

Office of Economic Development
Economic Development Advisory Board
MEETING MINUTES

Date: December 5, 2006: 7:30 A.M.

MEMBERS PRESENT

Mike Garcia, Chair
Brian Campbell, Vice Chair
Dale Easter
Jim LeCheminant
Vern Mathern
Patricia Schroeder
Steve Shope
Ted Wendel

EX-OFFICIO

Mayor Keno Hawker (excused)
Chris Brady
Charlie Deaton
Jack Sellers

STAFF PRESENT

Betsy Adams
Shelly Allen
Sue Cason
Harold Decker
Scot Rigby

GUESTS

Jerry Hug
Richard Mladick
Matt Salmon
Lois Yates

MEMBERS ABSENT

Raul Cardenas

1. Chair's Call To Order

Chair Mike Garcia called the December 5, 2006 meeting of the Economic Development Advisory Board to order at 7:30 A.M. in Mesa Fire Station #201, 360 E. 1st Street.

2. Approval of Minutes: October 3, October 23 and November 15, 2006

Chair Garcia called for a motion to approve the minutes from the meeting held October 3, October 23 and November 15, 2006.

MOTION: Ted Wendel moved for the minutes from October 3, 23, and November 15, 2006 be approved.

SECOND: Brian Campbell.

DECISION: Passed unanimously.

3. Update on Waveyard Development Project

Scot Rigby introduced and turned the meeting over to the Co-Founders of Waveyard, Mr. Richard Mladick and Mr. Jerry Hug.

Mr. Mladick and Mr. Hug gave a presentation on the Waveyard Concept that they have been negotiating with the City of Mesa. The property that they are interested in is Riverview Ball Park and Golf Course, which is approximately 124 acres.

Mr. Mladick stated that Waveyard is an Adventure Super Resort and not a theme or waterpark, but an Ultimate Lifestyle Adventure. It is more of a sports related waterpark. Waveyard also makes it more convenient and less costly to participate in action and adventure sports. He also gave several examples, but not inclusive, of the components that the resort will have such as:

- The Lost Coast Surfing Reef and Beach, which will have the largest wave pool in the U.S.A.
- Beginners's Surfing Reef and Standing Waves Attraction
- Waveyard Surfing Academy with education being the major component
- Board Sports Training Academy (Research and Training)
- Wet and Dry Experience for Rock Climbing
- Snorkeling and scuba diving
- Photography opportunity
- Retail space, restaurant, conference center and hotel
- Rental and storage opportunities for all sports experiences

Mr. Mladick stated that Waveyard Outdoor Lifestyle is a multi-generational family experience encompassing small children through baby-boomers. Over 72% of the people who surf have an annual income of over \$50,000 and is the highest income per capita of any sport. Kayaking has been the fastest growing outdoor sport over the last three years and Surfing is the fastest growing sport among women. Waveyard will also be home to local, national and international surfing and white water competitions. Also there is a need for flood, search and rescue training in this area.

He commented that this project is tourism related with an active healthy outdoor lifestyle. The demographics are the best in the East Valley, especially with the educational facilities in the area, as opposed to the West Valley demographics. It is a great opportunity for Mesa and it is estimated that 40% of the people will be from out of state visitors with an estimated 2.2 million people per year indulging in the outdoor sports experience.

There will also be parking, retail, office, residential, conference center, and hotel along with park-like settings. It is to be constructed in phases with the first phase estimated at \$250 million for a total of \$500 million when all phases are completed. The first phase would take an average of 18-24 months to complete. Another site in the West Valley is being considered. That site would be 200 acres with an estimate of \$750 million total simply for the increase in acreage and more space to build up.

Mr. Jerry Hug commented that this is embarking on territory that has never been done out West. They have been working with financiers and will be presenting/ appealing to all

forms of local, state and federal government along with private areas to secure funding. The lending institutions are willing to step outside the box to make this project fly and they are working with the largest investment bank in Australia. They have recently gone public on the London Stock Exchange and they have a billion dollar fund that was raised in conjunction with the public offering with the goal of deploying asset based ownership of real estate in the U.S. They are very savvy, have deep pockets and understand the industry.

Mr. Matt Salmon commented that they have been working with Surprise for over a year and the size of the land in Mesa is one detractor versus going to Surprise and Surprise is more receptive and offering bigger incentives than Mesa. He stated that Mesa has a reputation for not being receptive to any project and they have rightfully earned that reputation. Time is against them right now. It is imperative to move along quickly with this project. The people are ready for this to happen.

Chair Garcia stated that the Board would do their part to recommend to City Council, with a consensus, to formalize that action as appropriate.

4. Other Business

Sub-Committee Reports

Chair Garcia asked for reports if the Chairs of the sub-committees were able to hold any meetings. He said that throughout the year there would be opportunity for the sub-committees to report.

Mr. Steve Shope responded that he was the Chair of the WGA Sub-committee and they had met. He reported that they had talked to Mr. Lynn Kusy and they have a new Gila River representative. He suggested that it would be nice to have the next meeting at WGA. He also would be willing to do an agenda and make arrangements with WGA.

Next EDAB Meeting: February 6, 2007

No comments.

5. Comments from the Board and Public

Lois Yates, Executive Director Falcon Field Area Alliance

Ms. Lois Yates stated that a Sub-Area Plan for the Falcon Field Area was recently completed. The committee met for 18 months and the document has been finally finalized and will be presented to the City Council on December 18. A major portion of this document talks about the perception that people have of the Falcon Field Area and what a great area it actually is. Falcon Field is without a doubt the premier Employment Center in the City today. Looking around at the esthetics one of the major problems is a vision and perception problem. When you drive down Greenfield coming off the 202 Freeway there is a state parcel at the corner of the 202 and Greenfield and it has rundown

buildings left over from the Talley land lease. The City has made numerous attempts to get the buildings removed. She would like to ask the Board assistance in getting those buildings removed from that State Land Parcel. There is 80 acres and are interested in leasing the acreage, but they do not want to sub-divide it as it has access problems off of Greenfield. It is not the easiest area to sub-lease and doesn't have utilities to it. There are numerous issues with this area. If the building could be removed it would make all the difference in the world because of the perception. She has spoken with developers and has met with a company from the Midwest and the first question they ask is "What are those shacks doing sitting there?" It is a big issue and one that the EDAB Board or individuals could help in getting the run down buildings removed.

6. Adjournment

It was noted that the next EDAB meeting would be held February 6, 2007.

Chair Garcia adjourned the meeting at 8:46 A.M.

Submitted By:

Shelly Allen, Town Center Development Director
(Prepared by Betsy Adams)