

ECONOMIC DEVELOPMENT COMMITTEE MINUTES

June 8, 2026

The Economic Development Committee of the City of Mesa met in the Study Session room at City Hall, 20 East Main Street, on June 8, 2026, at 3:00 p.m.

COMMITTEE PRESENT

Rich Adams, Chairperson
Alicia Goforth
Francisco Heredia

COMMITTEE ABSENT

None

STAFF PRESENT

Charlotte McDermott
Holly Moseley
Brent Stoddard

Chairperson Adams conducted a roll call.

1. Items from citizens present.

There were no items from citizens present.

2-a. Hear a presentation, discuss and receive an update on Spring Training 2026.

Assistant City Manager Marc Heirshberg reported another successful Spring Training season for the City of Mesa (COM) and highlighted the total attendance per game for both the Chicago Cubs and the Oakland Athletics. He stated that overall, Cactus League attendance totaled 1,753,849 fans over 237 games, with an average attendance of 7,400 per game, and noted that approximately 20% of overall attendance came through Mesa.

Mr. Heirshberg stated that the highest-attended game of the Cactus League season was the Dodgers at Cubs game on March 15, with 15,788 fans. He reported that the Cubs ranked first in overall attendance for the 13th consecutive season, while the Athletics ranked ninth in overall attendance among Cactus League teams.

Mr. Heirshberg discussed the economic impact of Spring Training. He explained that, when comparing March 2026 sales tax revenue to the average of February and April, the COM typically sees an increase of approximately \$2.5 million. He noted that the number continues to grow and that March was one of the highest-performing months the COM has experienced. He added that both the Cubs and Athletics reported their highest per-capita stadium spending to date.

Mr. Heirshberg emphasized that Spring Training brings out strong teamwork and cooperation across multiple City departments and stated that planning has already begun for the next Spring Training season.

In response to a question from Committeemember Heredia, Mr. Heirshberg explained that the COM cannot isolate sales tax revenue to specific facilities due to the way sales tax is collected.

Deputy City Manager/Chief Financial Officer Mike Kennington added that state taxpayer confidentiality rules require a minimum of 10 taxpayers in an area before data can be reviewed. He confirmed that the COM may evaluate areas around the stadiums, including Riverview and the Downtown and Hohokam area.

Responding to a question from Committeemember Goforth, Mr. Heirshberg clarified that the reported per-capita spending referred to fan spending inside the stadiums, not overall citywide spending.

Mr. Heirshberg pointed out a few challenges this season, including scheduling impacts from the World Baseball Classic and Major League Baseball's Spring Breakout games, which typically draw lower attendance. He noted that the COM will continue working with the teams to better market those games. He discussed challenges related to the Cubs opening the season on a Friday, which created heavier traffic due to workday travel patterns, and noted that the COM had to work through operational adjustments early in the season.

Mr. Heirshberg also highlighted the impact of unprecedented heat during the final two weeks of Spring Training, which required some games to be shifted to evening start times. He commended Mesa Fire and Medical for its response, noting that additional support was called in to assist with medical needs and triage.

In response to a question from Chairperson Adams, Mr. Heirshberg stated that parking operations continue to work well overall and that the relationship with the Hohokams remains strong. He noted that continued development near Riverview and The Union will require ongoing review of parking needs and adjustments. He stated that rain events at Hohokam can create parking challenges when retention basins fill, which may require parking to shift into nearby neighborhoods.

Senior Economic Development Project Manager Jeff Robbins provided an update regarding property development next to the Cubs Spring Training complex. He described the property location on Rio Salado Parkway near the western edge of Mesa, adjacent to the freeway, that was formerly the County-operated animal control center. He recalled that the landowner, Boyd Development, had reached an agreement with the Cubs to construct a five-story, 36-unit custom housing facility for Cubs players, along with a 103-key, four-story hotel. He added that the development will include custom murals and artwork to help identify the area as part of the COM's baseball district.

Mr. Robbins explained that teams prefer to locate players as close as possible to their practice facilities and a dedicated housing facility will provide players with a communal space built to meet team needs. He emphasized that the COM remains in competition with other cities that would like to host Major League Baseball teams, and that facilitating custom development of this type helps strengthen Mesa's relationship with the Cubs, the Athletics, and professional baseball.

In response to comments from Committeemember Heredia, Mr. Heirshberg confirmed that activity at the Spring Training facilities continues beyond the Spring Training season. He explained that players in various levels of the organization, including Triple-A, Double-A, Single-A, complex league, rookies, international players, and players on rehabilitation assignments, use the facilities throughout the year. He noted that players currently use nearby apartments and that the proposed housing facility will help meet an ongoing need.

Mr. Heirshberg clarified that Boyd Development will own the housing facility and will have a rental agreement with the Cubs. He further explained that non-spring-training activity at the facility still relates to Cubs operations, including player development and rehabilitation assignments.

2-b. Hear a presentation and discuss recent, current, and anticipated projects in Downtown Mesa and an update on development of the Redevelopment Toolkit.

Downtown Transformation Manager Jeff McVay displayed a PowerPoint presentation. **(See Attachment 1)**

Mr. McVay provided an update on recent, future, and pipeline projects in Downtown Mesa. He explained that a major focus of the Urban Transformation Office is increasing the residential population and residential development in Downtown Mesa. He stated that, despite the COM being one of the largest cities in the country with a population of more than 500,000 residents, the population density within the downtown square mile is under 4,000 people, which is lower than expected for a city the size of Mesa. (See Pages 2 through 4 of Attachment 1)

Mr. McVay noted that since 2020, Downtown Mesa has added multiple residential developments, representing nearly 1,500 new residential units. He highlighted the residential projects currently under construction, including Edge on Main, located at the southeast corner of Country Club Drive and Main Street, which is under construction and will be completed in two phases. He discussed The Grid, now known as 233 Suites, a four-story, 110-unit project located on Pomeroy south of Main Street, which is currently under construction. (See Pages 5 and 6 of Attachment 1)

Mr. McVay stated that, in addition to residential development, one of the COM's major focuses has been business activation on Main Street. He explained that Council previously approved \$4.6 million in American Rescue Plan Act (ARPA) funding for downtown façade improvements and that staff had been working with 19 properties on design and construction. He noted that 16 façade projects are currently funded, with three additional projects identified as alternates depending on available funding. He stated that the remaining façade improvements are expected to be completed at the end of 2027. He added that façade improvements and downtown growth have contributed to new business development. (See Page 7 of Attachment 1)

Mr. McVay highlighted the local and unique character of Downtown Mesa's business community and stated that this is one of the qualities that makes downtown attractive to visitors and residents, including Espiritu, which has a two-time James Beard semi-finalist chef, and Pedal Haus, which was named the 2024 Arizona Brewer of the Year. He added that Downtown Mesa has more award-winning businesses and that continued outreach is important to increase awareness. He highlighted new and upcoming downtown businesses and stated that recent and

planned business activity reflects approximately a 60/40 split between businesses already open and those still coming. (See Pages 8 and 9 of Attachment 1)

Mr. McVay provided an update on the restaurant incubator project. He stated that staff are working to identify and plan for additional funding for the basement build-out and anticipate bringing that information back to Council for input. He estimated construction to be completed in October, with Local First Arizona expected to begin operations in January 2027. (See Pages 10 and 11 of Attachment 1)

In response to a question from Chairperson Adams, Mr. McVay commented that the basement was fully designed as part of the first phase of the project, although refinements to the design may be needed. He explained that there is a reasonable expectation that the basement could still be completed within the same general timeline and confirmed that after further discussion with Local First, a February grand opening would be acceptable if additional time is needed to complete the work and avoid future disruption to business operations.

