Clinic, Arizona State University, Arizona State Land Department and the Desert Ridge Master Developer.

THE ISSUE

On April 3, 2012, the City Council approved a Memorandum of Understanding (MOU) with Arizona State University and Mayo Clinic to jointly plan for the ABC. Under the MOU, the City, ASU and Mayo Clinic agreed to focus on the development of the corridor to create jobs and educational opportunities in northeast Phoenix, which will serve as an international destination for renowned medical care at Desert Ridge.

The MOU identified the opportunities to develop a bioscience campus to be known nationally and internationally as a high-tech destination for healthcare related industries and biotechnology development businesses. The development of the ABC will also advance the City's economic goals to create quality jobs for the community, provide opportunities for the advancement of scientific research and education, and build on the success of the City's investments in higher education and research.

The proposed ABC study area extends south of State Route 101, from State Route 51 to 64th Street, north of the Central Arizona Project canal. With the exception of The Mayo Clinic, American Express, Sumco and Musical Instrument Museum campuses, the parcels are controlled by the Arizona State Land Department (ASLD), as part of the State Land Trust.

OTHER INFORMATION

On May 31, 2012, staff participated in a visioning charrette and to develop the framework for a conceptual plan for the ABC. The plan is intended to encourage and facilitate biomedical employment in certain portions of Desert Ridge. Other participants

included representatives of Mayo Clinic, Arizona State University, and the Arizona State Land Department.

On November 27, 2012, the same parties participated in a follow-up meeting to review the results of the May 31, 2012 charrette, provide feedback and discuss next steps. The parties expressed general support of the ABC concept and emphasized the need to develop a detailed strategic approach to facilitate implementation of the shared vision.

In order to further develop the ABC concept, consultant services are needed to accomplish the following tasks, as part of the Comprehensive Development Implementation Plan:

1. Develop a Master Plan – work collaboratively with stakeholders to develop a land-use specific master plan outlining the proposed boundaries and land uses within the ABC, along with a phasing strategy.
2. Conduct an Infrastructure Needs Assessment – confirm existing transportation, water, sewer, power, data and other infrastructure, identify the infrastructure needs of the proposed land uses, and develop a strategy to construct the infrastructure required to successfully attract targeted users.
3. Prepare an amendment to the Desert Ridge Specific Plan – based on the Master Plan, and working closely with the stakeholders.
4. Develop a Marketing / Branding Strategy – work with stakeholders to create a strategy that capitalizes on the strengths of the site and facilitates its successful development.
5. Other studies as needed

The City is committed to selecting a consultant team with strong experience in bioscience development, working in collaboration with Mayo, ASU, ASLD, and the Desert Ridge Master Developer. The method for procurement of the consultant team is still under discussion. The City will serve in the lead coordination role for this effort.

The City will coordinate the planning and implementation of this strategy with the Desert Ridge Master Developer and other entities identified in the Desert Ridge Specific Plan.

Staff will return with a recommended consultant team or teams, the proposed terms of their contract(s), contract amounts and funding sources for City Council approval prior to entering into any agreements.

RECOMMENDATION

This report requests the Downtown, Aviation, Economy and Education Subcommittee recommend City Council adoption of a strategy to develop the Arizona Biomedical Corridor (ABC) at Desert Ridge. Also request the subcommittee recommend authorization to commence the procurement process for a consultant team or teams to prepare a Comprehensive Development Implementation Plan, in collaboration with The Mayo Clinic, Arizona State University, Arizona State Land Department and the Desert Ridge Master Developer.

CITY COUNCIL REPORT

TO: Ed Zuercher
Assistant City Manager

FROM: Danny Murphy
Aviation Director

SUBJECT: PHOENIX SKY HARBOR INTERNATIONAL AIRPORT TERMINAL
REDEVELOPMENT PROGRAM

The Aviation Department requests the Downtown, Aviation, Economy and Education Subcommittee's approval of the Phoenix Sky Harbor International Airport (PHX) Terminal Redevelopment Program.

THE ISSUE

The PHX Terminal Development Program (Program) was developed to ensure that PHX can provide terminal capacity to meet future passenger demand. Additional goals of the Program are to provide development flexibility to address changing airline market dynamics and global economic factors while providing cost effective development.

OTHER INFORMATION

Based on earlier forecasts projecting 50 million passengers by 2015 a new 33-gate West Terminal was proposed in February 2007 at a cost of approximately \$2 billion. West Terminal development plans were put on hold at the onset of the recent recession which resulted in diminished passenger activity. PHX served approximately 40 million passengers in 2011. The passenger forecast currently projects PHX will serve 51 million passengers in 2019 and 58 million in 2024. The Aviation Department conducted a study of development alternatives to meet the revised forecasted passenger levels.

The recommended Program is the most cost effective alternative at an approximate total cost of \$500 million which includes several phases that include redeveloping Terminal 3 with three expansion projects and closing Terminal 2.

Terminal 2 opened in 1962 and is incurring increased maintenance costs. In addition, Terminal 2 does not meet current terminal design standards and requires significant investment for continuing operations.

Terminal 3 opened in 1979 and its facility components are nearing or at capacity and are limited in the ability to accommodate forecasted passenger growth. Terminal 3 also does not meet current terminal design standards. In order to meet the forecasted passenger capacity demands, Terminal 3 will require expansion of both security checkpoints, an increase in concession space, and expansion of the ticket counter and

baggage claim areas. The south concourse is proposed to be reconstructed to create additional gates to accommodate the closure of gates at Terminal 2.

The projects included in the proposed Program will provide flexibility through a phased development plan, improve customer service for the traveling public, and provide more efficient operations for airlines. The proposed Program also provides the most financial flexibility because the improvements can be constructed when needed.

Project 1 will expand the north and south security checkpoints, as the existing checkpoints are undersized and operate at less than adequate service levels during peak travel periods resulting in long queuing lines and extended processing time. This project is estimated to cost approximately \$105 million and is the first project proposed to be constructed.

Project 2 has four main components:

- Expansion of the concessions area on the north concourse
- Reconfiguration and expansion of the ticketing and bag claim areas in the main terminal processor
- Additional vertical circulation (escalators and elevators)
- Expansion of passenger loading and unloading areas at the curb

Project 2 is estimated to cost approximately \$165 million and is expected to begin at the completion of Project 1 to ensure the appropriate levels of customer service are maintained.

Project 3 will redevelop the Terminal 3 South Concourse to create nine additional gates to replace the gates at Terminal 2. Upon completion of this project, Terminal 2 will be closed. This project is estimated to cost \$220 million and will be needed before passenger demand reaches 58 million annual passengers.

The phased development approach to the proposed Program allows PHX to develop Terminal 3 as passenger forecast and future demand requires. The Program is supported by a phased financing plan. The phased financing structure will allow the Airport to react to positive or negative changes in the market without putting the financial stability of the Airport at risk. The phased financing approach also moderates the impact to airline rates and charges.

The construction of the eighth and final concourse in Terminal 4 could be added to the Program as needed to accommodate additional international air service or as requested by the two major carriers in Terminal 4. Additional gate capacity could also be added to Terminal 3 as needed in the future.

RECOMMENDATION

The Aviation Department requests the Downtown, Aviation, Economy, and Education Subcommittee's approval of the Phoenix Sky Harbor International Airport Terminal Development Program. This item was presented to the Phoenix Aviation Advisory Board on January 17, 2013.