

MEETING MINUTES

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

Date: August 4, 2015 Time: 7:30 A.M.

MEMBERS PRESENT

James Christensen
Natascha Ovando-Karadsheh
Dominic Perry
Jeff Pitcher
Steve Shope
Laura Snow
Jo Wilson

EX-OFFICIO

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

STAFF PRESENT

Bill Jabjiniak
Jaye O'Donnell
Kim Lofgreen
Karen McNulty

MEMBERS ABSENT

Terry Benelli (excused)
Robert Stranger (excused)

GUESTS

Marc Garcia, Visit Mesa, President & CEO
Kimberly Freer, Visit Mesa, Vice President, Sales & Marketing

1. Chair's Call To Order

Chair Laura Snow called the August 4, 2015 meeting of the Economic Development Advisory Board to order at 7:33 A.M. at the City Council Chambers, Lower Level, 57 E. 1st Street, Mesa, AZ 85201.

2. Items from Citizens Present

None.

3. Approval of Minutes from the June 2, 2015 Board Meeting

Chair Snow called for a motion to approve the minutes from the June 2, 2015 meeting.

MOTION: Jo Wilson made a motion to approve the minutes.
SECOND: Jeff Pitcher seconded the motion to approve the minutes.
DECISION: Passed unanimously

4. Visit Mesa Update

Marc Garcia, President and CEO of Visit Mesa, and Kimberly Freer, Vice President of Sales and Marketing for Visit Mesa, made a presentation to the Board on Visit Mesa. He shared Visit Mesa's achievements over the past fiscal year, indicating that it had been a very strong year for Visit Mesa, in terms of occupancy, average daily rate, and revenue per available room. In terms of sales efforts, Visit Mesa had 75 bookings representing 44,000 room nights, with \$17 million in direct visitor spending, which resulted in an annual economic impact of over \$30 million. He further shared that website visits were up by 22 percent and that the website is now using a responsive format and will now be consistent across all platforms, regardless of what device is being used.

Kimberly Freer shared regarding Visit Mesa's use of social media. She pointed out that Visit Mesa is now able to track all four forms of social media (Facebook, Twitter, YouTube, Blog) via Google Analytics. Kimberly shared that Visit Mesa currently has two staff members that will be blogging for them. She referenced a program that Visit Mesa had been using to track visitors. She shared that the program is able to track people from the point of initial interest and is able to follow them to see what they've actually purchased in Mesa. This information also provided the top ten cities with heavy interest in Mesa and allows Visit Mesa to be aware of these target markets. Marc Garcia shared that one of the emerging markets is Texas and that Visit Mesa is seeing a lot of traffic generated from Texas on the Visit Mesa website, so they will be concentrating additional efforts on this market.

Kimberly Freer shared about a company called AirSage that tracks mobile phone usage, and can pinpoint locations where an individual has traveled by zip code. The data accumulated from this study provides not only information about visits to Mesa, but also includes information about the counties where the traveler originated from. The AirSage program also has the ability to differentiate between which airport a visitor flew into and with the data collected, Kimberly shared statistics on travel into both Sky Harbor and Mesa Gateway airports. Ms. Freer also shared regarding Ruf Strategic Solutions, a company that provides strategic solutions for companies that are trying to analyze existing databases and make recommendations for marketing to contacts in an existing database. The company also identifies clusters of people that can be pursued from a marketing perspective. These clusters would show characteristics of people that have the highest interest for desiring to visit Mesa. She then presented a slide showing a sample demographic analysis compiled by Ruf which will aid Visit Mesa in their future marketing efforts. Marc Garcia shared that the data from Ruf is comprised of information from their current database, but he shared that Visit Mesa is also making significant investments to target millennials. Kimberly Freer also shared information regarding media impressions.

Marc Garcia shared that Visit Mesa has just launched a new app called City Limitless. The app is targeted to the traveler, but can be utilized by local people to obtain discounts at retail outlets and restaurants. Marc shared that there had already been 600 downloads of the app in the previous week. Kimberly Freer further pointed out that because the app is directly linked to the Visit Mesa website, bookings can be done directly from the app.

