

CEDS COMMITTEE MEETING APRIL 4, 2019

M I N U T E S

I. CALL TO ORDER

Chair Bobby Davis called the meeting to order at 2:07 PM.

II. ROLL CALL

Members Present: Bobby Davis, Jennifer Evans, Marissa Garnett, Jeff Fairman, Fernando Garcia, Elan Vallender, Bryan Seppala, James Menlove, Linda Oddonetto, Tim Kanavel.

Staff Present: Brad Mecham

Guests:

A quorum was established.

III. APPROVAL OF MINUTES, January 10th, 2019

Mr. Kanavel made a motion to approve the January 10th, 2019 CEDS Committee minutes as presented. Mr. Fairman seconded the motion. The motion passed unanimously.

IV. CALL TO THE PUBLIC

There were no comments from the public.

V. NEW BUSINESS

A. Presentation from Woz U on Tech Skills Gap

Mr. Thomas Frederickson was not able to attend the meeting and this item will be rescheduled for a later date.

B. CEDS Priorities Identification

Mr. Mecham presented the priorities that had been identified in the previous year's annual update, which were:

- 1) Workforce Development
- 2) Broadband Infrastructure

- 3) Traditional Infrastructure
- 4) Economic Diversification
- 5) Water Conservation/Management
- 6) Regional Flood Controls
- 7) Quality of Life and Tourism
- 8) Regional Transportation Network

Mr. Davis asked for clarification on economic diversification, to which Mr. Mecham discussed the need for many of CAG's communities to seek out opportunities in new industry sectors to strengthen the sustainability of their local economies. Several communities revolve around one industry and need new industry development to become more resilient.

Ms. Oddenetto made a motion to adopt the priorities with no changes. Ms. Evans seconded the motion. The motion passed unanimously

C. CEDS Project Identification

Mr. Mecham discussed the role of project identification in the CEDS and communicated the deadline for project submissions as April 11th, 2019. Two communities have submitted so far, and all projects submitted by that date will be included in this year's CEDS annual update.

D. Opportunity Zones Discussion

Mr. Fairman reported that the Pinal Partnership was hosting a breakfast and panel discussion on opportunity zones on April 12th, 2019. The event will bring economic developers and the development/funding community together to discuss collaborative efforts. The event will be in Casa Grande.

Mr. Kanavel reported that Pinal County had nine opportunity zone designations, with two of them merging to now form eight. He reported that he receives about one call per week on the opportunity zones, and that Pinal County is working with their marketing firm, Moses Inc., to develop a national marketing campaign. Mr. Kanavel also reported that opportunity funds are currently being formed in Pinal County.

Mr. Vallender asked about what types of projects are surfacing and what types of projects communities were actively seeking. Mr. Fairman reported that Eloy's targets and types of projects sought have not changed, but allows them to redouble efforts with an additional resource. Mr. Kanavel reported that a new business, from outside Pinal County, had chosen to purchase property in an opportunity zone.

Mr. Vallender followed up with stating that he saw opportunity funds were investing in vertical development, and then asking the committee if they had seen any investments in small businesses or other manufacturing investments. Mr. Kanavel stated that Pinal County does not know now, but will know much more in one or two years about what types of projects are gaining traction. He also noted that Arizona is behind on marketing these opportunity zones.

Mr. Fairman reported that he only knew of one official investment in Arizona for a hotel in Avondale. Mr. Garcia added that Casa Grande was working on a potential 34 acre development for workforce housing as well as a downtown revitalization project in potential partnership with the Blue Diamond Capital Group and the Urban Land Institute.

E. CEDS Committee Roundtable

Mr. Mecham reported that Ms. Andrea Robles had entered into contract negotiations to become CAG's next Executive Director, after serving as Interim Executive Director.

Ms. Evans reported that the Town of Florence is working on water line expansions to the downtown area. She also reported that Country Thunder, a large country music festival spanning four days, will bring 20,000-30,000 visitors a day to the area. The town has not yet measured the economic impact of the event, but the town sees an influx in convenience store purchases and lodging for the area.

