

MEETING MINUTES

Office of Economic Development
Economic Development Advisory Board
57 E. 1st Street
Lower Level Council Chambers
Mesa, AZ 85201

Date: April 7, 2015 **Time:** 7:30 A.M.

MEMBERS PRESENT

Terry Benelli
James Christensen
Natascha Ovando-Karadsheh
Dominic Perry
Jeff Pitcher
Steve Shope
Laura Snow, Chair
Robert Stanger
Jo Wilson

EX-OFFICIO

Mayor John Giles (excused)
Chris Brady (excused)
Rich Adams
Brian Campbell
Jeff Crockett

STAFF PRESENT

Bill Jabjiniak
Karen McNulty
Jaye O'Donnell
Josh Utterback

MEMBERS ABSENT

Sally Harrison (excused)

GUESTS

Councilmember Kevin Thompson
Dr. Rufus Glasper, Chancellor Maricopa Community Colleges

1. Chair's Call To Order

Chair Snow called the April 7, 2015 meeting of the Economic Development Advisory Board to order at 7:32 A.M. at the City Council Chambers, Lower Level, 57 E. 1st Street, Mesa, AZ 85201.

Chair Snow introduced the two new members, Natascha Ovando-Karadsheh and Robert Stanger and invited them to provide a background to the Board.

2. Items from Citizens Present

None.

3. Approval of Minutes from the March 3, 2015 Board Meeting

Chair Snow called for a motion to approve the minutes from the meeting held on March 3, 2015.

MOTION: Ms. Wilson made a motion to approve the minutes.

SECOND: Mr. Pitcher

DECISION: Passed unanimously

4. Discussion with Councilmember Thompson

Councilmember Thompson shared his background with the Board and his vision for the economic development of Mesa -to continue building on the existing momentum and keep pushing forward.

5. Discuss and Possibly Take Action On A Request For Rezoning For Superstition Springs Auto Center – Lots F&G.

Josh Utterback, Economic Development Specialist, presented the rezoning request for Superstition Springs Auto Center Lots F & G, also known as Cardinale Luxury Auto Dealership, to the Board along with a request for feedback from the Board.

The property is 3.17 acres south of the US 60 between Recker Road and Power Road. The site borders the south side of the Superstition Springs Golf Club, to the west is the Auto Center at Superstition Springs, to the north is a commercial center and to the east is the Superstition Lakes Resort Condominiums. The proposal calls for a high-end new and used auto dealership. It is currently zoned as light industrial with PAD overlay that restricts the site to limited commercial uses that do not currently allow for auto dealerships.

Mr. Utterback provided a history of the rezoning and noted that a 2008 application was heard for rezoning and had received approval from the Office of Economic Development as well as the Planning and Zoning Board; however, it was withdrawn before the City Council voted on it.

Five main concerns were addressed and changes made:

1. Lighting – to address this concern the site plans now show the auto showroom faces westward away from residential.
2. Noise – to address this concern the site plans now show the auto showroom faces westward and the service and parts room is moved to the far west side away from the residents.
3. Traffic – an analysis was completed which shows the traffic impact for this area is much lower, almost less than half, for this type of use, rather than if it were to be two restaurants.
4. Buffer – the site plan reflects a nice green landscape proposed to create a buffer between the dealership and the residential development on the east.
5. Site and Building Design – the auto displays were moved toward the center as opposed to the east and west sides to provide a buffer from the residents.

Mr. Utterback advised the Board that the Office of Economic Development supports of this project:

- It is consistent with the General Plan
- It is complimentary to surrounding developments
- The new proposed site plan has addressed the voiced concerns
- This project results in less traffic than alternative uses
- The project provides positive economic impact adding 40 plus new jobs with an average salary of over \$60,000 and tax revenue between 1.5 – 1.78 million annually.

A motion was made by Dr. Shope to authorize Chair Snow to pen a letter in support of this project to Planning and Zoning, seconded by Ms. Wilson, all carried unanimously.

6. Maricopa Community Colleges Update

Dr. Rufus Glasper presented an update of the Maricopa Community Colleges / One Maricopa.

- Maricopa Community Colleges (MCC) is celebrating 50 years this year.
- Moving to a new branding strategy so that people know that Maricopa Community Colleges are one system striving to move in the same direction.
- MCC comprises 10 colleges with 34 sites throughout the valley. Students can enroll at one college and seamlessly move between locations for services.
- MCC is the largest provider of articulation agreements to transfer students to universities such as ASU.
- MCC is also the largest provider of workforce training in the State of Arizona. Based off Forbes Magazine, Maricopa Community Colleges provides training opportunities for nine of the top ten jobs.
- There are two skills centers to teach vocational training to receive certificates or badges. Last year approximately 12,500 certificates were awarded.
- In July of 2013 an 11th non-credit college, Corporate College, was established to service the corporate community to train employees. Examples of corporations utilizing this service include

Amazon, Walgreens, Marriott, and TSA with other in negotiations. Future training programs in the works for an insurance institute, apartment managers, etc....