Mr. McVay provided an update on the Culdesac development. He verified that the project had been submitted for planning and zoning entitlements in April. He stated that construction on the first phase is anticipated to begin in September 2027 and that the current concept for the first phase includes 140 for-sale townhomes. (See Page 12 of Attachment 1)

Mr. McVay recalled the Arizona State University (ASU) Creative Technologies project at the current U.S. Post Office, noting that staff is continuing to work with ASU on an agreement. He said if Council provides direction to move forward, the project can proceed into the next phase without a lengthy delay. He discussed the Light Walk project, which will be a part of the 2026 bond package. He stated that, pending voter approval, the project can move into final design and begin the first phase. He provided an update on 51 through 55 East Main Street, adding that staff have released a request for qualifications for developer selection, which will remain open until July 30, and explained that staff will then review and evaluate responses and return to Council with a recommended development partner. (See Pages 13 and 15 of Attachment 1)

Mr. McVay previewed the AC Hotel by Marriott project, noting that staff are finalizing negotiations on a development agreement, GPLET agreement, and parking license agreement. He stated that the project would bring a 150-room upscale hotel to the northeast corner of Centennial Way and Main Street and listed the hotel's expected amenities. (See Page 16 of Attachment 1)

Mr. McVay summarized the downtown development activity and noted that between 2010 and 2020, approximately 250 residential units were added downtown, most of which were likely low-income housing tax credit projects. He stated that since that time, the COM's investments in light rail, ASU, and Civic Plaza, have helped support the addition of more than 1,500 residential units, with another 500 units under construction and approximately 1,100 units in planning, largely related to the Culdesac project. He noted that a 76-room hotel has soft-opened, the 150-room AC Hotel by Marriott project is expected to come before Council later this summer, and approximately 45 new small businesses have opened downtown since 2020, including businesses that filled previously vacant or underutilized spaces. (See Page 17 of Attachment 1)

Mr. McVay stated that, following Council's adoption of the Fiscal Year 2026-2027 budget, which allocated \$3 million for redevelopment tools, staff have been working to develop the individual components identified in the redevelopment toolkit. He explained that each tool will require

administrative materials and the goal is to begin rolling out several tools shortly after the new budget takes effect on July 1. He added that code compliance revitalization grants are expected to be released later in the year and that Reuse Ready and the demolition and remediation revolving loan fund are expected to launch in early 2027, if funding can be identified. (See Pages 18 through 20 of Attachment 1)

Mr. McVay added that, in addition to preparing administrative documents for the redevelopment tools, the budget includes funding for marketing to help ensure that the tools are effectively communicated to the development community and other potential users. He noted that the program's success will depend on getting the funds into use and ensuring potential applicants are aware of the available programs. (See Page 21 of Attachment 1)

In response to multiple questions from Committeemember Goforth, Mr. McVay confirmed that the project formerly known as The Grid, now called the 233 Suites, is a 76-room hotel and no longer includes residential units. He explained that the development agreement anticipates two additional phases, which may include a residential component. He confirmed that the developer owns the rights to the remaining land and that the agreements are structured so the developer may purchase Phase 1 after receiving a certificate of occupancy for the hotel and related uses. He commented that after purchasing Phase 1, the developer may enter into an option for Phase 2, followed by a similar process for future phases. He stated that COM's overall estimated retail vacancy rate is approximately 7.7%, noting that a single property owner is responsible for much of the current downtown vacancy and that movement from that property owner could help address several vacant spaces.

In response to questions from Committeemember Heredia, Mr. McVay advised that creating a night-time economy requires balance and that the long-term goal is for Downtown Mesa to be active approximately 18 hours a day, seven days a week, rather than becoming a 24-hour downtown. He discussed ongoing efforts to position the COM as a live music center in the Valley, including the Mesa Music City concept, Mesa Amplified, and Mesa Music Festival. He explained that Mesa Amplified included grants to businesses to hire musicians, with the goal of helping businesses recognize that live music can drive additional traffic. He stated that indoor music venues do not require an additional permit; however, outdoor live music does require a special event license. He pointed out that emerging issues involve a venue that would like to remain open later than downtown has traditionally allowed, which may require review of live or amplified music hours under the COM's noise ordinances rather than zoning regulations.

In response to a question from Committeemember Goforth, Mr. McVay described the location of the Culdesac project and clarified that the townhome configuration shown on the site plan reflects a reconfiguration of the units shown in the broader project map.

In response to a question from Committeemember Heredia, Mr. McVay stated that the redevelopment toolkit applications are intended to be public-facing and user-friendly. He explained that the applications will be housed through the Economic Development webpage, and the application process will be managed and administered by the Urban Transformation Team.

In response to a question from Chairperson Adams, Mr. McVay said that, overall, the success rate of businesses located downtown is well over 90%. He confirmed that downtown has added many new businesses since 2020.

Chairperson Adams expressed his support for downtown redevelopment efforts and pointed out that Downtown Mesa is experiencing a level of development and positive activity that has not been seen in many years. He emphasized the importance of maintaining that momentum.

Chairperson Adams thanked staff for the presentation.

2-c. Hear a presentation, receive and update and discuss Mesa arts and culture institutions, including current visitation, economic impact, downtown activation, and future impact measurement efforts.

Director of Arts and Culture Luis Ruiz displayed a PowerPoint presentation. **(See Attachment 2)**

Mr. Ruiz reviewed the Arts and Culture Department's public purpose and key performance indicators, which focus on providing enriching cultural experiences, expanding access and community reach, and supporting economic vitality. He explained that the department is working to better measure participation, program offerings, barriers to access, and the overall community impact of arts and culture. He stated that economic vitality is especially relevant to downtown economic development because arts and culture support visitation, downtown activity, business activity, and local economic indicators. He noted that establishing benchmarks will be important over the next several years as the COM prepares for anticipated facility closures, maintenance, and potential redevelopment projects. (See Pages 2 and 3 of Attachment 2)

Mr. Ruiz discussed how arts and culture support business attraction and investment. He stated that businesses consider not only land availability, but also the quality of life, workforce, and amenities available to employees when deciding where to locate. He added that the Arts and Culture Department works closely with Economic Development, the Office of Urban Transformation, and the Downtown Mesa Association to enhance visitor experiences and attract potential development. (See Page 4 of Attachment 2)

Mr. Ruiz confirmed the number of visitors in 2025 to the Mesa Arts Center (MAC), the Arizona Museum of Natural History (AZMNH), and the i.d.e.a. Museum. He added that if the AZMNH redevelopment is successful, annual visitation could potentially grow to 300,000 or more. He stated that hundreds of thousands of annual cultural visits support downtown activity and strengthen the COM's value as a destination. He commented that the economic impact of cultural visitation extends beyond admission or ticket sales and noted that the goal is to encourage return visits and help visitors experience downtown more broadly before or after attending a cultural event. (See Pages 5 and 6 of Attachment 2)

Mr. Ruiz reviewed information from the Arts & Economic Prosperity 6 (AEP6) study by Americans for the Arts. He mentioned that data specific to the COM from 2022 showed that an audience participant spends nearly \$40 beyond the cost of admission, including spending on dining, retail, parking, and other activities. He noted that many visitors to the COM's cultural institutions come from outside the city and that 77% of visitors indicated that a cultural event was the primary reason for their visit. (See Page 7 of Attachment 2)

In response to a question from Committeemember Heredia, Mr. Ruiz explained that Americans for the Arts develops the data calculations using national trends, visitation data, and local information from partner organizations. He stated that the department also conducts post-event

surveys. He advised that past surveys focused primarily on the visitor experience, but now include questions about whether visitors dine, shop, or spend money elsewhere before or after attending a cultural event.

