

## MEETING MINUTES

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

**Date:** August 5, 2014 **Time:** 7:30 A.M.

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### MEMBERS PRESENT

James Christensen  
Mitzi Montoya  
Jeff Pitcher  
Steve Shope  
Laura Snow

### EX-OFFICIO

Mayor Alex Finter (excused)  
Chris Brady (excused)  
Rich Adams  
Brian Campbell  
Jeff Crockett

### STAFF PRESENT

Bill Jabjiniak  
Shea Joachim  
Karen McNulty

### MEMBERS ABSENT

Tony Ham (excused)  
Sally Harrison (excused)  
Jo Wilson (excused)

### GUESTS

David Crummey, NEDCO

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#### 1. Chair's Call to Order

Chair Laura Snow called the August 5, 2014, 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 July 9, 2014

Chair Laura Snow called for a motion to approve the minutes from the meeting held on **July 9, 2014**.

**MOTION:** James Christensen moved the minutes from July 09, 2014, be approved as presented.

**SECOND:** Mitzi Montoya

**DECISION:** Passed unanimously.

#### 4. Falcon Strategic Visioning Commission Update – Richard Adams, Commission Chair

Rich Adams, Chair of the Falcon Strategic Visioning Commission, provided an update. The Commission was appointed and started with its first meeting held in May. The Commission is not strictly focused on the Falcon Field Airport area. The Commission has met four times and has heard presentations from commercial real estate interests, and GPEC and gathered data to establish the boundaries for the Falcon Field Economic Activity Area (FFEAA) as Gilbert Road to the west, Ellsworth to the east, State, Federal and Tribal lands to the North and Brown Road to the South.

Discussions have resulted in a working draft of the Strategic Economic Vision. Three more meetings have been planned to complete the draft, August 6, August 12 and August 20. The formal presentation is planned to be delivered to Council in September.

## 5. Redevelopment Summit Recap – David Crummey, NEDCO

David Crummey distributed and reviewed the executive summary and the outcomes that were spoken about from the Redevelopment Summit, held in December 2013, hosted by NEDCO. Last month NEDCO went to Buffalo, New York for the follow-up conference.

The goal was to bring together the best minds to discuss quality urban development in Mesa's Downtown and Fiesta Districts, the current regulatory road blocks (local, national and statewide) to high quality livable walkable development in the US, and opportunities to create venue changes with healthcare district outcomes that complement emerging trends and changes in healthcare delivery.

NEDCO also hosted the national launch of the *Live/Work/Walk: Removing Obstacles to Investment*, an initiative from Congress for the New Urbanism (CNU). The national policy is to push to get FHA, Fannie Mae, Freddie Mac and HUD to change their caps on commercial space and mixed use development and to encourage other national banks to invest in what they call the invisible asset class, which is mixed use development.

NEDCO has found that to be competitive nationally, the welcome landscape needs to be addressed to provide living options attractive to urban dwellers increasing young college graduates. Colleges have been brought Downtown which brings the students to the community to test drive the community.

One of the major ongoing goals is the development of parcel by parcel plans for the development of downtown Mesa.

Some of the results from the summit include:

- The City Manager has directed staff to opt-in all city-owned land in the downtown area into the form base code.
- A TOD brochure is being developed with St. Luke's Health Initiative. A draft was provided to the Board for review.
- Engage with the Enterprise Community Fund to educate individuals and organizations about the benefits and opportunities available in the five-year consolidated plan process that is currently underway with the City of Mesa.
- In August, four courses will be offered in community activity and ownership. The first class, *What Works*, will be held on August 14th. The Board was invited to attend this class. This class will host national experts in community economic development to discuss how national best practices can be used in Mesa for employment, placement making, financing and commercial and residential improvements based on the federal banks What Works research.
- In October, a certificated Transatlantic Professional Development two-day course (which is usually \$500) will be offered at no cost. The Board was invited to attend this course.
- NEDCO is continuing to work with the Artspace Project to bring this project to fruition. Notice was just received this morning that another \$150,000 grant was awarded from JP Morgan Chase Bank.

Question – Laura Snow inquired as to the location of the Artspace.

Response – David Crummey advised the location is at Hibbert and 1st Ave. with access off of Hibbert.

Question – Mitzi Montoya inquired as to the time frame for completion of the Artspace Project.

Response – David Crummey advised if all goes well with funding the ground breaking will take place in approximately two years.

Question – Mitzi Montoya inquired if the Artspace is modeled after other cities' projects.

Response – David Crummey advised that Artspace is a non-profit developer with almost three dozen projects across the country. This project is based on a market study for this area.

