

## MEETING MINUTES

**Office of Economic Development**  
Economic Development Advisory Board  
57 E. 1<sup>st</sup> Street  
Lower Level Council Chambers  
Mesa, AZ 85201

**Date:** June 7, 2016 **Time:** 7:30 A.M.

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### **MEMBERS PRESENT**

Terry Benelli  
James Christensen  
Natascha Ovando-Karadsheh  
Dominic Perry  
Laura Snow, Chairman  
Jo Wilson, Vice Chair

### **EX-OFFICIO**

Mayor John Giles (excused)  
Chris Brady (excused)  
Rich Adams (excused)  
Brian Campbell  
Jeffrey Crockett  
Sally Harrison

### **STAFF PRESENT**

Bill Jabjiniak  
Jaye O'Donnell  
Pat Block  
Marissa Garnett  
Michele Freed

### **MEMBERS ABSENT**

Jeff Pitcher

### **GUESTS PRESENT**

Mayor John Lewis, Town of Gilbert  
Chelsea Faggiano

#### **1. Chair's Call To Order**

Chair Laura Snow called the Economic Development Advisory Board meeting to order at 7:31 a.m.

#### **2. Items from Citizens Present**

None.

#### **3. Approval of Minutes from the May 3, 2016 Board Meeting**

Chair Snow asked for a motion to approve the minutes from the May 3, 2016 meeting. Terry Benelli noted that a correction needs to be made on page 9 of the minutes. An incorrect location is listed for one of the Falcon Field projects mentioned in the minutes. Director Jabjiniak said he would correct the minutes to reflect the correct information.

**MOTION:** Vice Chair Jo Wilson (noting the correction on Page 9)

**SECOND:** Dominic Perry

**DECISION:** Passed Unanimously

Chair Laura Snow, noting time constraints Mayor John Lewis was under, suggested making a switch to the agenda and moving the election of officers until after Mayor Lewis' presentation. She then invited Town of Gilbert Mayor and Incoming President of East Valley Partnership, John Lewis, to begin his presentation.

#### **4. PHX East Valley Presentation**

Mayor Lewis began his presentation by referring to a handout he had provided for members of the Advisory Board and directing the Board's attention to his PowerPoint presentation. He said that he wanted to share some things that are happening on a national scale in terms of marketing. He revealed the brand of the PHX East Valley. He stated that Scott Smith is one of the greatest regional leaders residing in Mesa. He shared that Scott Smith makes an impact on a national level all around the country. Several years ago, Scott Smith had expressed concern about the fact that people didn't know where Mesa was located. Mr. Smith found that people were often aware of Greater Phoenix and the region in general, but not specifically aware of Mesa. With Mr. Smith's encouragement, they came up with a project to brand the East Valley. Mayor Lewis provided a graphic showing the name and logo that was chosen. He indicated that this branding refers to a geographic area that compressed six municipalities: Tempe, Mesa, Apache Junction, Chandler, Gilbert, and Queen Creek. Florence and Pinal County are also actively involved, as well as the Salt River Pima Maricopa Indian Community. The focus within this branding has been on Talent, Growth and Opportunity and to make a national market aware of the East Valley. The project was originally developed as a three-year project and currently they are 18 months into the project.