Mr. Ruiz reviewed Placer AI data showing visitor origin patterns for the MAC, the i.d.e.a. Museum, and the AZMNH. He stated that visitors come from beyond Mesa and noted that the AZMNH has national reach, with visitors from every state. He described the i.d.e.a. Museum as having a more regional audience and noted that the MAC draws visitors from other areas such as Southern California. He stated that the redevelopment of the AZMNH is expected to strengthen its role as a destination. (See Page 8 of Attachment 2)

Mr. Ruiz stated that the department is working with local partners to create packages that connect cultural visitation with downtown dining, retail, and other experiences with the goal of better tracking these efforts and ensuring that visitors view downtown as a connected district. He added that downtown business hours remain important, particularly when encouraging visitors to come early, stay late, eat dinner, have drinks, or shop before and after cultural events. (See Page 9 of Attachment 2)

In response to a question from Committeemember Heredia, Mr. Ruiz stated that cross-membership and shared messaging are important opportunities and explained that promotion should begin before a person purchases a ticket, with messaging designed to encourage visitors to explore downtown, dine, shop, and extend their stay. He reported that each institution has different audiences and visitation patterns, with family-oriented daytime visitors at the museums and more evening activity associated with MAC performances.

Mr. Ruiz stated that staff have identified peak participation periods at cultural venues and intend to connect those periods with downtown economic drivers, beginning with sales tax data. He recalled that staff would work with the Office of Management and Budget and the Office of Urban Transformation to establish baseline data and identify correlations between cultural activity and sales tax revenue in specific downtown areas. He stressed that this is an initial step and that broader citywide economic impact analysis may require outside surveying or additional consultant support in the future. (See Page 10 of Attachment 2)

In response to a question from Chairperson Adams, Mr. Ruiz stated that the department has historically reported outputs such as attendance, participation, and scholarships, and that the current effort represents a shift toward measuring outcomes and understanding what those numbers mean for the broader community and economy.

Responding to a comment from Committeemember Goforth, Assistant City Manager Candace Cannistraro pointed out that Placer AI is a relatively new tool for the COM and has helped support conversations about where visitors come from, where they go after events, and whether they are tourists or local residents. She stated that technology allows the COM to go beyond surveys and better understand visitor movement patterns.

In response to a question from Chairperson Adams, Ms. Cannistraro stated that staff currently have the ability to review downtown sales tax data by geographic area but have difficulty linking changes to specific events or facilities. She explained that future analysis will focus on identifying relationships between sales tax activity and downtown events to help guide event scheduling, coordination, and future arts and economic development decisions.

Chairperson Adams thanked staff for providing additional detail and stated that reliable data is important when Council considers major investments and expenditures. He noted that specific data allows Council to make decisions based on measurable information rather than assumptions. He expressed support for staff's efforts to gather and evaluate data related to arts and culture and economic impact.

Mr. Ruiz continued by reporting that total annual revenue is nearly \$20 million for the MAC, approximately \$4.5 million for the AZMNH and approximately \$3.5 million for the i.d.e.a. Museum. He noted that the institutions generate economic activity in addition to their broader cultural and community impact. (See Page 11 of Attachment 2)

2-d. Hear a presentation, discuss and receive an update on the Office of Economic Development including business development activity and the citywide economic strategic planning process update.

Economic Development Department Director Jaye O'Donnell displayed a PowerPoint presentation. **(See Attachment 3)**

Ms. O'Donnell highlighted the Office of Economic Development's vision and mission, which focus on positioning the COM as a premier location for business, supporting a diverse and sustainable economy, creating high-wage jobs, promoting direct investment, and increasing prosperity for residents. She discussed the department's primary areas of service, including business attraction and expansion, entrepreneurship and small business development, redevelopment and revitalization, and workforce development. (See Pages 2 through 4 of Attachment 3)

Ms. O'Donnell stated that in addition to industries such as healthcare, biotechnology, aerospace, defense, and advanced manufacturing, the COM is also expanding its focus to industries that enhance quality of life and strengthen Mesa as a visitor destination, including hospitality, entertainment, signature restaurants, and other elevated retail and attraction-based uses. She discussed the creative technologies industry as an emerging area of focus, including film, music, digital technologies, and e-gaming. She explained that Economic Development will hire a project manager dedicated to this sector and will continue working with Arts and Culture, Urban Transformation, Public Information and Communications, and other City departments to develop an asset inventory and business recruitment strategy. (See Page 5 of Attachment 3)

Ms. O'Donnell reviewed the foreign direct investment strategy focused on export-oriented and capital-intensive industries that strengthen the advanced manufacturing and global trade economy in the COM. She stated that the COM is leveraging core competitive advantages, including two airports, global logistics connectivity through SkyBridge Arizona, Mesa's foreign trade zone, industrial building inventory, available industrial land, workforce pipelines through educational partners, and a growing base of internationally owned firms that connect the COM to global supply chains. She reported that the COM is positioned to compete for companies seeking a U.S. manufacturing footprint, research and development, logistics operations, and technology investment locations. She noted that Mesa's foreign direct investment attraction efforts focus on sectors where global investment demand aligns with regional strengths. (See Pages 6 through 8 of Attachment 3)

Ms. O'Donnell identified current target markets and industries and stated that other markets may be considered in the future when opportunities align with the COM's goals. She explained

that the COM's priorities also align with partners such as the Arizona Commerce Authority and the Greater Phoenix Economic Council, allowing the COM to leverage existing international resources. (See Page 8 of Attachment 3)

In response to a question from Chairperson Adams, Ms. O'Donnell stated that the foreign direct investment strategy is part of the broader business attraction strategy. She explained that international companies may need assistance with visas, cultural transitions, and business networks when entering the market. She added that staff are working with Arizona State University and the Greater Phoenix Economic Council to develop the Arizona International Soft Landing Experience program. She added that staff anticipate bringing the agreement to Council in August, with the goal of introducing the program to the international market at SEMICON Taiwan. (See Page 9 of Attachment 3)

In response to a question from Committeemember Goforth, Ms. O'Donnell estimated that internationally owned companies accounted for approximately 10% of recent investment activity over the past two years. She noted that the COM has approximately 320 internationally owned companies, representing about 3% to 4% of all businesses in the COM, and stated that the number is expected to grow.

Ms. O'Donnell reviewed the quality retail attraction strategy, focused on attracting high-quality hospitality, entertainment, restaurant, and retail brands. She stated that the strategy leverages eight distinct retail districts and their different demographic advantages, and recognized that West Mesa, Northeast Mesa, and Southeast Mesa have different opportunities and market conditions. (See Pages 10 and 11 of Attachment 3)

Ms. O'Donnell remarked that the retail attraction program is still in its early stages but has had strong accomplishments over the past few years. She verified that the COM attracted or located six retail projects totaling 78,000 square feet and \$62 million in capital investment last year; year to date, the COM has eight retail successes totaling approximately \$200 million in capital investment. She emphasized that the strategy focuses on quality rather than quantity, including elevated brands and elevated development. She highlighted recent retail, hotels and restaurants that now have locations in the COM. (See Pages 12 and 13 of Attachment 3)

Ms. O'Donnell outlined the marketing and business development efforts and stated that the retail attraction strategy includes both business-to-business outreach and business-to-consumer marketing. She explained that the consumer campaign promotes the current retail, restaurant, and entertainment offerings. She commented that the website has been an important tool for sharing data and reviewed the results from the business-to-consumer campaign, including partnerships with local influencers. She stated that the campaign has exceeded expectations and noted that third-party testimonials have been effective in helping tell COM's story. She discussed next steps, reviewed active and pipeline projects. (See Pages 14 through 18 of Attachment 3)

In response to a question from Committeemember Heredia, Ms. O'Donnell advised that the Fiesta District project is still in the early stages but has significant potential due to its unique location and prime commercial property. She noted that the project has announced hotel components and has a positive overall vision. She recalled that the Riverview area has organically developed into a family entertainment and shopping center.