Question – Steven Shope inquired how small business such as grocery stores and so forth would be included for residents.

Response – David Crummey advised that retail is very important. However, retail is in a downward slump and difficult to fill. They are hopeful to find more compatible uses such as offices to bring vibrancy to the streets.

Question – Rich Adams inquired the status of the TOD project that was initiated in 2005-2006.

Response – David Crummey advised his understanding is that the project is not going forward at this time.

Additional Response – Bill Jabjiniak advised a lot of economic activity will be needed to increase development, getting and encouraging the right kind of interest is imperative.

Question – Brian Campbell inquired where is NEDCO in relation to the Fiesta District plan and form-base code.

Response – David Crummey advised that at this time they are supporting the initiatives. They have spoken to the Planning Department about what it will take to get the form-based code moved into the Fiesta District. Planning efforts took place in 2007-2008 to revise that area.

Comment – Brain Campbell advised he would like to see NEDCO become more engaged and involved in Fiesta.

Comment – Bill Jabjiniak provided a new update that as of this morning, the former Valley East Plaza Shopping Center in the Fiesta District has become brand new office space. In addition, Lori Gary has been busy visiting with the development community in and around the Fiesta Mall.

There is interest and activities in the Fiesta District with the Planning Department thinking of an overlay, reducing entitlement risk, and how to put a package together for the mall area and strategically look at entitlements and infrastructure. It takes the private sector to help develop a vision. We are trying to maintain quality and demonstrate the ability to encourage development.

#### 6. **LaunchPoint Update** –Shea Joachim, Senior Project Manager

Shea Joachim provided an update on the marketing activities, the result of these activities and new programming activities that are planned.

LaunchPoint intended to engage targeted audiences in the market place in three ways:

- The first method was direct engagements through events and expos.
- The second method was through awareness campaigns.
- The third method was through educational opportunities and partnering with ASU with Rapid Start classes which were very successful for lessons and networking, The Alexandria Network and participating with ASU on grant proposals. Dr. Montoya's involvement with LaunchPoint is very beneficial.

A sales funnel exhibit was presented to the Board to show results.

The two biggest challenges LaunchPoint has faced over the last seven months are:

- LaunchPoint took to market services that were on a fee-for-service model. The biggest objection was that potential clients did not have money to pay for the services.
- A lot of the prospects that LaunchPoint targeted are located in Phoenix, Scottsdale and Tempe. They viewed the location of LaunchPoint as too far east. With some of the new programming ideas LaunchPoint can overcome this objective.

Looking forward:

- Continue to work with ASU, developing the partnership with current and new initiatives.
- Developing a new program for eight companies, the name to be announced. This program is a free eight month structured program prepping companies for funding opportunities that already exist and how to obtain the funding.

Question – Rich Adams inquired if the focus is on high tech industry.

Response – Shea Joachim advised that yes, technology-based businesses are the targeted client; technology is a very broad market.

Question – James Christensen inquired if start-up or existing companies are the target for the new program.

Response – Shea Joachim advised the target client has not changed; they are still looking for companies that are a little further along, but will consider start-up stage one businesses. There will be three levels to the curriculum for any level of business to move them forward and up levels.

Comment – Mitzi Montoya advised the collaboration between LaunchPoint and ASU is that eventually we will get to the point where it is stage two and beyond.

There is a current contract with the Department of Defense doing tech transfer commercialization for National Labs. There is an 18 month grant that goes through next April and discussions are taking place for phase two and an expected phase three. Currently tech transfer is being done in an Army, Navy and Air Force lab in New York, Massachusetts and California. The next phase is to transfer the process to Arizona.

Question – Steve Shope noted that Johns Hopkins offers students up to a \$5,000 per year stipend for external research projects they propose on their own.

Response – Mitzi Montoya advised that the ASU Edson Student Entrepreneurial Initiative is up to \$20,000 with changes proposed in the amount with Alliance Bank. ASU invests about \$500,000 dollars in start-ups. The partnership with LaunchPoint and ASU will help connect with these new start-ups. The Start-Up Village is a tool to keep start-ups and entrepreneurs in the community.

Comment – Bill Jabjiniak thanked Shea Joachim and Mitzi Montoya for the updates and progress.

## 7. **Committee Updates:**

### A. **Accelerator Subcommittee Update** – Steve Shope, Chair

The next meeting is tentatively planned for August 12.

### B. **Healthcare Subcommittee Update** – Laura Snow, Committee Member

No updates this month.