When looking at a national audience, Mayor Lewis shared that education was at the forefront of attracting a national audience to the East Valley. He discussed the percentage of the East Valley population, aged 25 or older, with a Bachelor's Degree or higher. The Arizona average is 27%, the U.S. average is 29%, but the East Valley average is 36%. This number presents very well to companies outside of Arizona looking to relocate to Arizona. This number indicates the East Valley has a strong workforce. This figure indicates the area has an educated group of adults in a geographic area, as well as a group that would be very focused on education for their children and their communities. He briefly pointed out some of the accolades given to some of the six municipalities involved in this project. He also shared that currently there is 9,514,480 million square feet of development, which translates into the fact that there are many great things happening in the area. He shared an estimate that predicts in the next 30 years, there will be a million new citizens and 400,000 new jobs in the PHX East Valley. Mayor Lewis pointed out the need to be ready for those jobs. He feels that education leads the way in addressing this need. He mentioned that the City of Mesa is leading the way with Pre-Kindergarten instruction and other initiatives currently underway. He referred to some growth and population statistics, pointing out that these strong numbers are key indicators of a strong area. The PHX East Valley has 31,874,178 million square feet of shovel-ready property. The City of Mesa has especially been known for having shovel-ready properties and he thanked Director Jabjiniak for his many efforts to work with other team members inside the City to make this happen. He discussed the ease of access to our workforce, indicating a slide showing the distance to major cities in neighboring states. He also pointed out some other benefits of doing business in the area: Lower business costs, high-wage job growth, access to talent, diverse real estate and a robust infrastructure.

Mayor Lewis shared that a 20-Member Marketing Committee had been formed that is leading the efforts in this campaign. He noted that Jaye O'Donnell is the chair of the committee. When the marketing committee was organized, the focus of the campaign was to take the PHX East Valley brand and elevate the brand throughout the country. This campaign would evolve in several different ways. The first method the committee is using is media pitches. Media pitches are used in an effort to elevate the PHX East Valley to national media outlets to gain additional media coverage, as well as crafting PHX East Valley-centric media pitches and press releases highlighting the assets in the region. A second strategy is hosting Media Familiarity Tours (Fam Tours), in an effort to target influencer media to visit the valley to see first-hand the economic development opportunities in the area. The final component of the strategy is Cooperative Marketing. This effort includes exposure at national tradeshow, as well as online advertising and reaching out through blogging, newsletters and Social Media. Mayor Lewis noted that in terms of Cooperative Marketing, a great deal can be done to share costs amongst the municipalities in these efforts. These efforts are also done in partnership with GPEC and ACA. He stated that the 20-

member Marketing Committee meets monthly. He further shared some of the items the committee has been working on and specifically discussed the results they have seen from these efforts, noting that one way to gauge results is in terms of media impressions year-to-date. The campaign, including Fam Tours showcasing the region to national reporters resulted in \$5,453,359 earned media value and 204,906,912 media impressions year-to-date. These results indicate the campaign is doing very well. He indicated that the activity on Social Media is very high. He shared a list of the 20+ partners that have invested in the campaign. Going forward, the PR Campaign will continue, as well as the Online Campaign, Organic Reach, Trade Shows, and Media Fam Tours. He shared that Chelsea Faggiano, Digital Media Marketing Specialist of the East Valley Partnership, has been working on a blog and a monthly newsletter. The committee is looking to maximize all the resources to reach an even broader national audience with this ongoing campaign. Mayor Lewis finished his presentation and asked the Advisory Board if they had any questions or comments.

Brian Campbell thanked the Mayor for his presentation. He noted that the government component involved in this campaign was only a small portion of the overall investment. He noted that by a 3-to-1 margin, the campaign was able to utilize private dollars for this campaign. He mentioned that the list of accolades that had been received by PHX East Valley municipalities had happened after the start of this campaign. He believes this national recognition is likely a result of this ongoing campaign. Third, regarding the education component, he mentioned the GO60 campaign that will be coming forward and pointed out that the City of Mesa will be playing a big part in the GO60 campaign. He shared that when GPEC is out discussing the region, education is the number one issue that is brought up, specifically in terms of a workforce perspective. With the passage of Prop 123, and the new Board of Regents Initiative coming out, as well as the efforts that will be made by his successors at East Valley Partnership, he believes that Mesa will be able to really drive this forward.

Question: Terry Benelli asked who the target audience was for the PR campaign.

Answer: Mayor Lewis stated that the PR Campaign has specific targets depending on the type of audience. He noted that many of the articles that have gone out are very general in nature, but some are specific to City of Mesa.

Comment: Chelsea Faggiano stated that she would like to add additional information to the question that was asked by Board Member Benelli. Ms. Faggiano replied that their focus is on C-level business executives and site selectors through the social platforms and in their PR strategy.