Ms. O'Donnell reported a strong year for economic development and noted that the COM maintains a robust pipeline of business prospects, active projects, and successful locates, with retail activity tracked separately. She stated that staff plan to hold an economic development summit in September to review fiscal year accomplishments and launch the department's strategic plan. She reviewed the COM's industrial market, which includes nearly 46 million square feet of industrial and flex space and approximately 4.3 million square feet of annual absorption. She reported a 21.6% vacancy rate, with approximately 9 million square feet vacant and another 2 million square feet under construction. She stated that the COM has an estimated two to three years of industrial supply and emphasized that industrial inventory has grown by 124% over the past seven years, while rents have doubled, reflecting continued demand and investor confidence. (See Pages 19 through 21 of Attachment 3)

Chairperson Adams thanked staff for the presentation.

2-e. Hear a presentation, discuss and receive an update from Visit Mesa regarding how the public funds supporting Visit Mesa are being used to advance the City's economic development efforts and goals.

Marc Garcia, Visit Mesa President and CEO, displayed a PowerPoint presentation. **(See Attachment 4)**

Mr. Garcia provided a brief history of Visit Mesa and explained that its primary role is to drive incremental tax revenue growth for the COM through hotel stays by booking meetings, conventions, sports events, and group travel. He mentioned that Visit Mesa currently has 13 staff members and is expected to grow to 14 in the next fiscal year with the addition of a sales and marketing coordinator. He indicated that the Board of Directors currently has 25 members and will decrease to 22 members effective July 1. He stated that the organization is primarily funded through the transient lodging tax, which generally represents approximately 70% to 75% of its annual budget, and receives approximately \$700,000 to \$1 million annually in Proposition 302 funds. He reported that for every dollar invested in Visit Mesa, there is an estimated return of \$24 in visitor spending. (See Page 2 of Attachment 4)

Mr. Garcia reviewed 2024 visitor industry data for the COM and reported that approximately 4.4 million visitors spent nearly \$750 million, noting the total economic impact of approximately \$1.2 billion. He highlighted that the visitor industry supported approximately 8,100 jobs, and that lodging represented the largest category of direct visitor spending, while food and beverage supported the largest number of jobs within the visitor economy. He discussed the fiscal impact of the visitor economy, including total government revenues, state and local tax revenues, household savings generated by visitor spending, and nearly \$7 million in transient lodging tax revenue to the COM. (See Pages 3 and 4 of Attachment 4)

Mr. Garcia discussed visitor trends as reported through Placer AI, noting that December experienced a 13.7% year-over-year increase, largely due to Major League Soccer (MLS) NEXT activity. He reviewed hotel performance data, noting that many of the hotels entering the market are branded properties under Marriott, Hilton, or Hyatt, which should help strengthen rates over time. (See Pages 5 and 6 of Attachment 4)

Mr. Garcia reported that Visit Mesa's sales teams booked over 100 events during the fiscal year that generated more than 102,000 hotel room nights, exceeding the organization's goal. He noted that the total is expected to finish at approximately 106,000 room nights, including more

than 60,000 sports-related room nights, approximately 16,500 meetings and conventions room nights, and approximately 31,000 leisure room nights. (See Page 7 of Attachment 4)

Mr. Garcia highlighted major hosted events, including Fédération Internationale de Football Association (FIFA) activity at Arizona Athletic Grounds, MLS NEXT, Triple Crown baseball, Men's Senior Baseball League, National Adult Baseball, Mountain West events, the Western Athletic Conference, and NAIA beach volleyball. He reported that Visit Mesa also secured several convention sales wins, including National Speech and Debate, which is expected to generate approximately 6,000 room nights in June. (See Pages 8 and 9 of Attachment 4)

Mr. Garcia discussed hotel room leakage as one of the most important issues facing the COM's visitor economy due to insufficient hotel inventory and meeting space to fully capture demand. He reported that Placer AI estimates that the COM is losing approximately 41,200 visitors per month to nearby cities, representing a monthly leakage rate of approximately 17% and nearly 500,000 visitors annually. (See Page 10 of Attachment 4)

Mr. Garcia provided a brief overview of Visit Mesa's marketing efforts and stated that while the organization tracks impressions, he does not view impressions as the most meaningful measure of marketing success. He confirmed that Visit Mesa's advertising is typically targeted at visitors and therefore is not always visible to local residents. (See Pages 11 and 12 of Attachment 4)

Mr. Garcia discussed Visit Mesa's leadership in artificial intelligence within the destination marketing organization industry. He stated that Visit Mesa has developed an AI roadmap and is frequently asked to speak at industry meetings and conferences, including U.S. Travel Association and Destinations International events. He added that Visit Mesa also provides AI webinars, which have attracted participation from both hospitality and non-hospitality businesses. He pointed out earned media efforts, visitor guides, in-studio interviews, and on-location features. (See Pages 13 through 15 of Attachment 4)

Mr. Garcia stated that the organization's 10-year master plan informs its three-year strategic plan, which then informs each annual business development plan. He reported that Visit Mesa has completed approximately 87% of the board-ratified tasks identified for the current plan and noted that staff used artificial intelligence to help develop scoring metrics. He highlighted awards and recognitions received by Visit Mesa and COM tourism assets, noting that many of the awards were received without Visit Mesa submitting applications. (See Pages 16 and 17 of Attachment 4)

Mr. Garcia discussed priorities for the next fiscal year, including the summer campaign, continued focus on water-related messaging, KPI reporting, annual reporting, business development planning, and monitoring the hotel pipeline. He stated that Visit Mesa regularly tracks approximately 21 branded hotel properties. He noted that approximately 943 rooms are under construction and approximately 2,200 rooms are planned, not including potential hotel rooms associated with the Fiesta District. He confirmed that Visit Mesa is continuing to expand its partnership with the COM and is working with Economic Development and other partners on a new initiative to convert visitors into residents, workers, or business investors. He explained that the effort would begin with a geotargeted advertising campaign directed at visitors currently in the market, encouraging them to consider moving or starting a business in the COM. He stated that the long-term goal is to develop a campaign that may be supported by major employers seeking to attract workforce talent. (See Page 18 of Attachment 4)

Chairperson Adams thanked staff for the presentation

3. Adjournment.

Without objection, the Economic Development Committee meeting adjourned at 5:05 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Economic Development Committee meeting of the City of Mesa, Arizona, held on the 8th day of June 2026. I further certify that the meeting was duly called and held and that a quorum was present.

