

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

Date: April 4, 2023 Time: 7:30 A.M.

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**MEMBERS PRESENT**

Rich Adams (Chair)  
Brian Campbell  
Michelle Genereux  
Steve Henderson (Excused)  
Kathleen "KJ" Jolivette (Excused)  
Christopher Nickerson  
Dominic Perry  
Laura Snow (Excused)

**EX-OFFICIO**

Mayor Giles (Excused)  
Chris Brady (Excused)  
Sally Harrison  
James Kasselmann  
Natascha Ovando-Karadsheh  
Jennifer Zonneveld (Vice Chair)

**STAFF PRESENT**

William Jabjiniak  
Chris Molnar  
Jaye O'Donnell  
Maribeth Smith  
Jack Vincent

**MEMBERS ABSENT**

N/A

**GUESTS**

Councilmember Julie Spilsbury  
Rachel Nettles  
Jeff Robbins

**1. Chair's Call to Order**

Chair Adams called the April 4, 2023, meeting of the Economic Development Advisory Board to order at 7:55 a.m.

**2. Items from Citizens Present - None**

**3. Approval of Minutes from March 7, 2023, Meeting**

Chair Adams called for a motion to approve minutes. A motion was made to approve the March 7, 2023, minutes by Christopher Nickerson, seconded by Dominic Perry.

Upon tabulation of votes, it showed:

AYES – Adams, Campbell, Genereux, Nickerson, Perry

NAYS – None

Chair Adams declared the motion carried by unanimous vote.

**4. Hear from Councilmember Julie Spilsbury regarding economic development in District 2**

Chair Adams welcomed Councilmember Spilsbury to the Board meeting and thanked her for graciously providing home-baked cinnamon buns for the Board.

Councilmember Spilsbury recalled that she spoke with the Board two years ago, shortly after being elected, via Zoom, but appreciated the opportunity to attend in person. She began her first term in January

2021, and shared that it had been a wonderful and fulfilling experience. The District 2 approximate boundaries are Gilbert to Sossaman, Baseline to University, stretching to McKellips between Val Vista and Higley and sits in the center of Mesa. A lot of residents live in District 2, which placed a focus on zoning cases. Last year in District 2 alone, there were at least seven intense, controversial zoning cases which led her to begin meeting with the Planning Director weekly.

Recently, Councilmember Spilsbury attended a housing symposium, sponsored by Home Arizona and the ASU W. P. Carey School of Business, where Elliot Pollack spoke. He stated that housing is an economic development issue and presented fascinating data and statistics. Councilmember Spilsbury has been making inquiries about Mesa's housing situation to understand the issues, and Mr. Brady and others have shared that the city is working on a balanced housing plan. A consultant will provide statistics and data, just for the City of Mesa, to deliver a housing baseline. We want to ensure we not only have enough housing in Mesa but have a good range of different types of housing available. Determining a balance of where to develop housing and where to protect employment corridors is crucial.

Councilmember Spilsbury shared that there is a lot of interest in certain vacant lots along US 60 in District 2 near Banner Gateway. Buckhorn Baths, at Main and Recker, is located in the middle of District 2 and has a new owner. The potential redevelopment concept could include a hotel, spa, restaurants, and retail on the corner. There are thoughts that they could use the Springs because they still exist; however, it is an expensive proposition. Additionally, District 2 includes Main Street from about Val Vista east to Sossaman. That stretch contains a lot of challenges, but also a lot of opportunities with empty lots or infill redevelopment. There are several old hotel/motels that potentially could be converted to housing using the low-income housing tax credit (LIHTC). Councilmember Spilsbury explained that the LIHTC Program promotes the development of affordable rental housing for low-income individuals and families. The LIHTC, rather than a direct subsidy, encourages investment of private capital in the development of rental housing by providing a credit to offset an investor's federal income tax liability. She shared that Save the Family is trying to find a location for a program benefiting single mothers in need of a place to live while working towards a degree. Upon graduation, Save the Family would assist them with obtaining more permanent housing. The City's Off the Streets program obtains hotel rooms for the homeless and includes wrap around services. The city is considering purchasing a hotel with CARES dollars since the program has been incredibly successful with a graduation success rate upwards of 70 to 80%. Police presence at the current hotel in the program is 24-hours and the surrounding neighborhood has also benefited from their presence. Dana Park is potentially the most identifying amenity in District 2, and she would like to see the addition of a hotel there. Finally, she recently became aware of the poor condition of the Bashas' shopping center at Power and Broadway during a homeless count with the Police Department and would like to see improvement in that corridor.