Ms. Garnett reported on the Town of Queen Creek's Entrepreneurship Week event in January, and the town will be hosting another event in the fall. The town is also working on a stand-alone economic development website. The town is preparing RFPs for town-owned land in the downtown area for future planning and development.

Mr. Kanavel reported on the progress of Pinal County's unemployment rate from 13 years ago (13.2%) to now (4.1%). He also reported that Pinal County has the lowest poverty rate in the state, stating that the county is moving in a very positive direction. He then stressed the importance of the fit of new businesses within the county framework, and that the county was looking for companies with good corporate citizenship. The county is also investing in green technology and infrastructure.

Ms. Oddonetto reported that the Globe-Miamia area was working on a project with the Rural Community Assistance Corporation called Restore Our Community Economy. 12 new businesses are working with the city, and eight existing businesses are working on marketing and financing in association with the project. Ms. Oddonetto also reported that the opportunity zone had attracted a developer to renovate an old school building in Miami into affordable housing, and the rezoning had already been approved. Two additional schools in the opportunity zone in the City of Globe are also under consideration for redevelopment to affordable housing.

Mr. Vallender reported that Apache Junction was seeing new residential development and hopes to see greater diversification in population as a result. The city is also seeing redevelopment along the old highway with buildings that were abandoned after a new highway was built to the south. He also reported that a new U-Haul business was opening, but the land adjacent to the property, 40 acres, was to be zoned industrial, bringing options for new industrial development to the city.

Mr. Fairman reported that the City of Eloy hosted a ribbon cutting event for their new city hall the previous week. The city is also entering into contracts for architectural design and rebuild of

the police station, also in the downtown area, to be completed in the next fiscal year. Eloy's Economic Development Strategic Plan will be presented to council at the end of May. Mr. Fairman also reported that the town was working with a well-respected developer in town who had recently purchased 600 acres of property for a future industrial park. The park is expected to provide a 15-20 year lifespan of new industrial development opportunities for the city. Skydive Arizona is hosting the World Cup of Formation Skydiving and Annual World Cup of Artistic Events in October. Greyhound is also now offering stops in Eloy a few times a day. The city is expecting to make two new announcements in the coming months, totaling between 160-170 jobs and \$40 million in capital expenditures.

Mr. Garcia reported that the City of Casa Grande hosted their State of the City today in their new recreation facility. The city is working to organize a roundtable for large employers to connect them to resources within the city and the state. Lucid Motors is moving forward and the focus is on workforce development to train new employees.

Mr. Davis reported that the Town of Payson will be dedicating a new water treatment facility from a new water source, ensuring the town's guaranteed water supply. Colt's Restaurant out of Prescott will be opening their second location in Payson. A new CVS is moving into the old Carl's Jr. site. There is a new Dutch Bros. in the town that recently opened. The town has a new mayor and new councilmembers, and the Economic Development Strategic Plan is providing some continuation of economic development efforts. Mr. Davis also reported that the Arizona Association for Economic Development will be hosting a Mayoral Symposium on April 16th in Prescott Valley, and will also be hosting an Economic Development Roundtable in Payson on May 16th. The second event is for Pinal, Gila, and Navajo Counties.

Mr. Seppala reported that Resolution Copper now has 600 employees on site, the highest they have ever had, with 496 employees living within 40 miles. They are hopeful they will meet a permitting milestone this summer for their large expansion project. 15 people are currently in their apprenticeship program through Central Arizona College. Resolution Copper has also recently entered into a partnership with the Town of Superior, the school district, and chamber of commerce to fund over \$6 million worth of projects for the town, including investments in the school, an entrepreneurship and innovation center, a multi-generation center, and the chamber of commerce.

VI. FUTURE MEETINGS

The next meeting will be Thursday, May 23rd, 2019 at 2:00 PM.

VII. ADJOURNMENT

Mr. Bobby Davis adjourned the meeting 3:02 PM.