HOLLY MOSELEY, CITY CLERK

sr
(Attachments – 4)

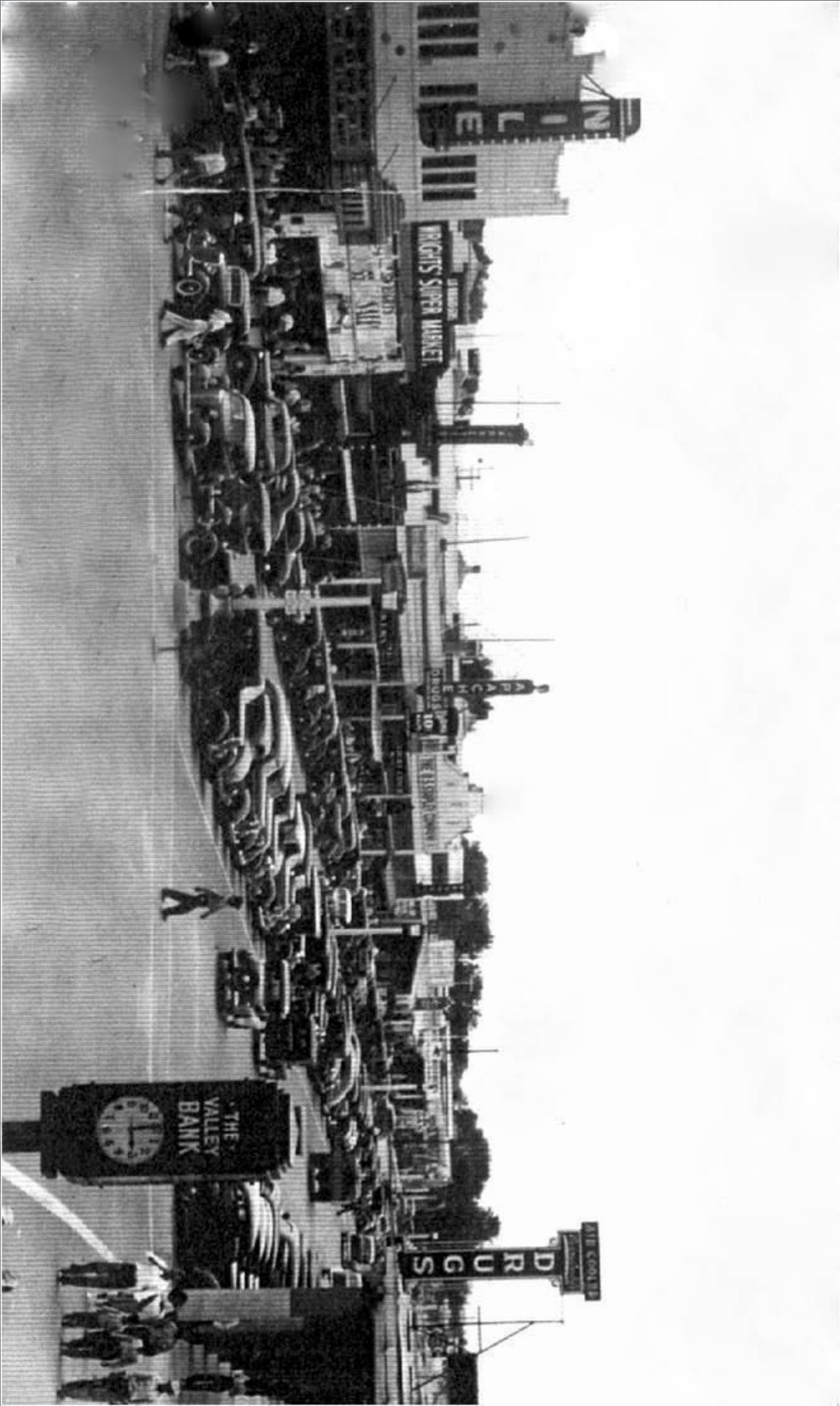


DOWNTOWN MESA & REDEVELOPMENT TOOLKIT UPDATE

City Council – Economic Development Committee

June 8, 2026

Jeff McVay
Manager of Urban Transformation





DOWNTOWN MESA HISTORY

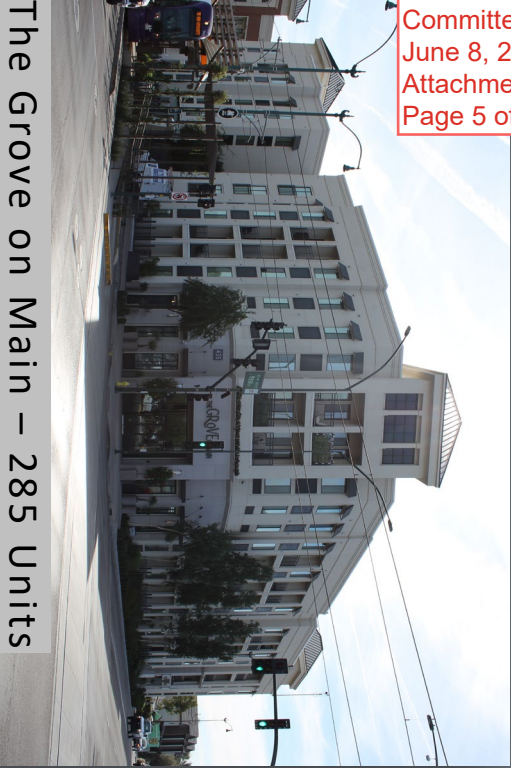




DOWNTOWN MESA HISTORY



RECENT RESIDENTIAL PROJECTS



The Grove on Main – 285 Units



Eco Mesa – 102 Units



Forge Tower – 176 Units



2nd Avenue Commons – 144 Units



Melody on Main – 335 Units



Residences on Main – 198 Units



UNDER CONSTRUCTION PROJECTS



Legacy Square – 110 Units

Edge on Main – 400 Units

The 233 Suites – 76 Key Hyatt Autograph



FAÇADE IMPROVEMENT

Completed Facades



Upcoming Facades



Project Overview

19 properties

2 façade improvements complete

4 façades to begin construction soon

Remaining façades to be constructed **through 2027**



AWARD WINNING UNIQUELY LOCAL BUSINESSES

Spirits and Brewing



Multiple Gold Medals – San Francisco World Spirits Competition



