

MEETING MINUTES

Office of Economic Development Economic Development Advisory Board

57 E. 1st Street
Lower Level Council Chambers
Mesa, AZ 85201

Date: February 12, 2019 Time: 7:30 A.M.

MEMBERS PRESENT

Natascha Ovando-Karadsheh, Chair
Jim Kasselman, Vice Chair
Rich Adams
Brian Campbell
James Christensen
Deb Duvall
Matt Likens
Dominic Perry (Arrived after Motion)
Richard Warren

EX-OFFICIO

Mayor John Giles (Excused)
Chris Brady, City Manager (Excused)
Sally Harrison
Jeffrey Pitcher

STAFF PRESENT

William Jabjiniak
Jaye O'Donnell
JD Beatty
Maribeth Smith
Kimberly Gram

1. Chair's Call to Order

Chair Ovando-Karadsheh called the Economic Development Advisory Board meeting to order at 7:30 a.m. She thanked Sally Harrison for organizing the great State of the City, which had record attendance. It was great to see so many EDAB board members in attendance. There was a great presentation on Dexcom with a testimonial by a City of Mesa employee.

Jim Kasselman has plans to take that family on a behind the scenes tour of the plant. He shared the video message with company executives back in San Diego and at the site, and it was very well received.

2. Items from Citizens Present – None.

3. Approval of Minutes from the January Board Meeting

Chair Ovando-Karadsheh called for a motion to approve the minutes from the January Board meeting.

MOTION: Rich Adams moved to approve the January 8, 2019 minutes as presented; seconded by Richard Warren. Upon tabulation of votes, it showed:

AYES – Ovando-Karadsheh, Kasselman, Adams, Campbell, Christensen, Duvall, Likens, Warren

NAYS – None

ABSENT – Perry

Chair Ovando-Karadsheh declared the motion carried by unanimous vote.

4. Approval of Board Member Resignation

Richard Warren has tendered his resignation. He has enjoyed having the opportunity to serve the City of Mesa. On behalf of the Board, Chair Ovando-Karadsheh wished him well on his journey.

5. Business Prospect Report

JD Beatty reported on the second quarter, October 1 to December 31, 2018. There was a decrease in the previous quarter, as there were 11 mega projects through GPEC and ACA that dropped off the rolling 12-month period. The number of prospects has remained steady at 120 to 130 over the last few quarters. Job potential is up significantly at 35,000, with one large E-track which accounted for 15,000. Payroll potential was at \$2.3 Billion. Square footage potential has been consistent at 16.8 Million. Capital Investment potential was up substantially at \$8.4 Billion due to some large data centers and industrial projects. There has been positive movement with 47% of prospects that qualified into projects, compared to 37% the previous quarter. The Prospect Source jumps back and forth between companies coming directly to Mesa and those coming through GPEC and ACA. This quarter and the last, we were slightly above for groups coming directly to the City, although GPEC and ACA leads are still a significant portion of our prospect pipeline. Development type and industry remained fairly consistent from the last quarter and we continue to see a focus on the Manufacturing sector. Advanced Back Office, Data Center, and Corporate Headquarters remain strong as well.

For Industrial inventory, CoStar reports 15 projects currently under construction. Three of those are above 100K SF, five are 50-100K SF, five are 25-30K SF, and two are 10-15K SF. We are now seeing the spec industrial with the Landing at Gateway and Phase II at Metro East Valley Commerce Center, although we are still outstripped by the number of prospects.

Chair Ovando-Karadsheh asked if the under construction were spec or build-to-suit.

Mr. Beatty believed they are all spec, as CoStar would list if they were available for lease.

Chair Ovando-Karadsheh noted that all of the construction happening for build-to-suit is not shown. She would be interested in seeing the data on under construction, spec, and build-to-suit as a side number.

Mr. Beatty has been working with Development Services on a map showing every project in the entire city. There will be data on the different stages of the process including dates of submittal, approval, building permits, construction, and completion. There will be a press release this week and the map will be available to the public and the business community.

