



# COUNCIL MINUTES

November 4, 2019

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on November 4, 2019 at 5:01 p.m.

## COUNCIL PRESENT

John Giles  
Mark Freeman  
Jennifer Duff  
Francisco Heredia  
David Luna  
Kevin Thompson  
Jeremy Whittaker

## COUNCIL ABSENT

None

## OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

### 1. Review and discuss items on the agenda for the November 4, 2019 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None

Items removed from the consent agenda: 4-l, 4-m, 4-n, 4-o, 4-p, 5-j, and 8-a

Items moved to the consent agenda: 9-b

In response to a question from Councilmember Whittaker, Budget Director Candace Cannistraro displayed the Enterprise Fund-Notice of Intent (**Attachment 1**) and discussed item 8-a (**Notice of Intent to adjust utility rates**) on the Regular Council meeting agenda.

In response to a question from Councilmember Whittaker, City Manager Christopher Brady and Downtown Transformation Manager Jeff McVay provided information related to item 4-l (**Mesa City Center – First Guaranteed Maximum Price (GMP No. 1) – City Infrastructure Improvements**) on the Regular Council meeting agenda.

### 2-a. Hear a presentation and discuss the work of the Greater Phoenix Economic Council in the City of Mesa.

Economic Development Department Director Bill Jabjiniak introduced Chris Camacho, President and CEO of the Greater Phoenix Economic Council (GPEC), who displayed a PowerPoint presentation. (**Attachment 2**)

Mr. Camacho provided an overview of GPEC and explained the work they do includes the public and private sector that co-invests in the regional non-profit. He advised that today the organization is two-thirds funded by the private sector and one-third by the public sector which includes 22 cities and Maricopa County.

Mr. Camacho highlighted GPEC's areas of focus: branding and business development with a focus on bringing high wage jobs to insulate the region from any future economic downturns. He explained over the last seven years with the post-recessionary growth, GPEC's efforts have moved the economic position away from residential and commercial construction with more emphasis on industries like information technology, manufacturing, and financial services. He added that competitiveness is the third element of GPEC's focus which includes the future of industry and ensuring that companies are positioned to compete for business.

Mr. Camacho provided metrics from GPEC's first quarter and highlighted the GPEC projects over the last five years. He explained these projects are spread throughout the region which is important as GPEC drives regional strategies. (See Pages 3 and 4 of Attachment 2)

Mr. Camacho advised in any given year GPEC will have approximately 280 new companies entering the pipeline, and of those, 17% are acquired for the region. He added that when a company moves into a specific area of the Valley (i.e., Southeast Valley), the impact extends to at least five to six other jurisdictions in municipal tax base and in job access.

Mr. Camacho displayed a regional results summary for Mesa over the last few years which shows the value the region received. He remarked that GPEC uses a third-party economics group to assess trade area value when a business goes into a city. He added the impact extends to multiple jurisdictions, in terms of where the offices are located, and the commute and labor shed of where residents are being drawn. (See Page 6 of Attachment 2)

Mr. Camacho highlighted the five-year trend on revenue and explained GPEC's investment model, adding that each city pays into the organization. He stated the City of Mesa investment in GPEC totals \$240,000. (See Page 7 of Attachment 2)

Mr. Camacho described the importance of building new projects and infrastructure to create employment opportunities and highlighted GPEC's Fiscal Year (FY) 20 action plan goals. He explained the goal over the next three years is to elevate the greater Phoenix brand, noting that sometimes the brand is overlooked due to the region's reliance on housing and growth to drive an economic position. He stated GPEC will intensify aerospace, semiconductor, electronics, and financial services to promote the vision, and provide support to site selection consultants who lead corporate services projects. He advised a data science effort has been launched over the last two years which integrates data intensity, allowing GPEC to seek out new companies and enable them to predict which markets to target and which ones are most likely to invest in the region. He added GPEC will continue to foster relationships, work with cities to target employment corridor opportunities, and seek out the kind of infrastructure and industry trends that can benefit the community. He stressed the importance of diversity, inclusion, and advancing the region overall so residents can reach an equal access of opportunity. He explained that GPEC's goal is to ensure the entire region evolves and that there is an equitable approach to their plan. (See Page 10 of Attachment 2)

In response to a question from Councilmember Luna related to GPEC's work with the Arizona Commerce Authority (ACA), Mr. Camacho explained the ACA is charged with driving investment and job growth in the entire state, whereas GPEC is focused on metro Phoenix.

In response to a question from Vice Mayor Freeman regarding the reason companies relocate to this region, Mr. Camacho stated the primary reason is labor access and the types of labor available today, and the second reason is the critical modern infrastructure. He added companies are looking for shovel-ready sites with water and wastewater systems in place.

Councilmember Thompson requested an in-depth breakdown of what the City pays GPEC and what the Return on Investment (ROI) is.

Mr. Camacho referred to page 7 of the presentation and stated of the \$240,000 Mesa contribution, there is a \$55 return for every \$1 invested in the organization. He added that with each new business coming to the Valley, new tax revenue is generated.

In response to a question from Councilmember Luna related to GPEC's international reach, Mr. Camacho advised of the 300 different projects in process, approximately 25% are international. He added there is a tremendous amount of activity in London, the Netherlands, and Germany, and in Asia there is a lot of movement in semiconductors. He stated the Mexican market is expanding, and over the next 10 years Mexico's growth will drive and compete as one economic region.

Mayor Giles thanked Mr. Camacho for the update.

3. Current events summary including meetings and conferences attended.

Councilmember Luna	Red Mountain Community College event Las Sendas Food Truck Friday Jefferson Ball Festival Mesa Citizen of the Year Mary Cameli Falcon Field Airport Tenant Celebration Red Mountain Park Electric Vehicles G.A.I.N. event
Councilmember Duff	Second Chance Fair Mount Calvary Baptist Church Ignite College Council Luncheon G.A.I.N. event Dancing with the Dinosaurs at Oakwood Creative Care
Vice Mayor Freeman	G.A.I.N. event
Councilmember Heredia	G.A.I.N. event
Mayor Giles	G.A.I.N. event Funeral of former City Manager C.K. Luster

Mayor Giles expressed his appreciation to the police and firefighters that joined in the celebration of Mr. Luster's life.

4. Scheduling of meetings.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Tuesday, November 5, 2019, 6:30 p.m. - Vice Mayor Freeman Neighborhood meeting at Poston Junior High

Thursday, November 7, 2019, 7:30 a.m. - Study Session

5. Adjournment.

Without objection, the Study Session adjourned at 5:41 p.m.

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JOHN GILES, MAYOR

ATTEST:

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DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 4<sup>th</sup> day of November 2019. I further certify that the meeting was duly called and held and that a quorum was present.

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DEE ANN MICKELSEN, CITY CLERK

Jg/dm  
(Attachments – 2)