Marc Garcia reminded the Board, that upon his arrival approximately three years ago, an audit of the Visit Mesa brand had been conducted. During the audit process, stakeholder interviews were held to gain an understanding about how local elected officials, industry leaders, partners, and other destination drivers, felt regarding the direction Mesa was going in the future. In a similar fashion, Marc Garcia felt it was a good idea to conduct an audit of Visit Mesa's product. For the audit, Mr. Garcia brought in Dave Radcliffe, a 40+ year Convention and Visitor's Bureau Destination Marketing Organization Executive, who has held numerous positions in the industry, which uniquely qualified him to do an audit of this type. Dave Radcliffe identified Mesa's strengths, weaknesses, and opportunities. Marc then referenced the study, which had been previously given to the Board, and shared some of the findings. Marc then shared information summarizing how Visit Mesa stacks up against their competitive set and shared that overall, Mesa remains competitive with other similar cities.

Board Member Steve Shope asked Marc Garcia what he considered a healthy number of hotel rooms for a city the size of Mesa. Mr. Garcia answered that, based upon its population, Mesa should have approximately 12,000 hotel rooms.

Marc Garcia then discussed the Mesa Sports Complex Feasibility Study, which concluded a few months ago. He shared that Mesa has done a great job of booking youth and amateur sports, aquatics, and junior golf. With two spring training facilities, he shared that Mesa also does a fine job with baseball and book a lot of youth and amateur baseball. However, he stated that they are not in a position to book other outdoor sports, such as large soccer tournaments. Although there are some great new fields at Riverview, he pointed out that this only provides for local programming for the six fields there, but to be able to book large, visitor serving, outdoor field sports, Mesa would need a sports complex. In such a proposed complex, soccer would be the anchor, because of the enormous growth of interest in soccer. The facility would also provide for lacrosse programs, field hockey, rugby, USA football, canine events, as well as lots of local festivals. He displayed

information from the feasibility study, showing a proposed 24 field complex, with six of the fields having an artificial surface. He showed a rendering of two stadium fields, one artificial and one natural grass, both of them seating 4,000 people, with the capability of expanding to 8,000 seats each with shaded structures. He pointed out that he does not know yet how this project would be paid for, but suggested the possibility of a grass roots advocacy campaign to have a special bond election in 2016. He will keep the Board apprised of any future developments. He shared that he hopes this would be a catalyst for future hotel development. Mr. Garcia said that after looking at three different sites, the proposed site would be adjacent to the Multigenerational Center at Red Mountain. Economic Development Department Director William Jabjiniak shared that the project would have a positive economic impact once it was built, but that it would be difficult to come up with the money to pay for it.

5. Next Mesa Update - Strategic Planning

Jaye O'Donnell shared that Economic Development is currently working on developing their strategic plan. This three year strategic plan will be for fiscal years 2016-18, and will be drafted by Staff. She indicated that this strategic plan has two overarching goals: creating quality jobs and building a sustainable community. Under those two areas, Economic Development feels they have captured the strategies and tactics that they will be working on over the next three years. Economic Development will be seeking to operationalize the plan by focusing on three key prongs: industries of opportunity (H.E.A.T. sectors), focusing on employment areas in the city (Falcon, Downtown, Fiesta, Gateway and Riverview), and how they can build their lines of service into that matrix. The lines of service are business attraction, retention/expansion, entrepreneurship, small business development, and revitalization and redevelopment. Additionally, she shared that Economic Development would be incorporating the Council's strategic initiatives into the plan and it would also include the EDAB members input on what they think the Next Mesa should look like in the next five to ten years. This input will then be provided to the Mayor. Ms. O'Donnell shared that the draft of the strategic plan would be made available for review by the EDAB Board on August 12th. She asked, in order to honor open meeting law, if board members would read through the plan and provide written comments directly back to her via email. She asked that the board members copy Chair Laura Snow on those comments. Jaye will then integrate the Board's comments into the plan and a final document will be ready to review before the September 1, 2015 EDAB meeting, and then formal comments and discussion can take place at that meeting.