The number of available buildings has decreased even in the smaller footprints under 25K SF compared to last quarter, as a number of those have dropped off or have been leased. Obviously, we are still short between the number of prospects and available buildings. We now have three industrial buildings in the 100K-200K SF range, and one over 200K SF. The more inventory we can add, the more competitive we can be.

Dominic Perry noted there were 28 Industrial prospects over 100K SF and asked whether the uses were manufacturing or distribution. Are we starting to see a trend of more industrial on the east side?

Mr. Beatty stated those prospects cover both manufacturing and distribution. They are categorized by building type. Industrial is a broad category, which includes manufacturing, warehouse distribution, and data centers. We are still heavy in manufacturing at 41%, with 10% warehouse distribution. A lot of the specs are built for warehouse distribution but can also serve as manufacturing.

Vice Chair Jim Kasselmann suggested having a heat map of the city, which would show the geographic location of those 28 industrial prospects. As an Economic Development Advisory Board, it is important to know where that Industrial is happening.

Matt Likens asked if there was a way to show the probability of closure on prospects. As a prospect moves further down the pathway, the percentage becomes higher that it will get to an end point. A

weighted average based on historical data would be helpful as well as how that relates to the number of employees and economic output.

Mr. Beatty stated in the past, they did assign a probability of landing although it was difficult to keep up with. Now that we have more data, it would be interesting to look at that again.

Chair Ovando-Karadsheh noted the four buildings over 100K SF that have been available for some time and asked, with 28 prospects, why have those not converted or been leased. Are they not the right type of product?

Mr. Beatty stated one of those four buildings is Longbow Gateway I at Falcon Field which is completed, and the other three are under construction. Two are at Phase II of Metro East Valley Commerce Center, one is 206K SF and the other is 150K SF. Another is the Landing's first phase at 120K SF. Those will not reflect in CoStar until they are completed.

Bill Jabjiniak stated that Longbow has been sitting as a shell for a while because they are looking for a specific type of credit tenant to lease the entire building. They would like to stabilize a rent stream and then sell a few years down the road. The property on Greenfield is using a different model and they are about 50% full. Opus is the type of developer that will not compromise on a higher price point. Although there has been a ton of activity, it has not been the right deal. Metro East Valley Commerce Center is another phase behind Berge Ford at Mesa Drive and the 60. There is not a lot of activity for industrial on the west side of the city and the Metro East Valley Commerce property is an exception. The current market is looking for larger footprints with higher ceiling clearances and logistics is an area where we've not been competitive. The LA basin has larger square footages. This will change when the 202 Loop is completed in the west valley. We will be able to compete differently with larger square footage. There are two properties currently in the Planning Dept. that are not included in the report. One is a 477K SF building north of Ray Road and west of Hawes. As of last week, there is a manufacturer looking at that site with a few issues to get through including the foreign trade zone. Not a lot of manufacturers need that size. That developer is building spec, not just with the six that are under construction today, but there are two more being approved. One is 477K and the other is 175K SF. There are 10 buildings under construction on Ray Road in various stages ranging from building permit to almost complete. That is a great example of the infrastructure we put in eight years ago. That same developer has six large projects just on Elliott Rd. with billion-dollar price tags. In the Falcon Field area, we did not have the square footages and the property size that was in demand. Although the strategic effort for that area has worked as we now have product and need to find the end users.

Brian Campbell noted one area Mesa is not competing well in is the Advanced Administrative/Back Office sector. The City is at a third of GPEC's number for that prospect type. Is that a function of the office issue we are trying to fix and how can that be addressed? We have been fighting this office battle for a while.

Bill Jabjiniak noted that the Union and one or two other developments now include some Class A Office space and we are seeing the Back Office/Administrative type of activities and some big brand names. We are competing, although some is adaptive reuse. The Mayor mentioned a company named 24-7 Intouch with 1,400 employees that is improving a whole shopping center at Country Club and Southern. The majority of 24-7 Intouch clients are brand names. Santander was a great adaptive reuse of the old Circuit City building. There are still others in the pipeline and what drives that decision-making is mostly workforce. We are trying to focus on the higher wage job. If we are to compete at a different level and raise some performance measures, we must focus heavily on the higher wage position.

