

MEETING MINUTES
Office of Economic Development
Economic Development Advisory Board
120 N Center Street, Mesa AZ 85201

Date: June 6, 2023 Time: 7:30 A.M.

MEMBERS PRESENT

Rich Adams - Chair
Brian Campbell
Michelle Genereux
Kathleen "KJ" Jolivette
Christopher Nickerson
Dominic Perry
Laura Snow

EX-OFFICIO

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

STAFF PRESENT

William Jabjiniak
Lori Collins
Kim Lofgreen
Chris Molnar
Jaye O'Donnell
Maribeth Smith
Jack Vincent

MEMBERS ABSENT

Steve Henderson (Excused)

GUESTS

Laura Hyneman

1. Chair's Call to Order

Chair Adams called the June 6, 2023, meeting of the Economic Development Advisory Board to order at 7:31 a.m. and noted the 79th anniversary of the D-Day landings that began the liberation of Europe.

2. Items from Citizens Present - None

3. Approval of Minutes from May 2, 2023, Meeting

Chair Adams called for a motion to approve the minutes. A motion was made to approve the May 2, 2023, minutes by Brian Campbell, seconded by Laura Snow.

Upon tabulation of votes, it showed:

AYES – Adams, Campbell, Genereux, Jolivette, Nickerson, Perry, Snow

NAYS – None

Motion carried by unanimous vote.

4. Election of Chair & Vice-Chair for FY23-24

Chair Adams called for Chair and Vice-Chair board nominations for fiscal year 2023/24. Brian Campbell nominated Jennifer Zonneveld as Chair and Michelle Genereux as Vice Chair of the 2023/24 Economic Development Advisory Board. Christopher Nickerson seconded the nomination.

Upon tabulation of votes, it showed:

AYES – Adams, Campbell, Genereux, Jolivette, Nickerson, Perry, Snow

NAYS – None

Motion carried by unanimous vote.

Mr. Campbell noted that the appointment of Ms. Zonneveld and Ms. Genereux marked the first time in the history of the board where women held both the chair and vice chair roles.

5. Hear a presentation on Salt River Project (SRP) Sustainable Cities Program and the City of Mesa's Platinum Designation

Chair Adams welcomed Chris Molnar, management assistant with the Office of Economic Development, and Laura Hyneman, deputy director of Environmental and Sustainability.

Ms. Molnar shared that the SRP Sustainable Cities Pilot Program was developed in response to SRP's 2035 corporate goal to proactively partner with communities and Tribal Nations on economic development initiatives, specifically related to water, energy and sustainability programs. In that effort, a FY23 corporate objective was developed to implement a city certification program to help participating communities expand and promote their commitment to sustainable growth. SRP developed a program objective to work with and assist participating cities in identifying and promoting their sustainable assets, thereby emphasizing their commitment to sustainable growth to ensure they are most competitive for talent investment and jobs. This objective is in line with Mesa's strategic objectives and priorities, and for corporations today, sustainability typically involves three areas known as ESG or Environment, Social and Governance which have become standards for a company's behavior and are utilized by investors to evaluate potential investments. The definition of a sustainable city, for the purpose of this program, is a city that is actively working and making significant progress in addressing economic health, the environment, and social/cultural impact through urban planning and city management. Cities that embrace sustainability will be viewed as more progressive and differentiated on a competitive level from those not showing a similar commitment.

SRP launched the pilot program in October of 2022, inviting five cities to participate. There were three main components or sections of the designation - economic, environmental, and societal. Only three of the five cities chosen ultimately participated and received designations - Mesa, Phoenix, and Tempe. Three designations were available, platinum being the highest, gold, and silver.

The benefits to participating in the pilot program included identifying and assembling citywide sustainable assets, increasing the city's competitiveness for new talent, investment, and jobs, improving the overall quality of life and health for residents, serving as an example for other municipalities pursuing sustainable practices, connecting SRP sustainability resources to the city's goals and objectives, receiving guidance in messaging the city's sustainable assets and finally, the designation as an SRP Sustainable City. Ms. Molnar shared that while almost every department was working on a sustainability initiative, especially with the implementation of the city's climate action plan, there wasn't a collaborative message surrounding all those efforts.

Laura Hyneman stated that while Mesa has been working on sustainability initiatives for more than 15 years, the process of compiling citywide information into the program's questionnaire was invaluable.

The completed questionnaire was submitted to SRP in December of 2022. Boyette Strategic Advisors, a third-party consultant selected by SRP, completed a review and assessment of the submissions. Following their assessment, Boyette held an in-person review of Mesa's sustainability inventory which allowed an opportunity for the city to provide updates and clarifications to the inventory. Boyette delivered the city's formal inventory in early March and announced designations to us and in an SRP Press Release the first week in May.