Mr. Jabjiniak added that the shopping center has been owned by Banner for more than 10 years with an original intent to develop medical office. He suggested including the property in an upcoming General Plan concierge interview with Banner Health.

Natascha Ovando-Karasheh thanked Councilmember Spilsbury for speaking with the board. Mesa has for a long time been known as a bedroom community, but over the last 15 years, we've worked quite hard to attract more employment. In addition, Mesa is a bedroom community with no primary property tax, which seems absurd. She felt that as Mesa has grown and located more business, the need to develop a vision of housing for the future is crucial. We need to consider how we absorb the new workforce for those businesses. Currently, housing is not being built at market rate for affordability, luxury apartments do not solve the blend that is needed. As a Board we've tried to be thoughtful about where to place housing. Our focus has been to protect airports and freeway frontage for employment. We no longer have endless land available for both housing and employment. This view has been unpopular at times, but Mesa has to take control of where all of these uses go and how it will lay out. She also suggested we

consider affordable housing in communities outside Mesa and Maricopa County. These areas are commutable to certain parts of Mesa in under 40 minutes.

Chair Adams agreed that attracting high-quality jobs should be the central focus. Thinking about what policies need to be enacted so that Mesa has the best opportunity to attract high wage, high quality jobs.

Mr. Jabjiniak concurred with Mr. Adams that there was a shift approximately 15 years ago to focus on employment rather than housing and retail. Commenting that quality housing follows high quality, high value jobs. Approximately a year ago there was press regarding Mesa being the most affordable big city in the country. Companies make economic development decisions around affordability for their workforce, and we have that story. Our objective should be to determine how to diversify that.

Dominic Perry asked if there were opportunity zones within District 2 and Mr. Jabjiniak replied that there were not. Mr. Perry commented that he is seeing an increase in utilization of opportunity zones. However, due to the heat of the market and cost of land currently, developers can sell buildings before tenant improvements are complete. Utilization of opportunity zones for redevelopment projects makes sense in the long term. How can we encourage or incentivize revitalization or redevelopment?

Bill Jabjiniak commented that the Office of Economic Development will include a brief discussion on revitalization and redevelopment during an upcoming budget presentation.

Councilmember Spilsbury offered an example of a developer reviving a shopping center at Greenfield and University with additional activity to include a Rally's, BoSa Donuts, brake shop, gym, and Goodwill.

Chair Adams thanked Councilmember Spilsbury for joining and invited her to remain for the rest of the meeting.

## **5. Hear an update on the City of Mesa 2050 General Plan**

Chair Adams introduced Assistant Planning Director Rachel Nettles and Sr. Economic Development Project Manager Jeff Robbins who will provide an update on the 2050 General Plan.

Mr. Robbins last spoke with the board in January regarding Tomorrow's Mesa which is the joint planning process for the City's water, transit/transportation, housing, and general plans. The fact that all these plans are part of the process this year provides an unprecedented chance to envision and plan for the future of our city. He shared data on the community engagement and feedback they had received so far. They've held eight public event booths where we set up our tent at an existing event and initiate contact with people who typically wouldn't involve themselves in the process. They've attended six public community meetings including the most recent at the Washington Escobedo community and held 32 listening sessions with business and organization leaders asking them about their views on Mesa and how we can shape the general plan to better enhance their opportunities for growing in Mesa. During an interview with the Mesa Chamber of Commerce they discussed how important it is to protect the airports and so they can continue to grow and develop as needed, what an important asset our canals are to quality of life in the city, the need for a new convention center, and the need for the general plan itself to be concise, easy to read, usable and less technical, so that anybody can know what's in the plan and how to deploy it.

A heat map of Mesa was shared identifying public participation concentrations to ensure every part of the city has a voice. There are some distortions due to participants identifying their major cross streets rather than a more specific location. For example, the concentration at Power and McDowell may be contributed to Las Sendas. Areas lacking engagement include the eastern county islands and the area south of downtown. They are focusing efforts on those areas.

Ms. Ovando-Karadsheh asked if the survey link or notice had been included in the water bill.

Mr. Robbins replied that there is no longer a mailer or advert that goes out with water bills. Rather, the city has converted that system into a quarterly newsletter. In the last two months, they received 500 clicks onto the survey through the newsletter.

Ms. Nettles shared that they are wrapping up the first phase of public engagement, called community contacts, which establishes a baseline of existing conditions and understanding why people choose to live in Mesa. The survey has been available for a couple months and received over 1,300 responses, as of a few weeks ago. That is a very good response rate for an online planning process survey. She shared a snapshot of a few responses regarding why residents choose to live in Mesa. The top three responses were friends and family, housing affordability, and employment close to home.