Mr. Beatty noted that GPEC has 41 Administrative/Back Office prospects. A lot of the prospects included in the GPEC report are only interested in Scottsdale, Tempe, or Phoenix.

Mr. Campbell stated as a Board, we need to look at whether there is a marketing issue or a policy issue to get product in the ground. Are there ways the Board can help encourage these objectives and strategically address these areas of challenge?

Bill Jabjiniak stated we have come a long way with industrial and now the objective is to do the same with office.

Mr. Beatty advised that the Office inventory versus prospects is low on most fronts. There is one large office project in the works at the Union, although there continues to be more prospects than supply.

Charts were provided on the department metrics used in internal presentations to City management covering FY14/15 through FY18/19 to date. At the State of the City, a few exciting project wins were announced: 24-7 Intouch with 1,400 jobs and AT&T with an additional 500 jobs at their southwest headquarters.

This fiscal year to date, Mesa is relatively low in the annual wage of jobs announced. 24-7 Intouch is an entry-level call center which lowered that figure, although it is a great use and fit for the area. Our target wage is based on 125% of the Maricopa County median annual wage, which is a standard set by ACA to determine their quality jobs incentive. For 2018, that wage is \$36,464.

Mr. Jabjiniak pointed out that the majority of back office are lower wage jobs. We need to work hard the rest of the year to move that average wage in the right direction.

The chart on Total Capital Investment is heavily skewed as FY14/15 included Apple, which was \$1.5 Billion. That makes the rest of the numbers look smaller. This year, we are on track at \$242 Million in total CapEx with the goal of \$400 Million. One data center can move huge capital expenditures and there are still projects in the pipeline. A lot of the spec industrial activity we are seeing started in this fiscal year and will add square footage to the City. We are on track without Apple to be at or close to the 2 Million SF number that we had in FY14/15. We are already at 1.4 Million. The spec industrial activity is continuing and now we need the jobs to fill those spaces.

6. Strategic Plan Update

The Board was provided with a draft copy of the 2019-2022 Economic Development Strategic Plan for review. It is a work in progress and the Board was asked to provide input during the meeting as well as through email to Jaye O'Donnell. As this is a draft document, the Board was asked to keep the contents confidential.

In FY2015, the City had 43 Performance Measures. Those measures were tracked by the department and have been reduced to 13 key Performance Measures. In FY2018, a measure was added for business retention and expansion visits conducted. The results show that the City exceeded all of its goals. In four fiscal years, we have assisted in creating 8,700 jobs and nearly \$3 Billion in capital investment from 139 companies.

Rich Adams noted there was a dramatic increase in media impressions and asked how much of that converts to leads and if that is being tracked.

Ms. O'Donnell stated there is a way to track sources when a lead comes in, although an article in the Wall Street Journal does not necessarily result in a call. She did not know whether the actual conversions have been tracked.

Kim Lofgreen, Marketing and Business Development Manager, had stated that when Apple sneezes, the impressions go up. Apple is covered internationally in a number of trade publications as well as the New York Times, Wall Street Journal, and LA Times. For the most part, the City has had large influence in these numbers through press releases and being proactive in getting the story out. We fulfill media requests on an ongoing basis for different media outlets.

Chair Ovando-Karadsheh stated it was incredible to see such a high percentage reached on the annual goals. She felt we may need to set the bar higher so we are stretching to the next level. If a goal is easy to meet, it is not a challenge.

Bill Jabjiniak reminded the Board where this started 11 years ago and where it is going. We are projecting in the City budget a flattening for the next fiscal year and he would be hesitant to get too aggressive around jobs. Mesa is not known across the country or the world, although Phoenix is fairly well-known. Apple's impact on the media impressions is accurate and getting Mesa on the map with Apple or any of the Fortune 100 companies will make a difference. Now, we are talking about redevelopment areas and how to grow existing businesses. The Mayor noted during the State of the City that 75-80% of growth will come from existing business.