Chris Molnar shared that the questionnaire included 121 complex questions. SRP wanted the cities to really dig into what we were doing and why we were doing it. The questionnaire was separated into three main categories, plus a sustainability planning section that covered what the city had already completed as well as the city's long-term sustainability plans. The economic section included subcategories and questions related to business competitiveness, land development, and local economies. The environmental section included energy efficiency, transportation, natural resources, waste management, conservation, climate protection, air quality, and green design and construction. Finally, the societal section included diversity, equity, and inclusion, health and wellness, education, arts, culture, and historic preservation, housing and neighborhoods, and community participation and education.

Laura Hyneman shared highlights from Mesa's sustainable inventory. Mesa's Climate Action Plan was adopted in 2021. Trees Are Cool is more than simply a tree planting initiative since it focuses on choosing the right trees for the right places to reduce urban heat in our community. Trees have multiple environmental benefits as they reduce heat, capture stormwater, and if planted correctly, help improve air quality by capturing carbon and releasing oxygen. While Mesa Recycles handles residential and commercial recycling material, Waste Not Mesa looks at the city's own operations. Water stewardship involves both water quality and water quantity. The City of Mesa has agreements with SRP for watershed protection, so that the quality of the water that comes into our reservoirs is not compromised. We also work within our community to ensure that the stormwater in our stormwater system, whether it percolates into the ground or flows to the river, doesn't contain contaminants that are hazardous. The city's water resources department has a diverse portfolio of water resources to ensure that we can meet the needs of our residential and commercial customers. Water conservation education includes programs to educate residents and businesses to use water more efficiently.

Mesa's first electric fire truck is on order for Fire Station 221, serving southeast Mesa, with an expected delivery of September 2023. Ms. Hyneman reiterated the environmental importance of transitioning to electric vehicles. The environmental impact of a gasoline diesel powered vehicle versus an electric vehicle doesn't compare. Air quality issues here in the Valley are paramount. To bring us into attainment with federal air quality standards, we must reduce tailpipe emissions, getting rid of that fine particulate matter and the ground level ozone that is generated by tailpipe emissions. Additionally, electric vehicles have a far smaller environmental footprint than a combustion engine when looking at the lifespan from manufacturing to decommissioning. Mesa is leading among Valley cities on electrification of our own light-duty fleet, and we are learning lessons while we do that. She encouraged the board to review the Mesa Listens page regarding the Community Electric Vehicle Adoption Plan to find out more. The city is working to remove obstacles and accelerate the adoption of electric vehicles within Mesa.

Regarding green building, the city has a multi-departmental group working on checklists and standards that will be built into the specifications for all future major renovations and new construction of city buildings. Mesa is also a founding member of a statewide coalition looking at green building codes that are specific to the southwest and work with already adopted building codes. Because this is a statewide initiative, some cities are further along in the process than others. There are plans to develop cost benefit analysis model codes that address urban heat, water, and energy. Building codes are typically written with a nationwide perspective. Ms. Hyneman shared that they are excited about that initiative because it includes both governmental and private sector voices within the coalition.

Ms. Molnar shared that once Mesa's sustainability inventory was established, Boyette provided observations or recommendations of other areas that we could explore or expand upon. Some of the recommendations were extensions of what the city was already doing. For instance, continuing to partner with new and existing businesses or industry and to encourage sustainable development, requiring all new and retrofits of existing government buildings to meet green construction standards, adoption of local policies to encourage green construction, such as expedited plan review, fee reductions, or waivers, and

similar incentives to address heat island mitigation. Additionally, programs to address food deserts could be expanded.

Mr. Perry asked for an explanation of a food desert.

Examples included regions where a higher number of residents experience food insecurity or residents that do not have a grocery store within a certain number of miles. Specific food insecurity programs were addressed in the societal section of the questionnaire; however, redevelopment may address the lack of nearby grocery stores.

Since so much of the Valley is paved, Chair Adams asked Ms. Hyneman to expand on the process of heat island mitigation.

Ms. Hyneman shared that ASU and U of A received a large grant from the Department of Energy to study urban heat mitigation strategies in this region. A portion of the study will focus on mobile home communities which often don't have places to plant trees for shade. The study is kicking off this summer, and, in a year, hope to have some practical examples to share.

Chair Adams suggested an update in a year as it's such an important initiative.

Ms. Snow recommended she follow up with Ms. Hyneman separately to dive a bit deeper into the healthcare aspects (i.e., healthy populations, solid workforce, reducing healthcare costs) and how they may partner.