- As of July 2015 Maricopa Community Colleges will be the first to no longer be in the state budget, going from 29% funding to zero. With the loss of this funding the colleges are focusing on new initiatives such as the Corporate College to bring new resources into the district to keep moving forward, enhancing partnerships with manufacturing and healthcare to help maintain currency in these fields, and the development of the Communiversity.
- The Communiversity has multiple educational entities with different focuses in a number of areas that will allow a student to begin and end without leaving the campus – two locations in Queen Creek and Surprise.
- NAU is located on nine of our land base college campuses and are affiliated with Rio Salado. Rio Salado is the largest two year online provider in the United States. Rio Salado is also partnered with the Corporate College if corporations would like to have online non-credit services. For credit courses one of the ten colleges could be selected.
- Approximately three years ago Maricopa Community College received a trade adjustment grant for stackable credentials. The focus is on engineering, cyber security and manufacturing. Between 40-45 workers will be changing in the next five years. Working with APS, SRP, Tucson Electric and others we look at how we can help replace their workers. For example, an APS or SRP employee in the eight step stackable credentials program can start as a line worker, come in and out of the work place, and after completing the eight step program they will not lose any credits and they can transfer to ASU and graduate with a Bachelor's degree in engineering.
- Mesa Community College Downtown Center is the virtual incident command center working with fire and police departments to do training in downtown Mesa.
- Regionalization to evaluate programs that are most effective and less effective to combine programs together to best use the resources to be stronger and viable now and in the future.
- There are small business development programs to assist new business owners to start and grow businesses.
- There are plans in development for the Center of Excellence in manufacturing.

The Board thanked, applauded and congratulated Dr. Glasper for his vision and what he has done and is doing for the community.

7. Committee Updates

Chair Snow initiated the discussion to review last month's meeting as to how this Advisory Board can move forward with the Mayor's Next Mesa vision.

Dr. Shope suggested micro committees and more special events and festivals to attract people from out of state to expose visitors to Mesa and generate new and more revenue.

Mr. Campbell volunteered the Education Committee to be the test committee. Chair Snow welcomed the invitation and offered support. Ms. Wilson advised that with budget cuts and need for higher training there is a need to keep moving forward with education initiatives.

Mr. Jabjiniak advised that the Mayor will be attending next month's meeting. The Mayor applauds the efforts of this Advisory Board. Mr. Jabjiniak reiterated the purpose of this Advisory Board is to give feedback to the elected officials and the Economic Development Department. The Mayor wants to hear from people in the community regarding what we need in education, marketing –Where do we go next? This Advisory Board can add detail and help the Mayor with his strategic Next Mesa from an economic development perspective.

Councilmember Thompson commented that if we know what we want – what are we doing to get it there? How do we get the education community to work with our economic development community to draw the

businesses into Mesa? We know we want manufacturing – how do we get there? The recommendations to this question are what the Mayor and Council would love to see. That helps move us to the Next Mesa. During a recent site selector visit, Councilmember Thompson inquired to the selector her opinion of Mesa. She stated she could not form an opinion of Mesa as she hadn't really seen Mesa; however, after the tour, she stated she didn't realize how big Mesa is and all the available land. She also inquired about the schools and higher educational facilities.

Chair Snow noted we need to know what the community assets are, the business environment and community supports that are available, and what these industries need to achieve to get to the Next Mesa and work backwards.

Ms. Ovando-Karadsheh noted we need to know who our citizen, that we are seeking, is. If we are looking for innovative people moving from the Silicon Valley we need to provide the amenities and expand on the existing resources that will get them here and keep them here or they will work here and live elsewhere. We need to keep workers, students, families happy and content to develop to their full potential. We need this for both economic and individuals. We need to show demand to bring amenities to Mesa.

Mr. Campbell noted that during a meeting with Eastmark last week, they expressed the same themes that Ms. Ovando-Karadsheh articulated. They are having remarkable numbers of out of state purchases. Mr. Campbell encouraged them to reach out to Mr. Garcia of Visit Mesa. Mr. Campbell feels we can draw Visit Mesa's marketing scheme. We can draw on private partners to drive and push forward.

