

Office of Economic Development
Economic Development Advisory Board
MEETING MINUTES

Date: May 22, 2007: 7:00 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 (excused)
Jack Sellers
Charlie Deaton

STAFF PRESENT

Betsy Adams
Shelly Allen
Sue Cason
Harold Decker
Debbi Dollar
Cathy Ji
Shea Joachim
Patrick Murphy

MEMBERS ABSENT

GUESTS

Tom Reyes
Tom Verploegen
Lois Yates

1. Chair's Call To Order

Chair Mike Garcia called the May 22, 2007 special meeting of the Economic Development Advisory Board to order at 7:00 A.M. at Mesa Fire Station #201, Community Room, 360 East 1st Street, Mesa, Arizona 85201.

2. Approval of Minutes of the April 3, 2007 Regular Meeting

Chair Garcia called for a motion to approve the minutes from the meeting held April 3, 2007.

MOTION: Brian Campbell moved the minutes from April 3, 2007 be approved.

SECOND: Ted Wendel

DECISION: Passed unanimously

3. Discuss Proposed Changes to the City of Mesa Incentives Policy

Chair Mike Garcia explained that the special meeting had been called to discuss a Draft of the recommended City of Mesa Incentives Policy that he and sub-committee members had drafted as a starting point for a policy adoption by City Council. Chair Garcia stated that Mesa should take the leadership role and work with the other cities for an agreement to follow a standard policy throughout the East and West Valley and to work with legislation for the entire state.

Mr. Mathern asked if there was a point system from other cities or states, other than the packet information from San Antonio, Texas, that could be used as a guide and possible catalog.

Vice-Chair Campbell commented that as many incentives, tools or points should be included as possible, but also cautioned that the flexibility should be there to match the needs of an employer along with as many incentives as can be offered.

Chair Garcia commented that he would like to see a catalog or brochure available to be used as marketing material.

Chair Garcia asked Mr. Deaton if the Mesa Chamber of Commerce had ever done a study on incentives and if he knew if GPEC had done a study?

Mr. Deaton responded that the Chamber had not done a study on this and that he was sure that GPEC had been working on researching incentives.

Mr. Mathern offered to volunteer, along with others, to assemble all the research information.

Mr. Sellers commented that he serves on a committee at GPEC and research is being done. It still doesn't change the fact that developers need to have the permitting process streamlined and sped up even more than it has been.

Ms. Schroeder commented that there are two levels that need to be addressed and broken down. One is, what can we do for incentives and the other is, what area can it be done in. The Board needs to determine exactly what is wanted or needed in order to proceed.

Mr. Shope suggested that WGA be broken down into two areas; one into Research and the other into Manufacturing.

Ms. Debbi Dollar, Assistant City Manager, suggested that the sub-committee meet with the Mayor and Vice-Mayor before going any further with the incentive policy to see if it is a direction that the City Council would consider or accept.

Chair Garcia and the sub-committee agreed to the meeting with the Mayor and Vice-Mayor and asked for Ms. Allen to help set up the meeting.

Mr. Easter commented that consideration should be given to classify corporate headquarters, refine head count to define emerging points criteria given for incentives. Also there needs to be a differential between Business Expansion and Retention.

The question was asked if there was any feedback for taking retail off the incentives that is being discussed in the State legislation and will the other cities play fair?

Mr. Decker explained that the car dealers needed to be offered incentives, otherwise they are not going to stay in Mesa or even come to Mesa. Mr. Decker suggested looking at what the other cities are doing. Developers/Brokers and corporations are telling him that there needs to be incentives to come to Mesa, especially with the high cost of housing and land prices. Those two concerns are a major drawback to locating in Mesa.

Vice-Chair Campbell reminded the Board that the meeting discussion goal was to layout ground rules in order to empower and give the staff the tools to work with.

Ms. Lois Yates, Executive Director of Falcon Field Area Alliance, commented that the Planning & Zoning Board is looking at revising zoning and in their discussion process are looking at employment areas.

4. Foreign Trade Zone Application Update

Mr. Murphy briefed the Board on the progress of the application for the major boundary modification of the Foreign Trade Zone (FTZ) No. 221. Mr. Murphy stated that Mesa's FTZ was established in April 1997, and is located at Williams Gateway Airport. The current FTZ contains approximately 3,020 acres of which 1,600 acres are airfield infrastructure including runways and over-flight areas. The major boundary modification will remove these 1,600 acres. The major boundary modification also includes the addition of 606 acres. The 606 acres is privately owned land that is adjacent to the existing FTZ. The plan for this area is to develop a state-of-the-art industrial complex. The Economic Development Division and the Williams Gateway Airport Authority recommend approval of the proposed major boundary modification to Foreign Trade Zone No. 221. The City Attorney's Office approves the legal form of the Resolution.

5. Director's Report

Ms. Allen briefed the Board on three items. The first was that interviews are being conducted for three Program Manager's positions on May 30, 2007 in the Economic Development Office. Chair Garcia has agreed to be on the panel for the interviews.

The second item is that as of June 30, 2007 there will be three EDAB Board member positions open that need to be filled. Ms. Allen asked if there were any people that the Board might know that would be interested in serving on the Board. The term is three years. Please contact Heidi Gast (480-644-3002) in the Mayor's office. A letter of interest and application must be submitted to the Mayor for consideration of a board appointment.

The third item is that a broker has been hired to help market the 30-acre parcel at the southwest corner of University & Mesa Drives. It is the same broker that is marketing the southeast corner of Main & Hibbert Streets. There has been a great deal of interest in both sites.

6. Other Business

Ms. Debbi Dollar commented that Jorgensen Consulting has been chosen to recruit for the Economic Development Manager position. They are going over the applications and hope to have 6 to 8 candidates to interview toward the middle or end of June.

Sub-Committee Reports

Chair Garcia asked for reports from the Chairs of the sub-committees and commented that he would like to meet with the sub-committee working on city draft incentives policy before the next EDAB meeting, sometime in June. Chair Garcia would be in touch.

Vice-Chair Campbell commented on his meetings with various people from the WGA area. He has been working with and in constant contact with Roc Arnett of East Valley Partnership on various projects.

7. Comments from the Board and Public

Mr. Tom Verploegen, President of Downtown Mesa Association gave a handout to those present. The handout was a report on the "Financial Analysis – Part One Downtown Mesa Square Mile Public Revenue Generator." He encouraged the draft incentive policy and requested that the downtown area be included.

It was noted that the next regularly scheduled EDAB meeting would be held June 5, 2007, but it was suggested to possibly hold it at a later date in June, due to the finalizing of the Draft Incentive Policy revising and meeting with the Mayor and Vice-Mayor. Will keep everyone updated.

8. Adjournment

Chair Garcia adjourned the meeting at 8:22 A.M.

Submitted By:

Shelly Allen, Interim Economic Development Director
(Prepared by Betsy Adams)