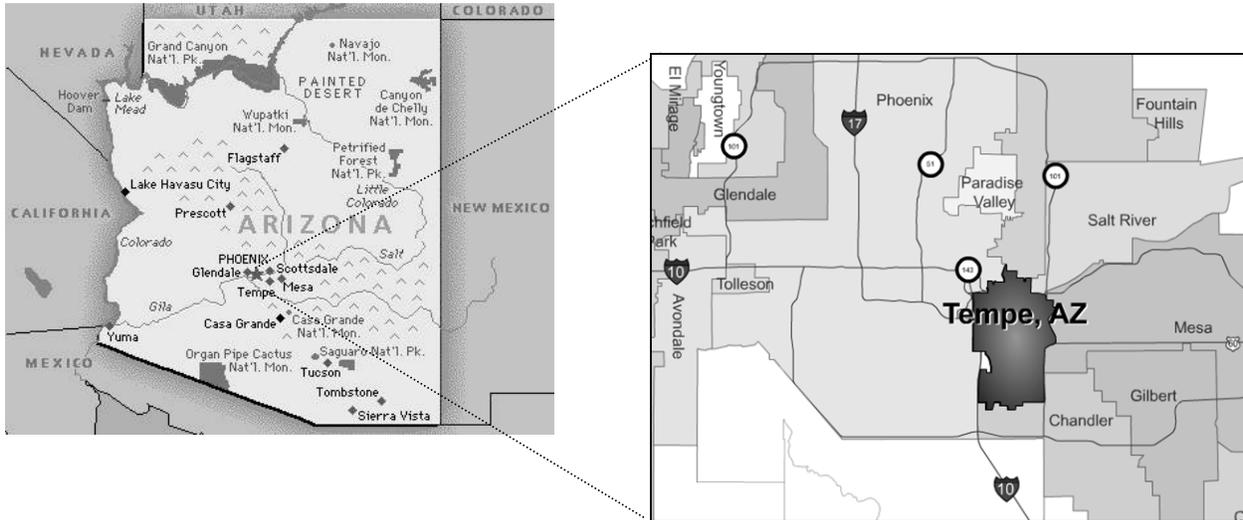




Map - Where is Tempe, Arizona?

Tempe is located in the Greater Phoenix area in Maricopa County, Arizona.



A Brief History of Tempe

Following the establishment of Fort McDowell on the eastern edge of central Arizona's Salt River Valley in 1865, enterprising farmers moved into the area. They dug out the irrigation canals left by the prehistoric Hohokam people and built new ones to carry Salt River water to their fields. Valley farms soon supplied food to Arizona's military posts and mining towns.

Date of Incorporation - November 26, 1894
Date Charter Adopted - October 19, 1964
Form of Government - Council - Manager

The first settlers to move to the Tempe area, south of the Salt River and east of Phoenix, were Hispanic families from southern Arizona. They helped construct the first two irrigation canals, the Kirkland-McKinney Ditch and the San Francisco Canal, and started small farms to the east and west of a large butte (Tempe Butte). In 1872, some of these Mexican settlers founded a town called San Pablo east of Tempe Butte.

Another settlement, known as Hayden's Ferry, developed west of Tempe Butte. Charles Trumbull Hayden, owner of a mercantile and freighting business in Tucson, homesteaded this location in 1870.

Within a few years, he had built a store and flourmill, warehouses and blacksmith shops, and a ferry. This community became the trade center for the south side of the Salt River Valley.



c. 1900 A horse-drawn carriage fording the Salt River near the butte

Both settlements grew quickly and soon formed one community. The town was named Tempe in 1879. "Lord" Darrell Duppa, an Englishman who helped establish Phoenix, is credited with suggesting the name. The sight of the butte and the wide river, and the nearby expanse of green fields, reminded him of the Vale of Tempe in ancient Greece.