Comment: Mayor Lewis mentioned that they are working with a public relations firm, which is one of the best in the Valley. In terms of determining who to target for Fam Tours, the PR firm is very helpful in suggesting who to reach out to and also in helping coordinate those efforts.

Question: Chair Snow asked if Bill Jabjiniak could give an example of how the City of Mesa has benefitted downstream from this type of activity.

Answer: Bill Jabjiniak shared a recent example. Due to exposure created by a writer for one of the publications, a writer came in and did a couple of articles which presented the City of Mesa very well. Director Jabjiniak also mentioned that they have seen substantial growth due to this effort. He also noted that Japanese companies are starting to show more and more interest. He believes this is due to multiple avenues of reaching out to Japanese industries and getting Japanese newspapers to write articles. He discussed the fact that many countries aren't familiar with Mesa. They may have heard of Phoenix, but they don't know any other cities in Arizona. He said it requires talking first about Arizona, then talking about a sub-region or city. Director Jabjiniak indicated that they had received a lot of benefits for the \$15,000 investment they have made in this campaign. They continue to see more and more interest from these outreach efforts.

Comment: Jaye O'Donnell shared that within the packets given to each Advisory Board Member, there are specific results for the City of Mesa. She noted that in this particular section, there is a list of all the articles published in which Mesa was mentioned. She wanted the Advisory Board to be aware that one of the reasons the City of Mesa participates in this effort, is that it leverages their dollars and results in things that could not be done individually as a municipality. The return for such a low \$15,000 investment could not be duplicated. She also pointed out that when all the assets that the East Valley has to offer, it really takes the media pitch to the national level. Ms. O'Donnell gave a few details regarding a Technology Familiarization Tour and another Familiarization Tour with a Leisure/Travel focus (Agritainment). She said there will be another one in the fall focusing on Health Care/ Life Sciences. She mentioned that they have also been able to cooperate on trade shows under the PHX East Valley umbrella. The cost to have a booth at this type of event costs around \$10,000. This cost would limit the number of events the City of Mesa could be involved with, but when they partner with the PHX East Valley, the costs are reduced to around \$2,000. She believes they are getting a great ROI (Return on Investment) for the money they have invested.

Comment: James Christensen wondered if they could get further information about the 36% of residents aged 25 and up with Bachelor's degrees. He stated he would find it helpful to know what specific degrees had been obtained. He is concerned, going forward, that the educated workforce will not be as strong in the S.T.E.M. fields. He also briefly discussed the health care component, noting how difficult it is to see a specialist, often having to wait 45 to 90 days to get an appointment. He is concerned with the shortage now and also anticipates a shortage in the future in the medical field.

Chair Laura Snow thanked Mayor Lewis for his presentation.

## **5. Election of Officers**

Chairman Laura Snow stated that they needed to elect officers for the 2016-17 term. She indicated that she and Vice Chair Jo Wilson would be ending their tenure as Chair and Vice Chair, so a new Chair and Vice Chair needed to be elected. Chairman Snow nominated Jeff Pitcher for the Chairman position and Natascha Ovando-Karadsheh as the Vice Chairman. She asked if there were any other nominations. Vice Chair Jo Wilson seconded Chair Snow's nomination. She asked if all were in agreement with the nomination. The nomination was approved unanimously.

Question: Terry Benelli asked if Jeff Pitcher had agreed to the nomination.

Answer: Chair Snow replied that he had agreed to be the Chairman.

Chair Snow shared that it had been her honor to serve as Chair for the past two years. She looks forward to great leadership from the incoming Chair and Vice Chair.

## **6. Director's Report on GPEC Activities and Marketing and Business Development**

Director Jabjiniak stated that after the Germany trip with GPEC, his team is very enthused and they have started to see results. They have two live projects, which hopefully will translate into decisions within the next six months. He noted that this is a direct result of strategic sit-downs and conversations in Germany. He also pointed out that this trip also helped finalize GPEC's Action Plan around Foreign Direct Investment.