Chair Snow asked how they would go about addressing the foundational services that are available to residents and businesses. For example, she asked how Mesa was positioned from an educational standpoint, and from an infrastructure standpoint with transportation and utilities. Chair Snow wondered how they might make sure that they have all the necessary inputs to support both the geographies and the industries to make sure that Mesa is as well positioned as it needs to be to attract tourism and additional businesses. Jaye O'Donnell answered by pointing out that a comparative analysis would provide this information and show what Mesa has in infrastructure, compared to other communities or the national average.

Director Jabjiniak shared that Economic Development considered employment areas and where there is proper infrastructure and then tried to build a strategy around that. Using Gateway as an example, there are several areas of Gateway where there is strong infrastructure -- water, sewer, gas company lines, big fiber, redundant fiber, and power. He mentioned that south of the airport (Pecos Road area) there isn't much infrastructure in place. He pointed out that these things need to be considered when deciding what avenues to pursue. He shared that there were two things Mesa has done extremely well: infrastructure and cutting entitlement risk. He further shared that Jaye had done an exceptional job of keeping the Council priorities in mind, which currently are Falcon Field and Downtown. He pointed out that Next Mesa has the whole city to consider for opportunities. Ms. O'Donnell shared that she thought it was EDAB's responsibility to think about where Mesa is leading now, where Mesa could be leading, and suggested that EDAB dream big regarding what will differentiate this community over the next five to ten years. She further pointed out that this will help in attracting business, as well as workforce to Mesa. Board Member Shope asked if there would be an update regarding Falcon. Director Jabjiniak shared that the last update regarding Falcon was probably at the beginning of the year, so it would be helpful to have an update regarding the Falcon area.

6. City of Mesa Office of Economic Development new website: New features including Mesa SizeUp, Mesa SiteSearch and microsities

Kim Lofgreen, Marketing and Business Development Manager, made a presentation regarding several of the new tools available on the City of Mesa Office of Economic Development website. Mr. Lofgreen shared that the City has just created a new website and the Office of Economic Development has also been building a new website within the framework the City has put together. He shared one of the new tools was Mesa SizeUp, and that OED was partnering with the Mesa Chamber of Commerce, to promote and market this resource in an effort to get it out to the community and to businesses. Mesa SizeUp is a marketing analytics tool. He also shared about Mesa SiteSearch, which is a real estate search tool that they have developed, and lastly he shared regarding microsities, which are sites within their website. Kim Lofgreen then called attention to some screenshots he had of the City of Mesa website. He proceeded to share how each of the new tools worked. He showed how to access the Economic Development website from the City website. The information shown on the Economic Development website caters to corporate decision makers, site selectors, and site consultants. He pointed out that the two new websites they are promoting, Mesa SizeUp and Mesa SiteSearch, are right on the front page of the Economic Development website. Mr. Lofgreen shared that there are photos, that when clicked on, will take a user to interesting success story content. On the website there are buttons for companies that want to focus on their strategic growth and the development of their company. The buttons are Start Up, Expand, or Locate. A company can use this section of the website for assistance and resources. The website also has links to recent expansions and locations, Mesa Economic News, and the Economic Reporter Newsletter. He pointed out, that although a user could get a lot of the data in other places, the links to success stories showing the robust economy in Mesa, is not something they would get on another site.

Mr. Lofgreen shared that there are 19,000 businesses in Mesa that Economic Development wants to help. He pointed out that one of the best ways to grow an economy is to grow businesses already in your community. In an effort to serve these businesses, without a lot of resources or personnel to meet the needs, Economic Development come up with a tool that they think will help Mesa businesses grow and succeed. This tool is called Mesa SizeUp. This will provide a market analysis tool for free to Mesa businesses, to help them grow and succeed in today's competitive marketplace. Some of the areas of analysis available on the site are: business and industry analysis, competitive and customer intelligence, advertising analysis, and demographic analysis. These tools will help businesses compare themselves to their competitors, pinpoint where they excel and where they need improvement, provide suggestions on how to use the information to grow and succeed, allow them to map competitors, customers, and suppliers, map demographics, customer expenditures and labor force. The tool provides a step-by-step tutorial to educate the user on how to best use the product. This tool will be especially helpful for smaller businesses who don't have a lot of money to spend on this type of analysis. Mr. Lofgreen then shared an example using his family business in the segment of office supplies to show how the site could be used by an actual business.

