

MEETING MINUTES

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

Date: May 6, 2014 Time: 7:30 A.M.

MEMBERS PRESENT

Rich Adams
James Christensen
Tony Ham
Jeff Pitcher
Tony Siebers
Laura Snow
Jo Wilson

EX-OFFICIO

Mayor Alex Finter (excused)
Chris Brady (excused)
Brian Campbell
Jeff Crockett
Sally Harrison
Steve Shope

STAFF PRESENT

Bill Jabjiniak
Jaye O'Donnell
Karen McNulty

MEMBERS ABSENT

Mitzi Montoya (excused)

GUESTS

Marc Garcia, Visit Mesa, President & CEO
Chris Camacho, GPEC, Executive Vice President
John Wesley, Planning Director

1. Chair's Call to Order

Chair Rich Adams called the meeting to order at 7:33 A.M.

Chair Adams advised that Terry Benelli has filled a temporary term for City Council, therefore she has resigned from the Board.

2. Items from Citizens Present

There were no items from citizens present.

3. Approval of Minutes from April 1, 2014 Board Meeting

Chair Adams called for a motion to approve the minutes from the meeting held on April 1, 2014.

Chair Adams tabled approval of the minutes pending clarification of figures noted on page 2. Minutes will be corrected and approved at the next meeting.

4. Discussion with Councilmember Somers

Chair Adams and Mr. Bill Jabjiniak welcomed Councilmember Somers. Mr. Jabjiniak acknowledged Councilmembers Somers' support of Economic Development activities Citywide.

5. Visit Mesa Update

Mr. Marc Garcia provided a brief update from Visit Mesa.

Visit Mesa is hosting a number of events, including a Meeting Planner's Conference this week and another in September. Budget numbers and business development plans are being finalized for the next fiscal year. Currently the sales numbers for bookings and room nights booked is at 92% of goal, which is 113% of the numbers from last year and 380% from two years ago. Hotel performance had a very strong first quarter with double digit gains in occupancy and revenue per available room (RevPAR). ADR (average daily room rate) is struggling, it's just steadily growing at 2% each year. This April was as strong as the entire first quarter. In January, we actually led the entire Valley in year over year growth in occupancy RevPAR (revenue per available room) gains.

The sports market segment had great media coverage from the Mesa Grand Prix at Skyline from Sports Center, USA today and morning shows on all the networks. Mesa will be hosting the National Jr. College

Track and Field National Championships at Mesa Community College in mid-May, Western Athletic Baseball (WAC) will be held at the Cubs Park at the end of May and Prospect Wire, USA Select and Perfect Game are coming in June and July. Cubs Park has gotten even greater positive PR.

The Leisure Department attended the Pow Wow trade show, working on the summer campaign with Allegiant Airlines to package hotels, working on a UK overseas campaign along with top producing travel agents for British Airways and American Airlines. We are also working on running ad with the leading travel publication in China, *Essentially America China*.

Question - Chair Adams requested an update on the Sheraton Hotels.

Response – There are 180 standard guest rooms, with 10 to 11 suites being added on top of the retail space. After the ribbon cutting they will be breaking ground on another 120 rooms.

Question – Mr. Siebers questioned what was needed in the next 12 months.

Response – Mr. Garcia advised funding and additional resources to bring in new clients.

Question – Ms. Snow requested an update on the progress of the Super Bowl.

Response – Mr. Garcia advised the progress is slower than expected, still finalizing items. A site inspection took place two weeks ago. Another group of meeting planners will be coming to finalize items over the next six months. Talks are ongoing with Fox Network that will be using the Mesa Art Center during the Waste Management Open and the possibility of Bob Costas staying on to run the programming in Mesa until the Super Bowl.

6. GPEC YTD Business Development Update

Mr. Chris Camacho, Executive Vice President of GPEC, announced that Mr. Bill Jabjiniak was voted as Economic Developer of the Year.

Mr. Camacho provided a PowerPoint presentation and explained to whom and what services his company provides. A simple version of what they do is to drive 23 cities in the Maricopa County market down one strategic path in the economy. GPEC was recognized by Site Selection Magazine as one of the top 10 groups regionally across the country.

The presentation included the evolution of economic development, trends, retention, expansion, innovation and technology transfer. GPEC works toward enhancing business attraction, market intelligence, analysis of base industries, and R & D. The focal point going forward is how to embed more resources in post-secondary schools tied to STEM education (science, technology, engineering and math) and ensuring that talent is available in the K–12 programs to support the growth of legacy industries and also the digital sector.

Question – Chair Adams inquired the top things Mesa will see as a benefit from GPEC?

Response – Mr. Camacho provided a slide where the markets are going relative to innovation and jobs. Currently there are eight major projects evaluating Mesa across advanced business services and advanced manufacturing. Mesa's reputation is creating a whole new employment corridor that did not exist previously. Mesa is a top location because of the labor base, infrastructure, a few major flags that are visible nationally, and the Gateway Airport tie to ASU Polytechnic as well as industry tied to advanced technology. More product is needed; GPEC is marketing already-developed locations and opportunities.