2024 Arizona
Brewery of the Year



James Beard
Semi-Finalist 2024 & 2025

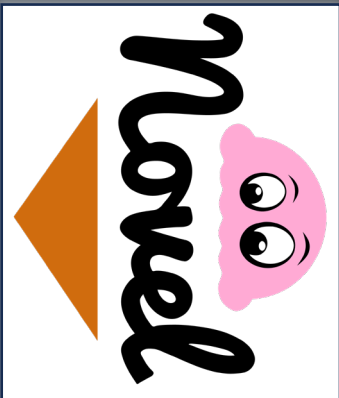


Best Cidery
& 2026 USA
Today Best Cidery

Food & Sweets – Phoenix Magazine Best of The Valley 2026



Best Empanada



Best Ice Cream



2022 – 2024 Best of Valley
Women’s Boutique

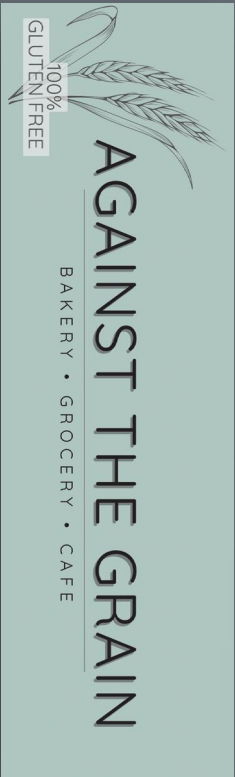


Best Taco & Best Quesadilla



UNIQUELY LOCAL BUSINESSES

RECENT ADDITIONS AND COMING SOON



LOOKING FORWARD



RESTAURANT INCUBATOR

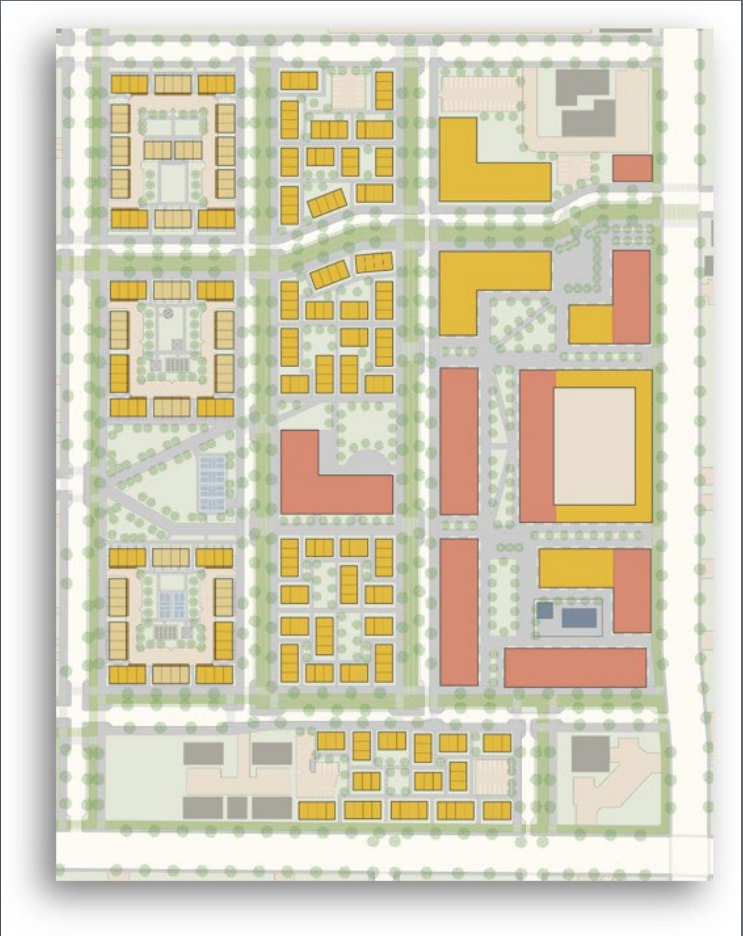


Next Steps

June 8, 2026: City Council action on Lease

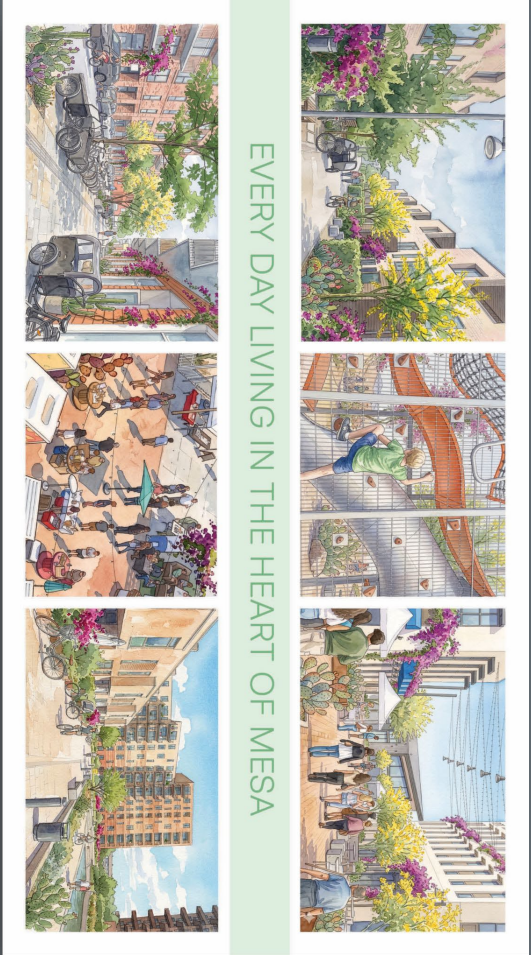
October 2026: Complete construction

January 2027: Commence Incubator programming



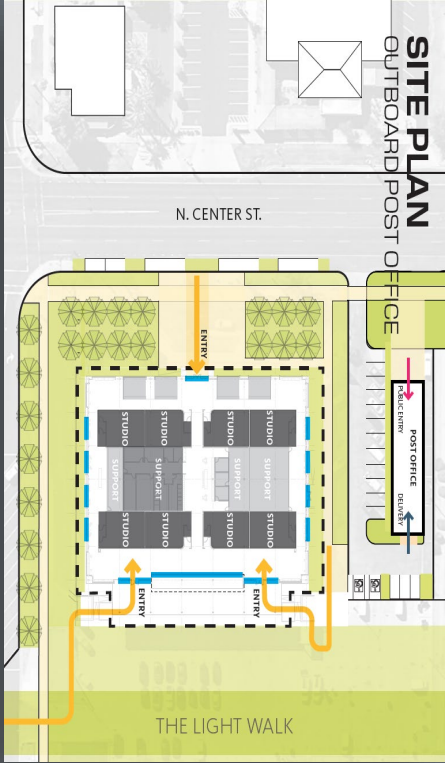
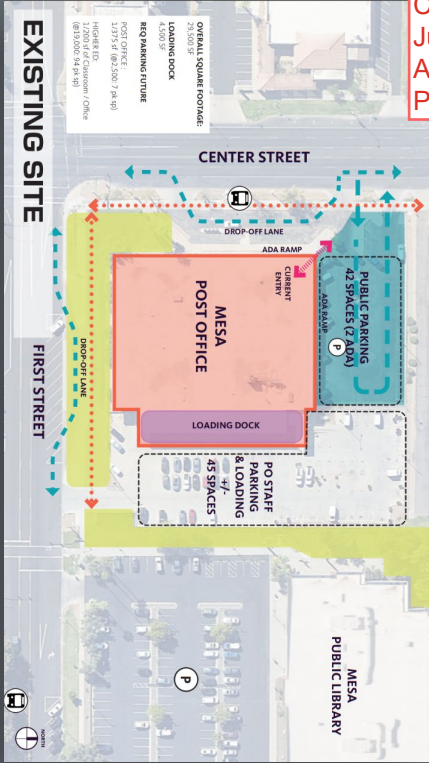
Project Timeline

- April 2026: Planning and Zoning Submittal
- September 2026: Planning and Zoning Board Hearing
- Winter 2026: City Council Hearing
- September 2027: Commence Phase I Construction