As more farmers came to settle in the Valley and started raising alfalfa and grains for feeding livestock, the Tempe Irrigating Canal Company provided all of necessary water. With a network of canals that extended several miles south of the river, irrigation water was carried to more than 20,000 acres of prime farmland. Crops of wheat, barley, and oats ensured a steady business for the Hayden Mill. The milled flour was hauled to forts and other settlements throughout the territory. By the 1890s, some farmers started growing new cash crops such as dates and citrus fruits.



*1898 Territorial Normal School
Class of 1898 on steps of Old Main*

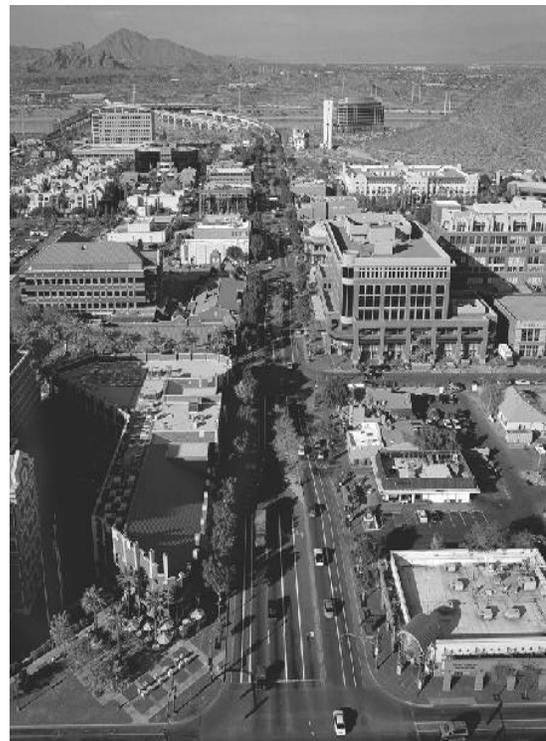
applauded the accomplishments of the people of central Arizona and predicted that their towns would grow to become prosperous cities. Less than a year later, Arizona became the 48th state, and the Salt River Valley was well on its way to becoming the new population center of the Southwest.

Tempe was a small agricultural community through most of its history. After World War II, Tempe began growing at a rapid rate as veterans and others began moving to the city. The last of the local farms quickly disappeared. Through annexation, the city reached its current boundaries by 1974. Tempe had grown into a modern city. The town's small teachers college had also grown, and in 1958, the institution became Arizona State University.

Tempe's commercial center along Mill Avenue declined during these years. Prompted by Tempe's centennial in 1971, Mill Avenue was revitalized into an entertainment and shopping district that attracts people from throughout the Valley. Currently, Tempe is the eighth largest city of the State, with a strong modern economy based on commerce, tourism, and electronics manufacturing.

In 1885, the Arizona legislature selected Tempe as the site for the Territorial Normal School, which trained teachers for Arizona's schools. Soon, other changes in Tempe promoted the development of the small farming community. The Maricopa and Phoenix Railroad, built in 1887, crossed the Salt River at Tempe, linking the town to the nation's growing transportation system. The Tempe Land and Improvement Company was formed to sell lots in the booming town. Tempe became one of the most important business and shipping centers for the surrounding agricultural area.

The completion of Roosevelt Dam in 1911 guaranteed enough water to meet the growing needs of Valley farmers. On his way to dedicate the dam, former President Theodore Roosevelt



Downtown Tempe today



Government and Organization

The City operates under a council-manager form of government. The Mayor is elected for four years and six council members are elected at large on a non-partisan ballot for staggered four-year terms. The City Council appoints the City Manager who has full responsibility for carrying out Council policies and administering City operations. The City Manager appoints City department heads as specified in the City's Charter.