A handout was provided to the Board sharing GPEC's next year's action and business development plan.

7. Discuss and Possibly Take Action on the General Plan Update

Mr. John Wesley, Planning Director, provided a brief update on the General Plan. He addressed a memo received from the Chamber with their suggested changes to the General Plan and a document with his responses to their suggestions. Both documents were previously provided to Board members.

John Wesley advised some minor adjustments, improvements to wording, clarifications and details have been added to the document. There has also been some feedback from Phoenix Mesa Gateway Airport to make sure the airports are covered.

Chair Adams stated to Mr. Wesley that in a broader overview the Board desires that the policy statement keep on track moving forward and that overall strong and specific language about protecting the employment sites from residential encroachment remain and continue to go forward.

Mr. Wesley reviewed the economic activity areas within the City, four have been identified. The Chamber and the Planning Board has suggested that the Falcon Field area be expanded to be a North East Mesa economic activity area and include the North Power Road area.

Councilmember Somers supported the expansion and suggested maintaining the name as Falcon Field is the economic engine for the North East Mesa area.

Question – Mr. Campbell inquired about the difference between being in an economic activity area versus an airport planning area as this plan moves forward. Falcon Field is the hub of the economic development in the area and needs to be and is protected by the airport planning area, but also to keep in consideration economic concerns.

Response – Mr. Wesley advised the economic activity areas are primary areas for employment activities. The plan is to continue to expand the employment activities and look at how to improve the quality of those areas to give them the sense of identity and place to add to and drive employment. Airport planning areas, aircraft over flight areas, have deeper regulations and specific requirements regarding easements and noise regulations within those areas.

Question – Chair Adams asked for Mr. Wesley to confirm that he is recommending the language regarding Falcon Field in point 5 of the Chamber memo.

Response – Mr. Wesley referenced the Chamber memo page 3, and then referenced page 2 of his memo and confirmed that he is recommending the language per his memo that planning efforts will continue to protect the areas surrounding the airport from residential encroachment.

Question – Ms. Snow inquired if there are any other parcels of land currently designated as residential that could conflict with the plan to protect the areas surrounding the airport from residential encroachment.

Response – Mr. Wesley indicated there are areas designated as residential that could have an impact. Several board members stressed their concern that the new plan has specific language to protect the employment areas. The Board and Mr. Wesley discussed the wording regarding changes from non-residential to residential come through the Economic Development Board and stressed concern that the most recent situation not reoccur. Mr. Wesley will revise the language in the document to be consistent that all changes from non-residential to residential will require review and comment by the Economic Development Department which may also include review by the Board.

Question – Mr. Brian Campbell shared concerns between economic districts versus economic areas and how discussions will be reviewed suggesting flexibility, by moving the lines in the Falcon Field expanded area.

Response - Mr. Wesley advised the PowerPoint slide indicates that the areas are larger and shaded, districts have lines. Districts are a more specific concentration of economic activity primarily industrial and commercial uses. There are a lot of connections between them; however, the real focus is within the district. Mr. Wesley will review to make it clearer to specify the economic area. Mr. Wesley also reviewed the concentration for businesses where transit lines run.

MOTION: Tony Siebers moved to endorse the concepts presented pending final review by Chair Adams and Mr. Jabjiniak.
SECOND: Laura Snow
DECISION: Passed unanimously

8. Discuss and Make Recommendations Regarding Planning & Zoning Application

The Board held a discussion to develop a process for planning and zoning applications to be reviewed and allow input by the Economic Development Department.

Mr. Campbell feels that every application should be reviewed through the Economic Development Department to avoid a communication breakdown.

Mr. Shope agrees that this process should be formal and signed off for approval.

Ms. Wilson agrees; however, cautioned against too many roadblocks and suggested wording such that it expedites the process and ensures the communication takes place.

Mr. Jabjiniak agrees this process is needed to have the voice and review of the Economic Development Department.

Councilmember Somers agreed that hearing the voice of Economic Development is important. He has no problem throwing up roadblocks and requirements for the developer or landowner to prove their case for a change in a current land designation for the best interest of the community.

Mr. Shope supports the language and would like to see something with some legacy to survive the Council, Mayor and this Board.

MOTION: Jeffrey Crockett moved that the City Council adopt a policy requiring applications submitted for a property to be re-designated from non-residential to residential would require notification and consultation with the Economic Development Director.

SECOND: Jo Wilson

DECISION: Passed unanimously

9. Committee Updates

The Committee Updates agenda items were tabled to the June meeting due to time constraints.

10. Director's Report

The Director's Report agenda items were tabled to the June meeting due to time constraints.

11. Other Business

A. June 3 – next Board meeting.

12. Adjournment

Chair Adams thanked Councilmember Somers for his attendance and input and then adjourned the Board meeting at 9:15 A.M.

Submitted By:



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