



City Council Report

Date: March 20, 2017

To: City Council

Through: Christopher J. Brady, City Manager
William J. Jabjiniak, Economic Development Director

From: Mary Grace McNear, Deputy City Attorney

Subject: Resolution authorizing the City Manager to cancel an Intergovernmental Agreement (IGA) with Arizona State University related to LaunchPoint - the Mesa Technology Accelerator
6113 South Kent Street, Mesa, Arizona 85212
Council District 6

Purpose and Recommendation

The purpose of this report is to provide information for the City Council to review and take action on the amendment of an IGA between the City and ASU relating to the Mesa Technology Accelerator. It is recommended that City Council approve the Resolution amending the IGA to allow the immediate cancellation of the IGA.

Background

On March 25, 2013, the Parties entered into an Intergovernmental Agreement (Accelerator Businesses) designed to allow the parties to collaborate to provide University students, University researchers and the private sector opportunities to collaborate for the development of marketable services and products, fostering new businesses. The IGA described the Parties' endeavor as a business accelerator. The City located and recruited businesses for the project and the University granted licenses to such businesses to occupy space in an ASU building as more particularly described in the IGA.

Discussion

In 2016, the City moved its business accelerator program from the ASU campus to the Mesa Center for Higher Education. The Parties cooperated in the orderly transition of the City's physical operation to the MCHC location, but the IGA remains in effect. The resolution proposed will allow the IGA between the City and ASU to be cancelled by mutual agreement to reflect current circumstances. The City continues to identify and pursue opportunities with ASU that will allow the Parties to collaborate in connection with the City's entrepreneurship programs.

Alternatives

The alternative would be to not approve the amendment to the IGA at this time. This is not recommended because it will result in the IGA continuing until its Term expires in March 24, 2023.

Fiscal Impact

There is no fiscal impact associated with the cancellation of the IGA.

Coordinated With

The City Attorney's Office reviewed the IGA and prepared the Resolution and the First Amendment.