Ms. Molnar shared that the last step of SRP's program was providing a designation based on their review of the submissions. The City of Mesa, through all our efforts and collaboration, was designated as a Platinum SRP Sustainable City, which is the highest designation. SRP is formalizing this program based on feedback from the consultant and participants for other cities to participate and will likely include a 3-year re-certification process.

Ms. Ovando-Karadsheh enquired if there was a national designation or similar program that could be leveraged due to the extensive inventory developed from this program. She stated that certain global companies select locations based on these type of designations.

Chris Molnar replied that she was not aware of a national designation.

Mr. Perry shared that there is a LEED certification available to cities, and Phoenix is certified.

Ms. Ovando-Karadsheh commented that this week's New York Times water article was quite damaging, and she appreciated the Greater Phoenix Economic Council's (GPEC) very strong statement clarifying the Valley's water position. She hoped that the City of Mesa would also release a statement about its water portfolio and the wonderful job the city does to manage its resources. She shared that she had received numerous emails and texts in response to the national article from people across the country saying Arizona is out of water and felt that we must get out in front of these water narratives or companies will make a decision not to come here based on an article they read in the paper.

Mr. Campbell suggested this board, or the city in general, develop a water offensive, for lack of a better term, to counteract future inflammatory stories.

Mr. Perry felt that this office and the city manager had done a tremendous job managing the city's growth based on water, especially along the Elliott Tech Corridor. Although there have been opportunities to

land huge projects that may have been major water users, the city's leadership chose to look farther into the future to sustain the city's water resources.

Chair Adams enquired if the full report was available for review.

Ms. Molnar replied that Ms. Smith will provide the report to the board.

Chair Adams requested Ms. Hyneman share information on the disposal of electric batteries, and the impacts or non-impacts thereof, at a future meeting.

Mr. Jabjiniak shared that a tremendous number of electric battery manufacturers are looking at southeast Mesa due to its power infrastructure.

6. Director's Report

Bill Jabjiniak shared that the department had won several awards since the last meeting, including large organization of the year on the statewide level. Hyundai Transys held a ribbon cutting on May 3rd. DSV, one of the largest transport companies in the world, held a ribbon cutting on PHX-Mesa Gateway Airport property. Friday, June 9th, marks the official opening of the 1.2 million square feet Amazon facility at Loop 202 and Elliott Road. This facility will create 800 to 1,300 FTE jobs and is their largest warehouse facility in the nation used for third-party sellers. A recent Phoenix Business Journal article confirmed that the Sossaman Business Campus project north of Elliot Road on the east side of Sossaman Road is moving forward with eight smaller scale buildings.

Lori Collins, deputy economic development director, has announced that she will be transitioning to the PHX-Mesa Gateway Airport Authority as the director of business and economic development. Her last day with the city will be June 15 and an open house will be held in her honor on June 13 from 2:00 – 4:00 p.m.

Mr. Jabjiniak expressed his gratitude to Mr. Adams for serving as Chair for the past year as well his years of service on the ex-officio and voting sides of the board.

Chair Adams stated that the Economic Development Advisory Board has been the most rewarding experience of all the boards he served on, primarily because of the outstanding board members he has met and worked with. He shared his appreciation for the team, the staff, and fellow directors, and stated what an honor it's been for a kid that grew up in Mesa, a town of 30,000 people, to be sitting where he is today.

While members of the Economic Development Advisory Board may serve no more than two complete consecutive terms, Bill Jabjiniak shared that Dominic Perry joined the board in 2014 for a partial term and was reappointed in 2017 and 2020. He commented that Dominic's knowledge of commercial real estate, as well as his leadership around environmental sustainability has been invaluable. Mr. Perry was instrumental during the development of the city's redevelopment area plans. Board members were provided tree seedlings on behalf of the Trees are Cool initiative and in honor of Dominic Perry's service to the board and focus on sustainability.

Dominic Perry stated it had been an honor to be a member of the Economic Development Advisory Board and work with its dedicated members. He shared how impressed he was watching Bill and his team attract development to Mesa and commented that losing employees is a testament to the strong talent Bill attracted to his team. He appreciated the opportunity to serve.

Chair Adams shared that his perspective on certain topics had been changed by listening to Dominic Perry and thanked him for sharing his knowledge with the board through the years.

Board members were offered the opportunity to tour the new office space at the conclusion of the meeting.

7. Other Business

The board was asked their preference of location for future meetings, City Council Chambers or the Office of Economic Development's boardroom. The consensus suggested meeting in the Office of Economic Development's boardroom.

The next board meeting will be held on Tuesday, August 1, 2023. There will be no July meeting.

8. Adjournment

Chair Adams adjourned the June 6, 2023, Economic Development Advisory Board meeting at 8:35 a.m.

Submitted By:



William J. Jabjiniak
Economic Development Department Director