Brian Campbell spoke about jobs versus population growth. We are now almost up to a 1:4 ratio where every new job relates to up to four people in new population. That is a good number, but we need to increase that. Our standard growth is about 30,000 per 5-year period. Mesa used to be a bedroom community and we had the population growth without the jobs. That puts a stress on our budget.

Bill Jabjiniak stated Mesa is projected to grow by 72K people over the next nine years, or 8K people a year. Even though we have job growth, we are losing on that ratio. That is why we push back so much on residential, especially along employment corridors. We try to create more jobs, although the population growth is just that aggressive.

Mr. Campbell stated the older numbers were even more upside down. As part of the Strategic Plan, we need to look at that ratio. The growth has been pretty standard on a long-term basis. It is the job number and the quality job where we need to dig ourselves out of a hole.

Matt Likens asked when the 43 Performance Measures went down to 13 and are we confident that those are the critical pieces.

Jaye O'Donnell was very confident that these are the items we should be measuring. The change happened before FY15 working with the Performance Administrator to narrow down the outcome-based measures.

The research process looked at how the department could influence the Council Strategic Initiatives and fine tune the targeted industries and economic trends. Rather than a SWAT analysis, the department conducted a SOAR analysis focused on the strengths, opportunities, aspirations, and results.

The Vision statement has not changed. Mesa will be regarded as a premier location for companies and developers seeking an innovative, dynamic city to enhance their competitiveness, including a diverse and sustainable economy featuring a balance of base industries that create high quality jobs, an educated workforce, a team that supports a regional approach to economic development, and partnerships between government and industry that value next generation technologies and products. The Mission also remains the same. The Office of Economic Development is the lead agency for economic development and works to enhance Mesa's economy by supporting the creation of quality jobs, promoting direct investment, and increasing per capita income. If we maximize the City's strengths and capitalize on the opportunities, we will achieve significant long-term results: An increase in the number of high-tech companies and high wage jobs, the "Mesa Way" will be touted as the gold standard for economic development offices nationally, employment corridors will evolve to be more diversified and able to withstand a change in the business climate, and Mesa's reputation as a premier location for business will improve.

The Operational Structure looks at the overlap in the lines of service, employment areas, and industries of opportunity to maximize efficiencies. The lines of service include business attraction and

retention, entrepreneurship, small business development, redevelopment, revitalization, and workforce development. Many different indicators were considered for the Strategic Plan including the Arizona Commerce Authority and GPEC priorities in order to leverage those state and regional efforts.

In terms of population, Mesa is the second largest municipality in Greater Phoenix. From 2010 to 2018, Mesa's population increased 14%, slightly less than Maricopa County as a whole at 14.9%. Mesa is expected to grow by 72K people by 2027. While Mesa has enjoyed steady increases in key metrics like median household income over the past few years, we are still falling short compared to the state, county, and our neighboring cities. Approximately 38.5% of Mesa's population is classified as low or moderate income and nearly 59K Mesa households are considered burdened by housing costs, representing 34% of all households in Mesa.

Bill Jabjiniak noted when a company is selecting where to locate, they are looking at the workforce and household income. The call center market found Mesa based on the number of people we have for their qualified workforce. Changing that is a challenge.

Dominic Perry noted that a few years ago, Gilbert decided they did not want Section 8 housing in their town. Are their numbers for median household income skewed because of that?

Bill Jabjiniak stated Gilbert's \$85K median household income rings well with a lot of employers. That was a local policy decision, right or wrong.

Jaye O'Donnell advised that Mesa's educational attainment is not bad in terms of high school graduation rates as well as some college, although we lack bachelor's and graduate degrees. Companies are looking for highly skilled and highly educated workers to fill those high-tech jobs, and the decision makers look at the educational attainment rate. It is important to continue to focus on higher education for our residents, specifically to improve college readiness and educational attainment rates. We may even consider importing talent to attract and retain more companies that offer those high-quality jobs that will in turn attract additional talent to our market.

Rich Adams asked if employers would really be swayed by those numbers if it is only a 15-minute drive from Mesa to Chandler or is it more a matter of our selling process and educating the site selector.