Job Growth

- Workforce age 16+: 91,300 Tempe residents
- Workforce in Tempe: 175,000
- Tempe Management/Executive positions: 36%
- Tempe mean travel time to work: 21 minutes

<i>Industry</i>	<i># Tempe Residents Employed</i>
Professional, Scientific, and Information Services	11,000
Construction	6,254
Manufacturing	7,536
Retail Trade	11,100
Transportation, Warehousing, Utilities and Wholesale	6,600
Finance and Insurance, and Real Estate and Rental and Leasing	9,000
Education and Health Care	19,665
Arts, Tourism and Hospitality	17,750
Public Administration	15,750
Business Owners	4,129

Quality of Life

Special Events

- More than 150 special events throughout the City annually
- Tempe Music Festival brings a weekend of world-renowned acts to Tempe Town Lake
- Spring and Fall Festival of the Arts -- Juried outdoor art shows with more than 300 artists and 300,000 art lovers
- Insight Bowl and Block Party -- 150,000 people come for football and New Year's Eve revelry
- New Times 10K -- the state's largest 10K with 12,000 running along Tempe Town Lake and Mill Avenue
- Fourth of July -- Largest celebration in state; fireworks over Tempe Town Lake draw 100,000 plus





Sports

- Tempe Diablo Stadium -- Spring Training Baseball home for Anaheim Angels
- Sun Devil Football and other Arizona State University sports
- Minutes away from Phoenix Suns Basketball, Diamondbacks Baseball, Phoenix Coyotes Hockey and Cardinals Football
- Ironman Arizona, PF Chang Rock-N-Roll Marathon and many other pro-am sporting events



Parks and Golf Courses

- 50 parks and sports complexes in 40 square miles
- 1,550 acres of park and open space
- Papago Park is one of the nation's largest natural parks
- Town Lake offers five miles of water recreation and park land in Tempe's downtown
- Four golf courses, including ASU Karsten, a Pete Dye championship course

Two municipal golf courses

Rounds of Play:

Ken McDonald	69,996
Rolling Hills	56,513

Entertainment and Culture

- Tempe Center for the Arts -- concerts, plays, gallery shows and special events
- Edna Vihel Cultural Center for community art classes
- Tempe Improv for nationally known comedians
- Tempe Historical Museum, Arizona Historical Museum, Pederson House Museum offer examples of life in Tempe and around the state
- Nelson Fine Arts Center, Ceramics Research Center, Mars Space Flight Facility and Center for Meteorite Studies are among the 30 galleries and museums at ASU
- Marquee Theatre for popular concerts and new music
- ASU Gammage offers Broadway shows and famous speakers

Shopping

- Tempe Marketplace -- 175 shops and restaurants with free live music on weekends
- Mill Avenue District -- Historic Mill Avenue offers authentic urban experiences with shops and restaurants
- Arizona Mills Mall -- Indoor outlet mall with 175 stores and restaurants, including IMAX and Gameworks
- Emerald Center Shops and IKEA -- Home furnishings-based retail corridor



Transportation Network

Freeways

- Six freeways connect Tempe including Loop 202, Loop 101, Interstate 10, I-143, I-153 and US 60
- More than 1.1 million cars use Tempe's freeways daily according to the Maricopa Association of Governments

Bus Service

- Lines run every day, with 15-minute, peak-period service
- Most routes run until 1 a.m. Monday through Saturday, and until 10 p.m. Sunday bus service connects with routes in Mesa, Chandler, Scottsdale and Phoenix
- Free Orbit system uses mini buses to serve residential areas and connect them to shopping centers, major bus routes, schools and businesses



Light Rail

- 20-mile line connects Tempe to downtown Phoenix and west Mesa
- Light rail bridge over Town Lake displays a colorful LCD light show when trains cross
- Nine Tempe stops include ASU, business districts, Mill Avenue District, Tempe Town Lake, Apache Boulevard and Papago Park Center
- Bus service connects to light rail stations and creates a seamless valley-wide transit system

Bicycling

- Named a Bicycle Friendly Community by the League of American Bicyclists
- More than 150 miles of bike paths in Tempe

Education

Primary and Secondary Education

- 7 public high schools
- 4 public middle schools
- 18 public elementary schools
- Tempe schools have among the state's best test scores
- Private school opportunities exist with Tempe Preparatory Academy and a variety of parochial and charter schools