ASU CREATIVE TECHNOLOGIES @ POST OFFICE



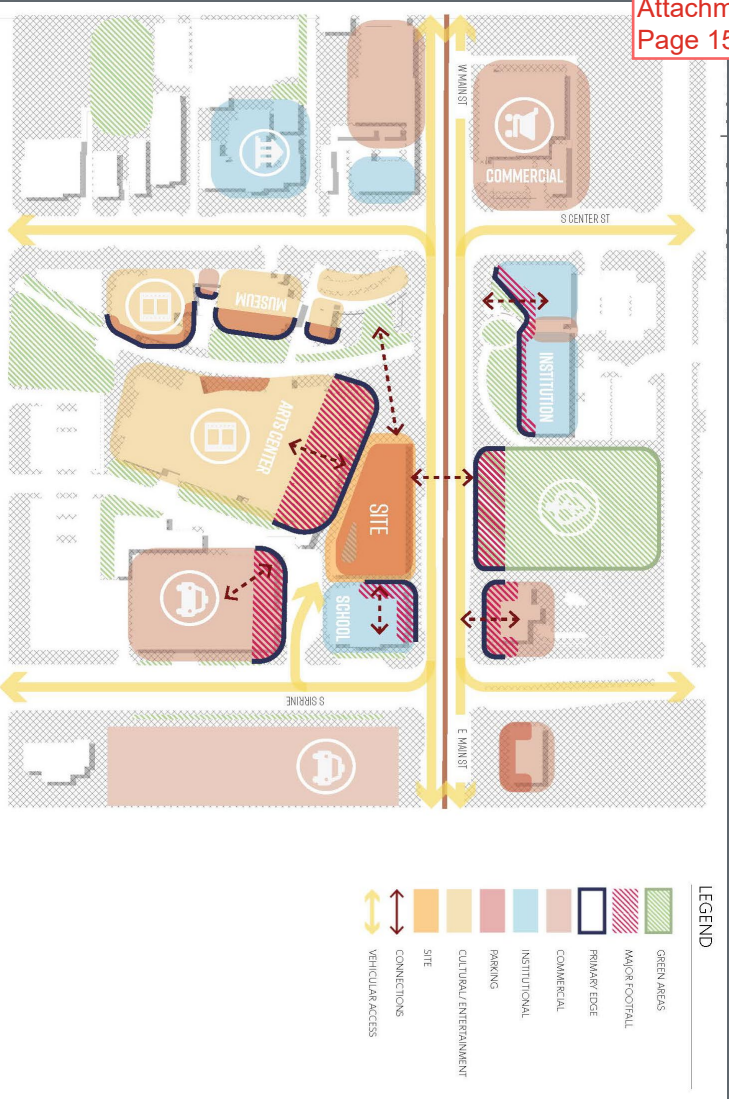


THE LIGHT WALK



Aerial facing South

Gensler



May 2026: RFQ for redevelopment partner released

July 30, 2026: RFQ responses due

Summer 2026: Response evaluation

Fall 2026: Present staff recommendation to Council

Fall 2026: Enter negotiations with selected development partner



AC HOTEL BY MARRIOTT

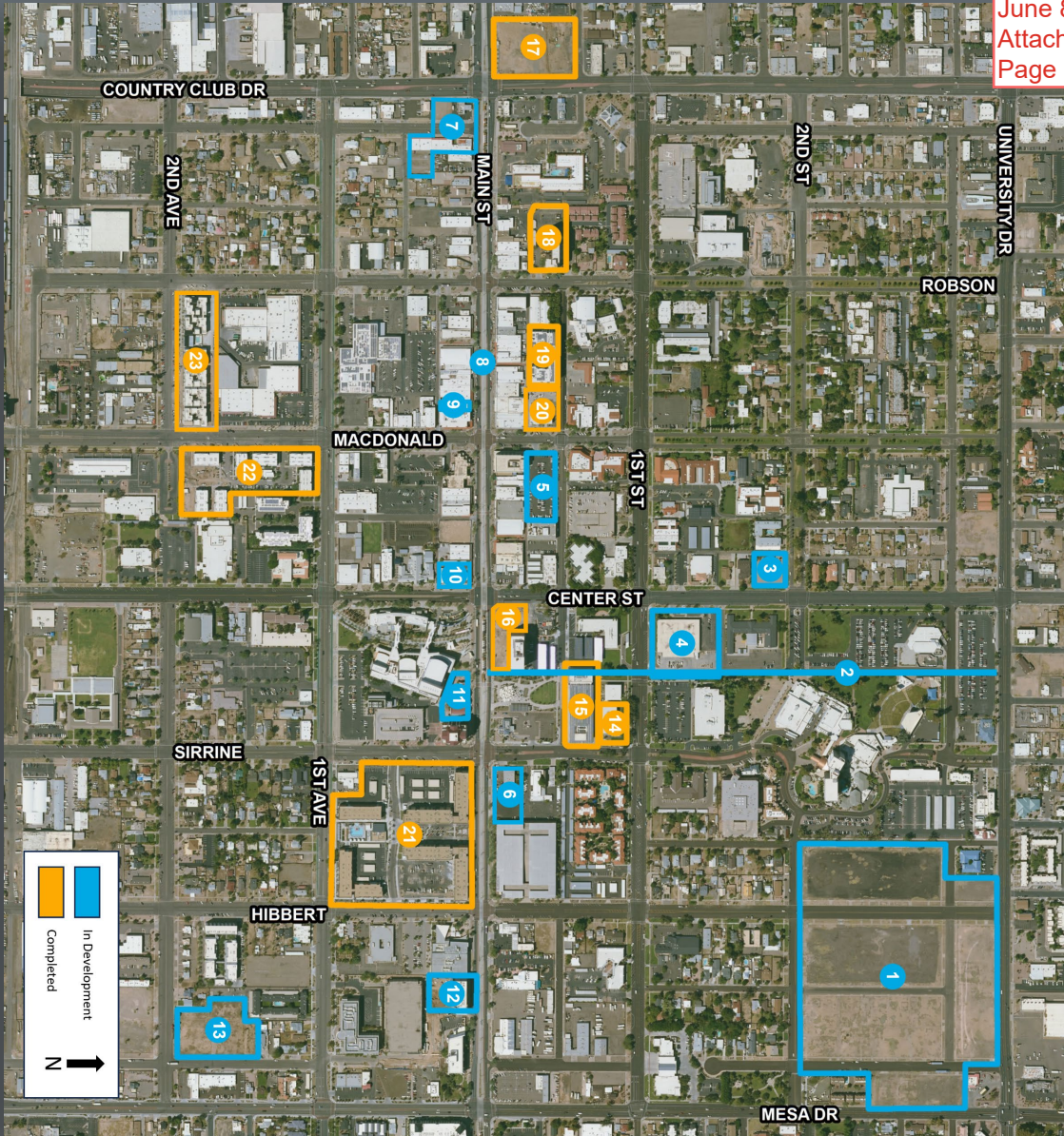


- Redevelopment of NEC of Centennial and Main
- Upscale AC Hotel by Marriott
 - 5-stories, 85,000 SF
 - 150 Rooms
 - 2,000 SF Bistro/Bar
 - 1,500 SF Meeting Space
 - Outdoor Pool