### C. **Higher Education Subcommittee Update** – Brian Campbell, Chair

The subcommittee has not met recently; however, there have been some activities. The announcement of Grand Canyon was disappointing. One of the reasons Grand Canyon pulled back, that was not reported, was to emphasize on the STEM education piece which has been seen as a positive development, if we can get them turned and focus on STEM. The emphasis on STEM is important because the Velocity Initiative will be rolled out in September and the Science Foundation of Arizona is stepping in as part of a STEM component. In addition, there have been initial meetings creating a network of the east valley schools headed up by the East Valley Partnership that will work on underserved populations instead of a one-size fits all on their workforce development piece creating a consortium from ASU, Wilkes, MCCD all the way to EVIT to find the right placement for those folks.

A September meeting is planned.

Mitzi Montoya commented that EVIT is starting an engineering program. Brian Campbell advised they are aware and are working with Veterans to place them in the right setting to thrive.

### D. **Marketing/Outreach Subcommittee Update** – James Christensen, Chair

Bill Jabjiniak advised that a full marketing outreach briefing will be given at a future meeting.

### E. **Business Retention & Expansion Subcommittee Update** – Bill Jabjiniak

The Mayor sent out the press release for the Business Retention & Expansion Program on June 26. There was a lot of positive response with the initial focus on aerospace and healthcare. The initial goal was 60 interviews in the first year; however, Bill Jabjiniak pushed the goal to 60 interviews in three months. Staff is currently at 20 percent of that goal. Three from Tier 1 have been met with; two of three have talked expansion. Eight companies have been met with in Tier 2; two of the eight have indicated interest in expansion. Two of the three companies in Tier 3 have been met with. All are in the Greater Falcon Field area.

8. **Director's Report On:**

A. **AZ Labs Updates** – Bill Jabjiniak

- Demolition of the three temporary buildings is in progress for this month.
- ALION is in Dayton Ohio trying to finalize several activities including SIPRNet sponsorship which will provide secure communication lines.
- ALION will be meeting with the City to discuss operating costs.
- Hosted the AZ Association of Unmanned Vehicles with 35 attendees.
- Lead activity is up with several proposals pending.
- Brian Campbell added a note to congratulate ASU on the hiring of Fran Zenzen and her progress with the AZLabs project and research.

B. **GPEC Update** – Brian Campbell

- Only the Executive Committee met last month. The issue that took over the discussion was concern of the political environment and how it may impact businesses and the business development related to immigration issues and social issues. GPEC will be preparing a report to its stakeholders identifying what it calls best practices drawing from other cities, such as Salt Lake City and Austin and what they do on these types of issues to maintain their competitive nature. GPEC will ask each city to review and adopt these practices, if possible.
- Bill Jabjiniak has announced that GPEC has a Digital Labs Initiative modeled after Chicago. Based on the briefing yesterday Mr. Jabjiniak advised we need to stop and think about our access to workforce in the partnerships with the education institutions and how that plays in our community.
- Bill Jabjiniak advised that GPEC submitted a cyber security small business application.

C. **Marketing & Business Development Activities** – Bill Jabjiniak

- Summer has been a quiet time with a couple of different leads and opportunities out there.
- Two micro sites were launched, one on medical devices and one on the Elliott Road in the technology corridor.
- The overlay public hearing is scheduled for August 12. A Planning and Zoning meeting will be held in September. Council approval of the new overlay is tentative for October. The overlay gives tremendous flexibility to the development community. The boundaries of the Elliot Road Technology Corridor are: to the north side of Elliot Road, west of Hawes, north to the SRP transmission lines and east to Signal Butte.
- The third quarter newsletter has been sent out.
- The site selector e-blast was sent out which created activity with some site selectors specifically in Mesa.
- New education and healthcare brochures have been updated.

9. **Other Business:**

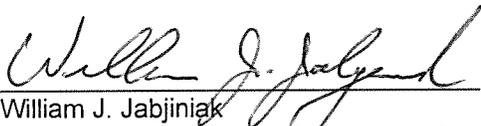
- A special meeting of the Planning and Zoning Board to discuss GP Major Amendments is scheduled for August 27 in the Community Room of the City of Mesa Fire Station No. 216 on East McDowell Road.
- September 1, City offices will be closed in observance of the Labor Day Holiday.
- Next EDAB Meeting – September 2, 2014 will be held at the Banner MD Anderson Cancer Center which will include a tour after a brief meeting.

- A Planning and Zoning Board Public Hearing on GP Major Amendments is scheduled for September 17 in the City Council Chambers.
- September 19 the Mesa Chamber of Commerce Golf Tournament will be held at the Las Sendas Golf Course.

**10. Adjournment:**

Chair Snow adjourned the Board meeting at 8:45 A.M.

Submitted By:



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