Mr. Lofgreen then presented regarding Mesa SiteSearch. He stated that one of the challenges and advantages in the time we live in, is that information can be gathered 24/7 on the internet. This access to information provides a challenge to economic developers, because people can access information without ever talking to an actual person, resulting in economic developers being moved farther and farther down the chain, and by that time, the short list has already been put together. Due to this, Economic Development needs to be able to keep Mesa on the short list, before they are ever given the chance to speak to a prospect. He suggested one way to do this was by providing critical and important information all in one place on their website. A site selector can access the City of Mesa website and find out if Mesa even has the types of properties that they are looking for. Mesa SiteSearch is a free property search engine on the website that will help businesses find land and buildings that are for lease or for sale in Mesa. Mesa SiteSearch is designed to encourage companies to locate and expand in Mesa. Mr. Lofgreen then demonstrated how to use the site for the Board. He further shared that the information obtained came from a company called LoopNet, and that they are the most comprehensive online real estate service available. The information is uploaded by brokers and landowners themselves. Mr. Lofgreen pointed out that this site is as updated as any site in the real estate community. Board Member Perry asked if the City of Mesa had uploaded their available land. Mr. Lofgreen answered that they were in the process of doing so. After a comment from Board Member Natascha Ovando-

Karadsheh regarding what was being done to get this information into the hands of the people who would want to use it, Mr. Lofgreen shared that they were putting together a marketing plan to launch the tool in September. They will have a launch party, a full media blitz, and it will go out in the Open Line, the newsletter that goes out with the utility bills that the City of Mesa sends out.

Lastly, Mr. Lofgreen presented regarding microsites. Microsites are standalone sites within the economic development website. They can be reached from within the website, but they can also be used as tools to go to market. For instance, there are sites based on industry segments or business districts. In this way, a campaign can be built that will drive people to the site and will be the call to action to contact the Economic Development office. Mr. Lofgreen ended his presentation and asked if there were any questions. Board Member James Christensen asked regarding Mesa SizeUp, if the user allowed authority to the City to capture any of their information. Mr. Lofgreen said it had been discussed, that registration be required in order to use the tool, but it was determined that this requirement would keep people from using the tool. At this point, they would not be capturing any information on the person entering search criteria into the system. The only way the City will get information is when a person registers to get updates. When this happens, the user will provide their name, company and email address. Mr. Lofgreen stated that with all the site will have to offer, he is certain the user will want the updates, and the City will be able to start capturing that data. Board Member Shope asked if they would be tracking the search terms that are being used to get to the site. Mr. Lofgreen shared that the new website would be utilizing Google Analytics, and this will provide a lot of information.

7. Director's Report

Director William Jabjiniak shared that he was working with GPEC on a variety of leads. He shared that tomorrow was the Economic Development Director's Team retreat, where they will be working on some strategic initiatives. He shared one new interesting development was that the Indian community (led by AK-Chin) had requested to join GPEC and that dialogue was currently going on with the executive team of GPEC. He invited everyone to attend the Light Rail opening on August 22nd. The ribbon cutting will be held downtown at 8:30 A.M. All four stations will have activities. He also shared that there has been a lot of activity around Fiesta. The second big box store at Fiesta Mall had been purchased. He shared regarding a long time vacant property at 827 W. Grove that has been taken over by an insurance company and will have a ribbon cutting the first week in October. He further shared that Mesa has suffered from a lack of spec space, but there are several buildings now under construction, approved, or in the early planning stages. One is a new building of approximately 150,000 square feet of industrial spec at Dobson and Broadway. The second one is about 60,000 square feet. There will also be four new industrial buildings going in at Horne and US-60.

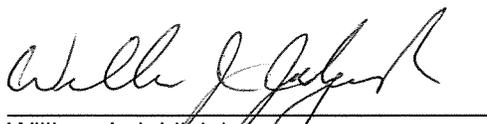
8. Other Business

Chair Snow stated that the next EDAB meeting will be held on September 1, 2015.

9. Adjournment

Chair Snow adjourned the board meeting at 9:03 A.M.

Submitted By:



William J. Jabjiniak
Economic Development Department Director
(Prepared by Debbie Frazey)