

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

MEETING MINUTES

Date: September 25, 2012 1:00 P.M.

MEMBERS PRESENT

Brian Campbell, Chair
Tony Ham, Vice-Chair (excused)
William Jabjiniak
John Regni
Virgil Renzulli

STAFF PRESENT

Sue Cason
Margaret Robertson
Thomas Webb

GUESTS

Dane Mullenix
Terri Spoonhour

1. Chair's Call To Order

Chair Brian Campbell called the meeting of the Mesa Redevelopment Authority Executive Board (MRA) to order at 1:02 P.M.

2. Approval of Minutes from the August 28, 2012 Meeting

Chair Campbell called for a motion to approve the minutes from the meeting held on August 28, 2012.

MOTION: Mr. Virgil Renzulli moved that the minutes from August 28, 2012 be approved as written.

SECOND: General Regni

DECISION: Pass unanimously

3. Items from Citizens Present

No citizens were present.

4. Discuss and possibly take action on Arizona's effort to be designated a National Test Range to Integrate Unmanned Aircraft Systems into the National Airspace System

General Regni reiterated that Washington D.C. is currently in a paused position at this time prior to election. The Screening Information Request (SIR) has not been completed by the FAA; they are waiting for authority to move forward. An increase of concern for individual privacy issues has necessitated 10 or more bills waiting to be passed during this waiting period. Once approval is obtained, organizations across the country are poised to assist with writing a proposal. The case has been presented to the senior levels of the FAA and Arizona appears to be in a good position to compete once the race begins. Congressional staff in DC has given support to this

effort. The AZLabs is an integral piece of the proposal for the FAA to complete this properly. The AZLabs, Alion and ASU Polytechnic differentiate Arizona from other states competing. Congressional representatives as well as candidates have been contacted for support for this initiative. General Regni stated that a letter has been completed from current Congressmen and can be updated after the election if necessary.

5. Discuss and possibly take action on status of the Economic Development Conveyance (EDC) application for the Arizona Laboratories for Security and Defense Research (AZLabs)

Mr. William Jabjiniak contributed that discussions continue with the Air Force conveyance issues and that diligent effort is being made to resolve any differences. He anticipates a face-to-face meeting near the end of October to try resolving issues and discussing the past year's investment. The Air Force vacated the facilities on September 15, 2011 so they will be focusing on potential income and comparable property versus actual income and expenses for the property. General Regni believes that emphasis should be made on the fact that the area is a designated Hub Zone. Chair Campbell emphasized the need to point out to the Air Force the investment that has been made by the City to this property in the past year.

6. Discuss and possibly take action on report of Alion Science and Technology regarding marketing efforts at Arizona Laboratories for Security and Defense Research (AZLabs)

Chair Campbell reminded the Board that during the General Session care will be taken regarding the security and sensitivity of potential tenants, making as much information public as possible without breaching these issues. The focus at this point continues to be diligently marketing the AZLabs.

Mr. Dane Mullenix of AZLabs distributed information for marketing with up-to-date leads. He shared maintenance activities and pending leases with three large footprints. He anticipates within the next 30 to 45 days two (2) tenants will close with two (2) to follow by the end of the year. One potential company is returning for negotiations the end of this month. A continued effort in marketing includes two (2) trade shows in the past 45 days including a presentation this past week to a small business government opportunity. The current strategy includes follow up and presentations to government organizations. Trips to Dayton, Ohio and Washington DC are scheduled next month with a renewed interest and the possibility of a substantial portion of the facility to be leased. Last week an organization spent an entire day at the Labs and stated they are looking to expand contractually (with a current expiration date next May). Ms. Terri Spoonhour, Executive Vice President with Alion is observing first-hand the operation and is bringing some creative ideas for marketing. A second organization listed on the presentation is large and near closure. Alion could bring resources to mentor the company to close the deal with their agent within 60 days. Fall and winter marketing events, trade shows and conferences are a great opportunity to network and market in a way that cannot be accomplished in an electronic fashion.

Chair Campbell opined that face-to-face interaction to partners in the defense community is a positive step forward. Mr. Mullenix believes showing the abilities of the labs to defense

companies will reveal their qualifications. Chair Campbell further stated that coordination with ASU Polytechnic is critical for the entire package.

General Regni reminded the Board that the effort and coordination of securing the AZLabs began in January, 2011, a short 20 months ago. He believes it is imperative to keep pressure on and to execute the plan. (At this time Mr. Renzulli was excused from the Board for a conference call in another room.)

The handouts containing information about the marketing strategy were collected and returned to Mr. Mullinex to maintain security and privacy issues of potential tenants. Mr. Jabjiniak reminded the Board that marketing needs to be accomplished publicly and would like to find a way to share the potential of the AZLabs without breaching privacy issues.

7. Other Business

Next Meeting: Tuesday, October 23, 2012, 1:00 P.M. at 57 E. 1st Street, Lower Level Council Chamber, Mesa, AZ 85201. Chair Campbell stated that the date may need to be changed since he is scheduled for trial that week.

The trademark application for AZLabs has been processed and is awaiting approval.

8. Adjournment

Chair Campbell adjourned the meeting at 1:33 P.M.

Submitted By:

William J. Jabjiniak
Economic Development Department Director
(Prepared by Jeanne LaRue)