Comment: Brian Campbell encouraged everyone to read GPEC's Strategic Action Plan when it becomes publically available. He noted that he has shared drafts of the Action Plan with Bill Jabjiniak and his team. He also noted that China was no longer as prominently mentioned, in regards to Foreign Direct Investment, as it has been in the past. Similarly, he stated that there are some unique issues developing

in the North American market, specifically energy prices. He also emphasized that the Action Plan is the most aggressive plan, in terms of numbers, in the history of GPEC. He told the Advisory Board that they would find it fascinating reading.

Bill Jabjiniak mentioned that in Fiscal Year 2017, the GPEC jobs goal is 6,556, with a target of 7,212 and a stretch goal of 7,933 jobs. He pointed out that this is a big target for a region that is still trying to figure out their strengths and how to diversify.

Comment: Brian Campbell shared that the last jobs report they received nationally, showed a target of 28,000 jobs nationally. GPEC's stretch goal is 25% of the number of jobs nationally, in the Greater Phoenix region. This is a very aggressive goal.

Bill Jabjiniak told the Advisory Board that a Mesa resident, Chris Zaharis, would take over as chair of GPEC. He pointed out that Brian Campbell has been on the Executive Committee for years. He also noted that Jeff Crockett and Rich Adams sit on the Board. He is looking for the East Valley, and Mesa particularly, to present itself in a strong way over the next few years.

Comment: Natascha Ovando-Karadsheh stated that she feels that all the pieces are coming together nicely. She has seen a change and she acknowledged that great efforts had been made to bring so many pieces together. She believes this forward investment is going to make a big impact.

Bill Jabjiniak said that he will have a pending locate announcement in the next week. He shared that the process can be very long from start to finish. He introduced Marissa Garnett, a new member of his Economic Development team. Ms. Garnett is an Economic Development Specialist. He revealed that she is an A.I.C.P and can quickly digest a lot of the GPEC leads for the Economic Development team. He is still recruiting for a Deputy Director. He revealed a new marketing brochure they had just developed that highlighted some of the different districts in Mesa. He noted that when someone shows interest in Mesa, this marketing brochure is a starting point to begin dialogue.

In terms of marketing, Bill Jabjiniak said that last Thursday, they had issued a MultiView digital ad campaign, which he believes will be a more aggressive approach in terms of marketing. His team continues to see a lot of interest from large investments around the Data Center Initiative. He shared that the Economic Development team had attended some trade shows and conferences, mentioning that Jaye O'Donnell had represented Mesa at the spring conference for the state association. She is also taking on a leadership role with the Policy Impact Dinner. He advised the Board that his staff had just returned from San Francisco where they had attended an International Microwave Symposium. At the Symposium, his staff interacted with a lot of foreign companies who were interested in the area.

Comment: Brian Campbell mentioned that Velocity is about to get kick-started. Velocity is a public-private partnership and strategy for reorienting the region's economy toward advanced industries, trade, and a technologically skilled workforce. The 501(c)3 has been set up and it has been set up as a separate entity. He shared that the new name would be "Partnership for Economic Innovation" and Velocity will be the project name.

Question: Dominic Perry asked if there were any further details regarding ASU in Downtown Mesa.

Answer: Bill Jabjiniak answered that this proposal is before Council every two weeks. The Council has voted to move the Initiative to the ballot. They are looking to identify the final financing component.

Question: Dominic Perry asked what the Return on Investment (ROI) was for the City of Mesa in regards to ASU coming into Downtown Mesa. He wondered what ASU was paying in revenue and he also wondered about how parking and security were being addressed for students that would be onsite.

Answer: Bill Jabjiniak pointed out that the Government sector operated a bit differently than the private sector. The City's goal with ASU is to create both a direct and indirect economic impact. He didn't have the exact numbers that ASU would pay before him, but indicated that it was roughly \$100,000.