Chair Adams commented that it would be interesting to see what the top 10 responses were.

Ms. Nettles shared additional responses that included location within the metro area, open space, parks and recreation, safe city housing choices, easy to travel by car, events and cultural opportunities, and educational choices. There was also a fill-in option which could be shared once they are received from the consultant. The top three responses to the question, what are the top three issues facing Mesa, were housing affordability, water supply and public safety. She clarified that those who responded didn't consider Mesa an unsafe city, but wanted to ensure it remained that way by placing an emphasis on public safety. A few of the approximately 550 open-ended responses were shared and included a focus on redevelopment, sense of place and less drive-thus.

The Board was encouraged to share the TomorrowsMesa.com website with their contacts to encourage participation throughout the General Plan process. The transit and transportation master plans are included there as well. Next week the visioning process will begin, and will focus on the vision for Mesa's future, determining what guiding principles will carry the city into 2050, and the strategies behind those principles. Then we'll consider the city's future land use, and it will be a highly visual and interactive process. In coordination with the consultants, a partnership with ASU will allow for a 3D interactive experience to envision future Mesa development.

Mr. Robbins shared that on June 8<sup>th</sup> from 6:00 to 8:00pm they are holding a kickoff meeting in the large auditorium at the ASU MIX Center. Each of the plans will be available and residents/business community can engage with transit/transportation, housing, and planning staff.

Chair Adams inquired about what the Board could do to help this process become as successful as possible.

Rachel Nettles appreciated the Board's interest and feedback and encouraged them to push out information and opportunities for their networks to engage as well.

Mr. Kasselmann asked at what point in time after June does the vision come to a confluence with development. As part of the prioritization, does the general plan map out, for instance, this infrastructure must be in place by 2030 to achieve said development in 2050.

Jeff Robbins shared that the General Plan is highly general in its approach. It contains high-level general policies. The actual deployment is laid out in the specific plans that surround the general plan. They would get into a much finer grain. During this process subject matter experts will be consulted to develop a technology forward approach, investing in certain infrastructure to support Mesa's future. Fiber is one of these approaches that will allow the city to be ready for whatever comes next.

Rachel Nettles added that these other specific plans are being updated concurrently with the general plan and their final policies and actions will be driven up into the general plan. A high priority of this update is to have the implementation plan be metric driven specifying timelines and responsibility.

Mr. Adams thanked Ms. Nettles and Mr. Robbins for the General Plan update and looks forward to seeing additional data.

## **6. Director's Report**

Mr. Jabjiniak commented that the Office of Economic Development hosted two open houses recently. One included the City Council, the senior management team and charter officers, and on the 29<sup>th</sup> we hosted brokers, developers, Mesa business leaders, and advisory board members.

Boeing announced their second multi-year contract worth \$1.9 billion for 184 Apache helicopters. He mentioned recent press coverage, highlighting 11 articles within two days about Benchmark Technologies' opening in Mesa within 2 day. In addition, a nice article on the Asian District's vibrancy was published. Jaye O'Donnell presented the proposed signage plan for the Asian District to Council last night as part of Transportation's budget presentation. The Asian District branding campaign has really taken hold. Bill recalled approximately 10 years ago when Mr. Adams chaired the Falcon District branding effort and how the banners, box wraps and monument signs provide a sense of place. Finally, a recent article regarding Fiesta Mall's potential redevelopment created a lot of interest and phone calls.

As requested, we plan to hold the June board meeting at the Office of Economic Development office. The public is obviously welcome. He thanked SRP for hosting board members on a helicopter watershed tour this upcoming Thursday. In addition, MIG will hold a groundbreaking for the Elliot Mesa Commerce Center development between Power and Sossamon on the north side of Elliott Road adjacent to the canal at 10:30am on Thursday, April 6.

## **7. Other Business**

Chair Adams again thanked Councilmember Spilsbury, Rachel Nettles, and Jeff Robbins for joining the Board meeting. Additionally, he thanked Mr. Vincent for his legal guidance and appreciated everyone's patience while the Board worked to achieve a quorum prior to calling the meeting to order. Finally, he thanked SRP for the opportunity to attend the watershed tour.

The next board meeting will be held on Tuesday, May 2, 2023.

## **8. Adjournment**

Chair Adams adjourned the April 4, 2023, Economic Development Advisory Board meeting at 8:57 a.m.

Submitted By:

  
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William J. Jabjiniak  
Economic Development Department Director