Arizona State University

- Tempe is home to the main campus of Arizona State University
- 51,000 students and 12,000 employees
- Bachelors, Masters and Ph.D. programs available
- Areas of specialty include: Barrett Honors College, College of Design, College of Education, Ira A. Fulton School of Engineering, College of Law, College of Liberal Arts and Sciences, College of Nursing, College of Public Programs, Division of Undergraduate Academic Services (DUAS), Herberger College of Fine Arts, and the W.P. Carey School of Business

Demographics of Tempe

Population 166,000
 With Bachelor's Degree or higher 38.4%
 With Master's Degree 17%
 Median Age 28.1
 Median Income (age 25+) \$60,800
 Average Home Value \$270,000



Tempe By Race	
1 White	80.2%
2 Asian	6.9%
3 African American	3.5%
4 American Indian	3.0%
5 Other	3.6%
6 2 or more races	2.8%



OTHER DEMOGRAPHICS

Area – Square Miles

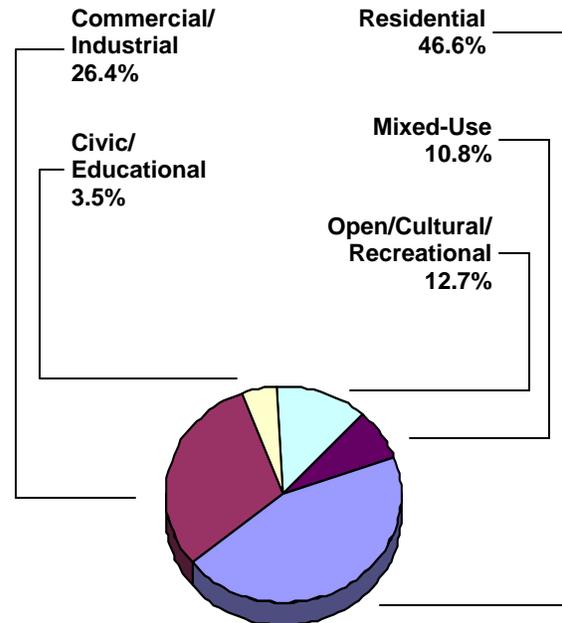
2008	40.1	1990	39.3
2005	40.0	1980	38.1
1999	39.8	1970	25.3
1993	39.6	1960	17.5
1992	39.3	1950	2.7
1991	39.3		

Land Use (2007)(%)

Residential	46.6%
Commercial/Industrial	26.4%
Open/Cultural/Recreational	12.7%
Mixed-Use	10.8%
Civic/Educational	3.5%

Population

2005	Interim Census	165,796
2000	U.S. Census	158,625
1995	Interim Census	153,821
1990	U.S. Census	142,165
1985	Interim Census	132,942
1980	U.S. Census	106,743
1970	U.S. Census	63,550
1960	U.S. Census	24,897
1950	U.S. Census	7,906



Building Permits (Calendar Year Data)

	<u>Number</u>	<u>Value (\$000)</u>
2007	1,563	471,370
2006	1,744	545,435
2005	1,416	287,539
2004	1,183	253,451
2003	1,303	174,689
2002	1,321	128,924
2001	1,301	189,010
2000	1,497	304,881
1999	1,940	273,774
1998	1,891	377,958
1997	2,624	463,336

Elections (2008)

Registered voters	Primary	69,405
	General	69,698
Voter Turnout	Primary	15,763
	General	15,710
% Voting	Primary	23%
	General	23%

**OTHER DEMOGRAPHICS (Continued)****School Registration**

Tempe Elementary District	13,800
Tempe Union High School District	13,406
ASU (Fall 2007) Tempe Campus	51,481

Major Employers

Arizona State University	12,569
US Airways	3,916
Motorola, Inc.	3,510
JP Morgan Chase Bank	2,300
City of Tempe	1,734
Medtronic Microelectronics	1,363
State Farm Insurance	1,149
Bank One Corporation	1,000
Financial & Credit Services Group	914
Wilson Electric	850

Employment Trends Employment Trends

	Employment	Unemployment Rate
2007	118,984	2.8%
2006	115,961	3.0%
2005	109,631	3.5%
2004	105,306	3.8%
2003	101,619	4.5%
2002	99,507	4.9%