Bill Jabjiniak advised that the price is about the same for the cost of land and construction. A site selector will look at Chandler's Price Road corridor with a higher percentage of bachelor's and graduate candidates within a closer distance to that location. Why would they locate in Mesa? It is a process of elimination. There is greater educational attainment in the East Valley than in the West Valley. We work well as a region, but how do you sell Mesa with these numbers compared to Chandler or Gilbert. Gilbert has positioned itself as more than a bedroom community with those incomes. Mesa is much larger and a much more diverse and mature city. Clients are interested in one of three regions—Greater Phoenix, Denver, and Austin.

Chair Ovando-Karadsheh noted there has not been discussion about Mesa being a community that people want to live in that is vibrant, exciting and interesting. Not one of Dexcom's senior management lives in Mesa, except for Jim Kasselmann. They have a great job in Mesa, but then leave with their sales tax dollar. Those educated, highly-paid employees don't live in Mesa, which may also skew our numbers. The lifestyle piece needs to be part of the strategy. Today, people are choosing amenities over the cost of housing. They want the lifestyle, the nearby restaurants, gyms, and parks. She understood that is not measurable unless we can come up with a data piece that is car washes versus restaurants, assisting living versus gyms. We need to tell a different story to attract not only the high wage job, but to attract the support around that job.

Bill Jabjiniak stated that is a message not only for Economic Development but across the City.

A comparison was shown for bachelor's degrees and higher in Mesa, Maricopa County, the state and the US. Arizona has been lagging behind the national average since 1990. Attracting companies that

need top talent becomes increasingly difficult, not only for Mesa but for the state as a whole. According to the Center for Education and Workforce from Georgetown University, of the 13 million jobs created since the Great Recession, 12 million required a bachelor's degree or higher. That imbalance is likely to continue. According to the US Bureau of Labor Statistics, 69% of all jobs created from 2016 to 2026 will require post-secondary education; about 40% will require a bachelor's degree at minimum and fewer than 12% will require only a high school diploma. Mesa needs to place a high priority on the entire education continuum going forward.

Jeff Pitcher asked if those degrees would be limited to certain technology degrees. Ms. O'Donnell stated all bachelor's degrees were included in those statistics.

In terms of the percentage of employees by industry, Mesa is faring exceptionally well in occupations in health care and social assistance as well as educational services, but falls below county, state, and national averages in the key areas of information, finance and insurance, and manufacturing. These sectors are typically associated with higher paying positions as they require more advanced education and a greater degree of technical skills. The professional, scientific, and tech services sector ranks below the county and the US. These are establishments that specialize in performing professional scientific and technical activities for others, such as legal, accounting, engineering, computer, consulting, and veterinarian services. Mesa is 1.8% and 2.1% higher than the national average in retail trade and accommodation and food service areas respectively. The focus needs to be on attracting and retaining quality employers who seek a professional labor force. That will help to transition Mesa away from a service-based economy and help diversify with those higher wage jobs.

Construction in real estate in the City continues to get stronger since the Recession. Mesa has experienced the highest rates of growth in the development and absorption of industrial and flex space compared to the East Valley submarket, which includes Chandler Gilbert, Tempe, the Gateway Airport/Loop 202 area, and the Superstition Corridor. Compared to the Phoenix Region as a whole, Mesa has experienced lower rates of growth in the development of office and retail. A few short years ago, Mesa was very deliberate in pursuing industrial development. Now we need to focus on growing Class A office space, as we need the inventory as well as those jobs.

The GPEC FY18 Locates Analysis shows that the average wages for office projects are almost double that of manufacturing projects. Mesa needs to enhance the efforts to attract those office projects.

Strategic Plan Goals:

Goal 1 - Attract and expand more companies and create and retain quality jobs. We need to collaborate with stakeholders and partners, continue to build compelling business cases for our industries of opportunity, increase the number of business retention and expansion visits, and enhance the programming of entrepreneurship and small business development activities and grow our own companies.