Dr. Shope noted that the Secretary of Defense was in Arizona yesterday. There are major changes taking place related to acquisitions and the distinction between defense contractors and commercial product manufacturers and that distinction is going to blur tremendously. The Department of Defense is going to start using a lot more off the shelf technology and he also recognized the innovation engine of the Department of Defense is small business. Right now it may take 10 to 15 years for a small business to get an idea on the battlefield. He is trying to change this to 4 to 5 years. There are great opportunities for small innovative business and the defense industry here in Mesa. Special Forces is one exception, they are buying technology off the shelf and are putting it on the battlefield in three years.

Councilmember Thompson noted he has been meeting with a lot of developers and landowners that are working on some aspect of commercial, whether it be hotels, restaurants or businesses of that nature. Bringing the businesses in is not a government function, but rather a marketing function. We can build and push, until the market is ready for those businesses to be filled, we are spinning our wheels.

Ms. Wilson noted in the Downtown Vision Committee meetings it has been discussed that a lot of what is seen as the vision, may take up to five years for some changes to take place. The question is, what can be done immediately to enhance the area of downtown to get people here: What is first – housing, retail or restaurants?

Mr. Christensen agreed that the Board should be very targeted, and with the suggestions to refocus the committees.

Mr. Adams feels the discussions have been very good and in his view he suggested the Chair put together a committee structure and work with Mr. Jabjiniak to make some assignments and move forward.

8. Director's Report

- **GPEC Update:**

The Mayor has been involved in a couple of different meetings and talked about a new version of TIF, which is in discussions.

Different matrix with the new President, CEO, day to day analytics and how they will support what ACA has done traditionally and get more in touch with what the community needs.

Mr. Camacho has been rolling out new ideas for Gateway, Falcon Field and others. Mr. Jabjiniak will be working on data and share with this Board.

Mr. Campbell agreed that Mr. Camacho has been very involved and is engaging more than his predecessor. Mr. Camacho has been rolling out his new ideas such as the District concept, and GPEC analytics are some of the best internationally. Every time we go into a community and present numbers they take them to the bank. One of Mr. Camacho's ideas, a new concept, is to take that analytical skill and turn it inwardly to some of our good partners and use the analytics within to help our existing folks grow from a business retention stand point. It builds opportunities for how we can help build and support. We want to be first in line.

Mr. Campbell advised the Washington DC meeting is upcoming. Mr. Adams will be attending this meeting along with other Mesa representatives. Mr. Adams would appreciate any feedback to take with him to the meeting.

- Marketing and Business Development Activities:
 - Business to Baseball Events – two events hosted brokers, developers, architects and businesses. With two teams the events can be spread out to get the most impact and continue making improvements.
 - The Cubs now own the top 20 attendance records in all the Cactus League with an average of 14,800 people – the stadium holds 15,000. Three games that were not 15,000 plus. The A's average attendance was 7,300 over 15 games, up 41% over last year.
 - The Sheraton Hotel is not yet open due to construction delays. The hotel is in talks to expand retail and more rooms.
 - There is letter of intent discussion along the 101 corridor for offices in the empty site by the auto dealerships. This discussion came from the Business to Baseball events.
 - Seven data center brokers and executives were entertained at the ballpark on March 17. Discussions included the technology corridor and the opportunity that may exist in Downtown. Most were not aware that the City owns the water and electric utilities and will take that information back to their clients.
 - Mr. Jabjiniak will be traveling to New York to attend a data center conference at the end of May.
 - Staff went to Washington DC to discuss how to increase the activity with Select USA.
 - With monies raised to tell the Mesa story, two site selectors toured Mesa and either attended a ballgame or attended a dinner.
 - The following magazines recently published articles focusing on Mesa.
 - Site Selection Magazine - March/April Issue (data center focused article)
 - Area Development Magazine - March/April Issue (data center insert)
 - The Fiesta Corporation Campus announced on March 12, Mr. Scott Jackson has bought the Macy building. The Fiesta Mall has five owners. Mr. Jackson has asked Mr. Jabjiniak to join him in May to call on two big boxes and ownership groups to talk about what their vision is for the future.
 - On March 26 and 27, the City of Mesa hosted a Japanese media tour, They toured Special Devices Inc., Bridgestone and Fuji Film.
 - The Economic Reporter Newsletter has been published for the 2nd quarter.
 - Downtown brochure update is due from the printer next week.

Mr. Campbell noted that during a site selector meeting there was an inquiry about water availability. Mr. Campbell suggested, that as part of our marketing technique, to encourage and fuse our water certification along with the water recreational activities in Mesa.

9. Other Business

Chair Snow stated the next EDAB meeting will be held on May 5, 2015.

10. Adjournment

Chair Snow adjourned the board meeting at 8:56 A.M.

Submitted By:



William J. Jabjiniak
Economic Development Department Director
(Prepared by Beth Ann Moore)