Question: Dominic Perry asked if that was an annual cost.

Answer: Bill Jabjiniak answered affirmatively.

Question: Dominic Perry asked how many square feet that paid for.

Answer: Bill Jabjiniak answered that it was approximately 200,000 square feet.

Comment: Dominic Perry pointed out that this was not anywhere near market rate.

Answer: Bill Jabjiniak said they were building an asset and looking at the student population and their potential for future economic impact. He said there had been quite a lot of discussion on how to make this deal fair to everyone that is already invested in the Downtown area. He said ASU coming to Downtown Mesa is looked at more as a long-term City asset.

Comment: Brian Campbell stated that the deal Mayor Giles has put together with ASU and some of the other partners, is significantly better than those put together by neighboring municipalities. He is very confident of the future success of this deal.

Comment: Jo Wilson said she was initially concerned about the equity of the proposed deal, but she pointed out that those concerns are being addressed. This will be an educational initiative, not only an ASU initiative. Part of that initiative will allow the City to build-out the rest of Benedictine's building for them. She shared that Benedictine has currently maxed out all of their facility, yet they anticipate 100 additional students next year and need to have a place for them. This initiative will help Benedictine grow and will help bring students to Downtown Mesa.

Bill Jabjiniak pointed out that the situation in Gilbert with Saint Xavier University has also happened in Mesa on a smaller scale. Mesa brought in five institutions and one of them has departed. He mentioned that Upper Iowa University would be cutting back on the programs it will offer. They will offer the one program they are strongest in: Nursing. They expect over 200 nursing students, but they will not be offering additional majors. Wilkes has pledged to continue in the area and they are starting to make inroads and grow their programs. Benedictine also has many exciting things planned for the fall. Their growth in sports has created quite a demand. Benedictine invested enough to sustain their growth during the earlier, slower time.

Comment: Jo Wilson indicated that Benedictine has put 13 million dollars into their investment thus far. They will be expanding their sports program and having to lease facilities due to their growth. This will in turn infuse money into the Mesa economy.

Comment: Natascha Ovando-Karadsheh stated that in her line of work, the number one question she gets from families considering relocating to the area, is about what kind of schools Mesa has. She believes that continuing to push the strengths of the Mesa Public School system is crucial. She said these potential residents have heard about ASU being in the downtown area and they like the idea of that. They also like the fact that Benedictine is there and the opportunities it provides.

## **6. Special Presentation**

Bill Jabjiniak thanked Chair Laura Snow for her service as Chair. He said that her knowledge and leadership had been very beneficial. Additionally, he indicated that Jo Wilson had termed out on her time on the Economic Development Advisory Board. He indicated she had served well for eight years. He

thanked her for her service and willingness to directly engage in conversation when concerns arose. He presented Jo Wilson with a clock as a gift of appreciation.

Comment: Jo Wilson thanked Bill Jabjiniak and stated that she is where she is today professionally, because of the Economic Development Advisory Board. At the time that Bill Jabjiniak came to Mesa, she was employed as the Provost at Mesa Community College – Red Mountain Campus. She and others recognized that MCC wasn't connecting with the City like they should be and Bill Jabjiniak was asked to visit MCC. She mentioned that when Bill Jabjiniak met with representatives from MCC, he suggested that having someone sit on this board would make the biggest impact. At the time, they asked the Business Chair, who it seemed would be the best fit for the board. Due to the fact that the Business Chair didn't live in Mesa, and several other potential candidates also did not live in Mesa, Jo Wilson accepted the position as she was a Mesa resident. She shared that her position on the Economic Development Advisory Board brought her to her current position at Benedictine University. She said that she would miss being on the board.

#### **8. Other Business**

Chair Snow announced that there would not be a meeting in July and the next meeting date would be August 2, 2016.

#### **9. Adjournment**

Chair Snow adjourned the meeting at 8:30 a.m.

Submitted By:

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William J. Jabjiniak  
Economic Development Department Director  
(Prepared by Debbie Frazey)