Goal 2 - Increase Mesa's visibility and improve its image to reach new audiences in key industry segments and investment organizations. We want Mesa to be known nationally as a premier location for business as well as for talent. We will execute focused marketing campaigns, communicate the value of economic development to our leadership as well as residents, and partner with stakeholders in promoting the regional cooperative marketing strategy.

Goal 3 - Increase the capacity for attracting quality economic development citywide. We will continue to facilitate development projects such as AZLabs and LaunchPoint, strengthen relationships and improve coordination with workforce development partners, and integrate and implement the Action Plans for the Southwest, East, and West Redevelopment Areas, Central Business District, and established Town Center.

The Performance Measures for FY2019-2022 are basically the same as the last few years, although we have moved towards more outcome-based measures which are the standards for economic development nationally and internationally.

For the next three fiscal years, we have increased our goals in order to attract and retain an additional 6,000 jobs, \$1 billion in capital investment, create an additional 1.2 million SF of commercial, and assist an additional 85 companies at a minimum.

BOARD DISCUSSION:

James Christensen stated that Mesa does not have a lot of educational choices. We have some great Universities with ASU and U of A, although a lot of kids are leaving Mesa. How deep does economic development go in taking kids from grade school to high school and into the university and college systems? We need to push kids earlier to focus on a degree or field and they need information on the income potential and number of jobs in Arizona for different degrees. That is the piece that will feed all of Mesa's goals.

Vice Chair Kasselmann asked how we can encourage kids to want to stay in Mesa or to come back to Mesa after college. A greater quality of life can be created here through jobs, education, and the culture of the area. There may be a fourth strategic goal to strategically transform the attractiveness and vibrancy of Mesa in order to bring new jobs, retain jobs, as well as to keep our homegrown talent.

James Christensen felt the lifestyle is what is missing in Mesa compared to some of the cities we are competing with. Companies are looking for communities that offer everything they want. How can Mesa create enough of those opportunities to live work and play in the same area? He agreed with the focus on technology, healthcare and education. He was not enthusiastic about call centers, although they do serve a purpose and a segment. Those types of jobs typically do not provide a path out of that lifestyle.

Chair Ovando-Karadsheh felt it would be great to have a goal regarding quality of place to pass over to Planning & Zoning and to Council to be considered in the process as we look at projects. We don't want to just choose endless housing or car washes or assisted living or have disproportionate numbers of certain types of businesses at the cost of others. How can Mesa encourage development of great projects such as the mixed-use at Power and Ray? Quality of place needs to be a priority in order to attract that kind of development and to reach our goals.

Rich Adams noted that Visit Mesa spends a lot of time telling the rest of the country and the world what a great place Mesa is to visit. There are a lot of great resources on recreation and entertainment. Maybe we need to focus those efforts locally to educate Mesa residents.

Bill Jabjiniak noted 11 or so years ago, Mesa's reputation was as a retirement destination. That is very hard to break. We have made great strides in the last 10 years, although the decision makers at Council and the Planning Board have to start pushing for higher quality and not settling. What is the right balance and how can we help guide that? Measuring quality of place or lifestyle would be a good thing to dig deeper into. Also included in the Strategic Plan is a basic economic development presence of investing in infrastructure. There are places in Mesa that do not have proper water, sewers, and roads. For Mesa to compete, we need the ability to invest. Every four years, we go out for a bond for infrastructure. We need to bring the quality of the growth at the right place. The reason the Vivo development is at Power, Ray and the 202 is because of the trade area across the street. Part of the Council is still debating that development because housing was put above retail. It is in the flight path, out of one noise contour into a second level noise contour. This is the type of product that Mesa needs a lot more of, and not just in southeast Mesa. We need to look beyond a three-year strategic plan. It is about changing culture and changing a method. We report to the City manager twice a year on the progress on our goals, and we have made great progress in the last four to five years. A lot of this has

to do with educating the decision makers. He encouraged the Board members to talk to the elected officials as well as appointed officials.