Occupational Composition (%)

Sales and Office	29.4
Managerial and Professional	39.7
Service	14.6
Construction, Extraction, Maintenance	6.8
Production, Transportation, Material Moving	9.4
Farming, Forestry and Fishing	0.1

Industrial Composition (%)

Agriculture, Forestry, Fishing, Hunting and Mining	0.1
Construction	5.2
Manufacturing	11.4
Wholesale trade	3.7
Retail trade	11.1
Transportation, Warehousing and Utilities	5.1
Information	3.6
Finance, Insurance, Real Estate, and Rental and Leasing	8.8
Professional, Scientific, Management, Administrative, and Waste Management Services	12.6
Educational, Health, and Social Services	19.4
Arts, Entertainment, Recreation, Accommodation, and Food Services	11.8
Other Services	3.6
Public Administration	3.6



ECONOMICS

Property Tax Rate

Primary	0.5070
Secondary	0.8930
Total	\$1.4000

% 2007-08 Secondary Assessed Value

Largest Property Taxpayers

Arizona Mills LLC	1.39%
Quest Corporation	1.34%
Arizona Public Service Company	1.06%
Wells Fargo Bank N A	1.02%
Tempe Fountainhead Corporate LLC	0.70%
Freescale Semiconductor, Inc.	0.66%
State Farm Mutual Automobile Insurance Company	0.59%
Target Corporation T-9420	0.46%
Safeway, Inc.	0.46%
Tempe Commerce Park	0.42%

City Sales Tax 1.8%

Bond Rating

Fitch	AAA
Standard and Poor's	AAA
Moody's	Aa1

Police

Sworn Personnel	354
Non-Sworn Personnel	219
Total	573

Avg. Emergency Response Time (min.)	5:00
Crime Index (CY 2007)	12,407
Part I Crime Per 1,000 Capita (CY 2007)	74

Fire

Sworn Personnel	158
Non-Sworn Personnel	22
Total	180

Fire Stations	6
Avg. Emergency Response Time (min.)	4:22
Response to emergency medical incidents	13,255
Total number of calls	17,927

Solid Waste

Residential Accounts Serviced	32,964
Commercial Accounts Serviced	1,870
Solid Waste Collected (tons)	166,992

Water/Wastewater

Active Accounts Serviced	42,800
Water Treated and Distributed (billions of gallons)	17.9
Sanitary Sewers (miles)	549



COMMUNITY COMPARISONS

Tempe is part of the greater Phoenix metropolitan area, which is the economic, political, and population center of the state. Popularly referred to as the Valley of the Sun, this area includes a number of adjacent communities with distinct municipal jurisdictions. The following section provides a perspective on the relative populations of the largest cities in the Valley as well as key comparative cost of service data. This information was obtained from city Budget Offices, as well as, printed and online budget documents.

Population (2005 Mid-Decade Census)		Operating Budget (FY 2008-09)		Million \$
Phoenix	1,475,834	Phoenix		3,151.4
Mesa	448,096	Chandler		1,202.3
Glendale	242,369	Mesa		985.6
Scottsdale	234,752	Scottsdale		569.5
Chandler	230,845	Glendale		533.1
Gilbert	173,072	Gilbert		518.0
Tempe	165,796	Tempe		396.4
Peoria	138,143	Peoria		339.5

Property Tax (as of July 1, 2008)	(per \$100 assessed Value)	Incorporated City Limits	sq. miles
Phoenix	\$1.82	Phoenix	515.0
Glendale	1.60	Scottsdale	185.0
Peoria	1.44	Peoria	170.5
Tempe	1.40	Mesa	132.7
Chandler	1.18	Chandler	63.3
Gilbert	1.15	Glendale	58.5
Scottsdale	0.79	Gilbert	58.0
Mesa	N/A	Tempe	40.1

Sales Tax (as of July 1, 2008)	
Glendale	2.20%
Phoenix	2.00%
Peoria	1.80%
Tempe	1.80%
Mesa	1.75%
Scottsdale	1.65%
Chandler	1.50%
Gilbert	1.50%