Jaye O'Donnell stated there are 14 staff members looking at the areas of workforce development, lifestyle, housing, marketing, placemaking, and education. Those are all extremely important and definitely influence what staff can do, although the question is how deep do we dive into these areas. Staff has the desire to be very involved, although there is limited staff and limited time. She welcomed EDAB's input on the priority of some of these issues. That voice can be used from a policy perspective to help staff to not necessarily narrow the focus for economic development, but to strategically broaden where we should be in terms of education or workforce development to make sure we are growing these key areas.

Bill Jabjiniak stated for the last two years, Jaye O'Donnell, as the Assistant Economic Development Director for the 35th largest city in the country, has spent almost 50% of her time on the Mesa K-Ready program. That is how important that aspect of education has become at a peak time when we need all hands-on deck pushing for jobs. Workforce is probably the biggest issue that we are asked about, and in our discussions, we include the other communities within a 15-minute drive.

Matt Likens noted there was no mention of the community college system, which is a real asset for Mesa. There are a number of locations that offer a very economically attractive alternative for the first two years to help people figure out what they want to be. That can be emphasized as way for people to get started on the right path.

Chair Ovando-Karadshah expressed the Board's support for Jaye O'Donnell and the Economic Development staff and all of their efforts. The Board will review the draft in more detail and provide any further feedback to Ms. O'Donnell through email.

7. Director's Update

The Mayor reported during the State of the City that AT&T has been investing in their property at Alma School and University and anticipates adding a minimum of 500 jobs. That is a great adaptive reuse of that property and it will energize that part of the city, which does not see a lot of capital investment. There are other major projects in southwest Mesa that will be rolling out in the near future.

A land auction that will take place at the northwest corner of Recker and Thomas has caused some concern. It is 132 acres that was originally designated as a park and there are discussions about selling that property for a residential development.

There is development coming around Longbow. Fat Cats has a fence up, there are several restaurants, and other leases being negotiated, and we are continuing to work with a hotel developer.

A graduate of LaunchPoint will be staying in Mesa. Urbix Resources has signed a lease for 31K SF at the East Group property on Greenfield in the Falcon Field area. Some storage is being provided by Falcon Field Airport for the graphite. They will have 30 to 40 jobs when fully occupied.

Matt Likens was congratulated on his success in raising capital for GT Medical Technologies' GammaTile technology.

FujiFilm will hold their groundbreaking on February 28.

The GRID in downtown has received funding and the goal is to break ground as soon as possible. This development will be a nice addition to the downtown.

Jeff Pitcher was congratulated on his new position with Stinson Leonard Street LLP.

8. Other Business

February 27, 2019 - Joint EDAB and Planning & Zoning Board Retreat. Chair Ovando-Karadsheh stressed the importance for Board members to attend. There will be a panel discussion on visioning. The Strategic Plan draft should be fully reviewed prior to that meeting.

Rich Adams stated there was discussion of a joint meeting back when he served on the Planning & Zoning Board and he applauded Chair Ovando-Karadsheh for putting the joint meeting together.

Chair Ovando-Karadsheh stated the joint meeting will provide great support for City Council as well in having the visions aligned so we can all work together as a team to promote and grow Mesa to become a vibrant, dynamic, job-laden city that is recognized throughout the world.

March 5, 2019 - EDAB will meet at Gateway Commercial Bank for a very brief Board meeting and then tour the Elliot Road Tech Corridor. James Christensen was thanked for volunteering his offices for that meeting.

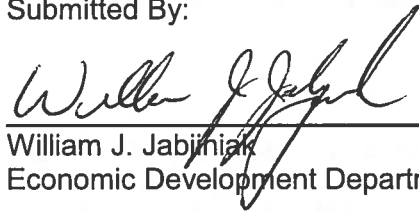
An invite was sent out to the Board for the Business to Baseball event.

An email will go out to the Board with all of the upcoming meeting and event dates, times, and locations.

9. Adjournment

Chair Ovando-Karadsheh adjourned the meeting at 8:58 a.m.

Submitted By:



William J. Jabiniak
Economic Development Department Director

(Prepared by Dana Desing, TEI: 14082507)