DOWNTOWN BY THE NUMBERS



254 Residential units added 2010-2020

1,554 Residential units added since 2020

510 Residential units under construction

76 Room hotel delivered

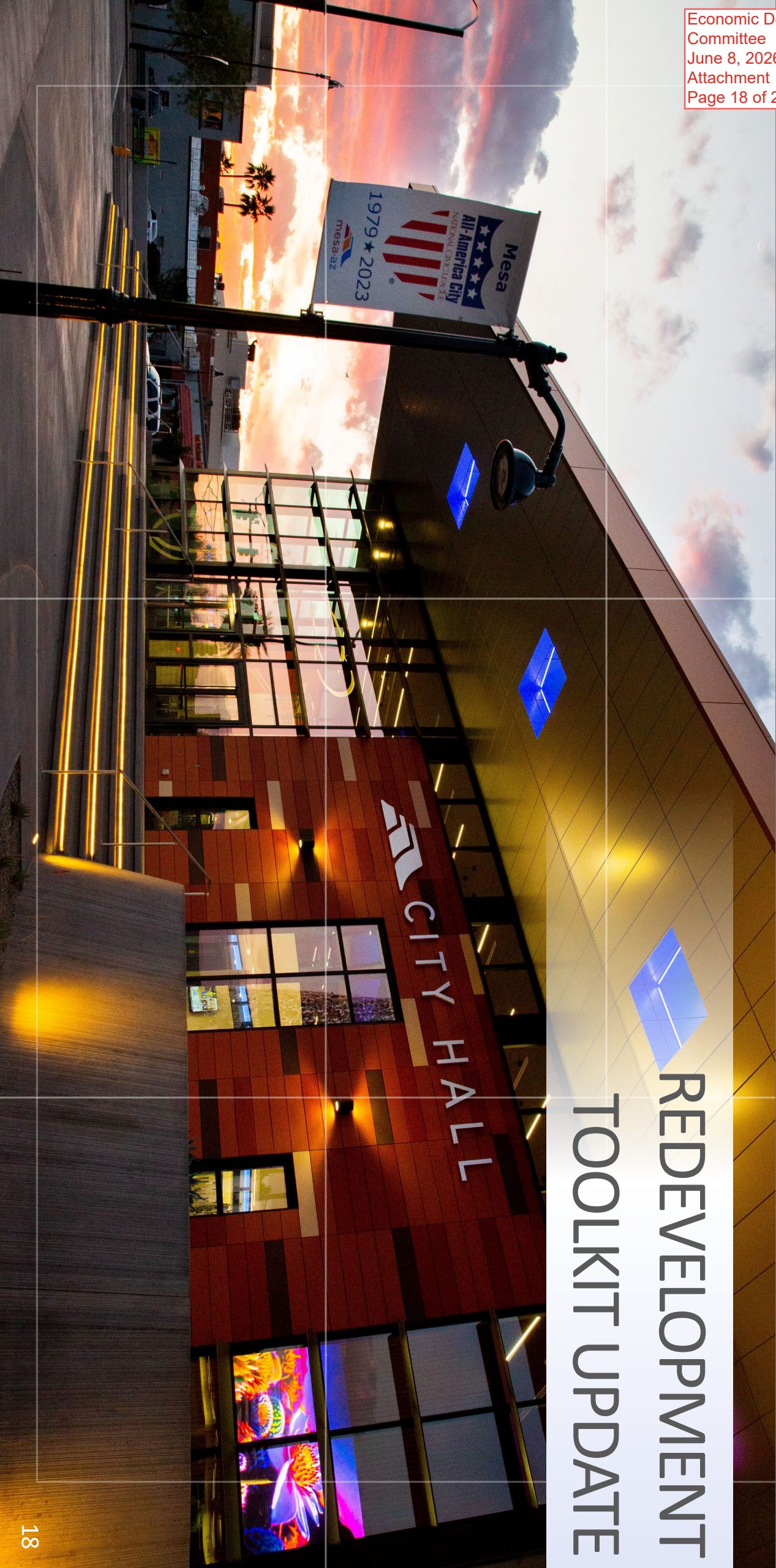
156 Room hotel in planning and negotiation

1,100 Residential units in planning

45+ New businesses added since 2020



REDEVELOPMENT TOOLKIT UPDATE





Melody on Main



Proof Bread



Bread and Honey House



Espiritu

- 1 Demolition and Remediation Assistance
- 2 Code Compliance Revitalization Grant
- 3 Reuse Ready
- 4 Vacant Property Registration
- 5 Revolving Loan Fund
- 6 Public Infrastructure
- 7 Placemaking
- 8 Strategic Acquisition and Analysis



REDEVELOPMENT TOOLKIT





MESA'S REDEVELOPMENT INCENTIVES

Redevelopment starts here.

Incentives that make it easier to reach your redevelopment goals

Small business owners

Property owners

Developers

Brokers

Built for the people who build Mesa.



Small business & property owners

Reinvest in your building or site with support that shares the cost.



Brokers

Bring opportunities to clients with incentives that strengthen the deal.



Developers

De-risk redevelopment with a plan for public infrastructure.



Partners & advisors

Attorneys, lenders, architects, and engineers helping projects come together.

A straightforward path from idea to reinvestment.

1

Connect

Reach out to the Office of Urban Transformation to talk through your project.

2

Apply

Submit a simple application for the incentives that fit your goals.

3

Get approved

We review eligibility and confirm terms and any matching commitment.

4

Build

Complete your work, receive support as your project moves forward, submit for reimbursement, and share your progress with the City annually.

ARTS, CULTURE AND MESA'S ECONOMIC FUTURE

Downtown Activity. Visitor Impact. Business Attraction.

Arts and culture helps make Mesa a place where people want to live, visit, work, and invest.

**Economic Development Committee
June 6, 2026**

Luis Ruiz, Director

City of Mesa Arts and Culture Department



PUBLIC PURPOSE

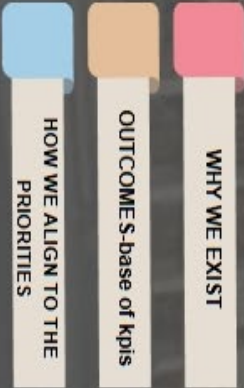
and culture serves Mesa residents while strengthening Mesa's economic vitality.

ARTS & CULTURE

The Arts & Culture Department exists to **connect the public with dynamic, enriching experiences while stewarding community spaces and assets to strengthen Mesa's cultural vibrancy and economic vitality, advancing the City's vision of a thriving and prosperous community.**

PERFORMANCEPLUS

ENVISION. ELEVATE. IMPACT.



Public purpose and economic vitality are connected.

Shared KPIs

Click view of how we are measuring impact.

KPI 1

Participation & Experience

Who is participating, when they come, and what experiences bring them downtown.

KPI 2

Access & Community Reach

Who is being reached, where barriers are reduced, and how access expands.

KPI 3

Economic Vitality

How arts and culture connects to visitation, downtown activity, business activity, and local economic indicators.

For this economic development conversation, KPI 3 becomes especially important.

ARTS AND CULTURE ATTRACT BUSINESS.

Companies choose cities where people want to be.

- Businesses choose places, not just parcels
- Active downtowns help attract employees, clients, visitors, and investment
- Arts and culture brings foot traffic, identity, and repeat visitation
- Cultural destinations support nearby restaurants, hotels, retail, events, and public spaces
- Mesa's cultural assets make the city more distinctive, memorable, and competitive

**BUSINESSES
INVEST WHERE
PEOPLE
WANT TO BE.**

WNTOWN CULTURAL ANCHORS AND LOCAL VISITATION

a already has a cultural district in practice.

337,403
Mesa Arts Center
Visitors in 2025

175,000
AZMNH
visitors in 2025

150,000
idea Museum
visitors in 2025

Mesa Arts Center: performances, festivals, exhibitions, studios, classes, and community events

AZMNH: science, natural history, school groups, family visitation, tourism, and future redevelopment momentum

idea Museum: family visitation, hands-on learning, camps, access programs, and peak seasonal activity

Together, these institutions create repeated reasons to visit Downtown Mesa



Hundreds of thousands of annual cultural visits support downtown activity and strengthen Mesa's destination value.

WHY VISITATION MATTERS TO BUSINESS

Value is not only the ticket or admission.

- Cultural visits often extend into restaurants, parking, retail, hotels, events, and nearby businesses
- Families, school groups, performance audiences, festival attendees, and museum visitors create different downtown activity patterns
- Evening and weekend events support restaurants, hospitality, and nightlife
- Daytime and family visits support retail, parking, public spaces, and downtown visibility
- The stronger the connection between cultural institutions and businesses, the greater the downtown economic opportunity

A CULTURAL VISIT IS OFTEN A DOWNTOWN TRIP.

Meals • Parking • Shopping
Events • Return visits



PP6: NATIONAL CONTEXT, MESA LENS
and culture creates measurable economic activity.

NATIONAL AEP6

\$151.7B **2.6M** **\$29.1B**

national nonprofit arts and culture economic activity

jobs supported nationally

tax revenue generated nationally

MESA AEP6

\$38.46

average audience spending beyond admission, per person

30.1%

attendees who travel from outside the county

77%

nonlocal attendees who say the cultural event was the primary reason for their visit

- Audiences spend beyond admission on restaurants, parking, retail, transportation, hotels, and other local services
- For Mesa, the opportunity is to better connect cultural attendance with downtown business activity, tourism, and visitor spending
- Economic value grows when cultural destinations are linked to nearby businesses, hospitality partners, wayfinding, and shared promotion

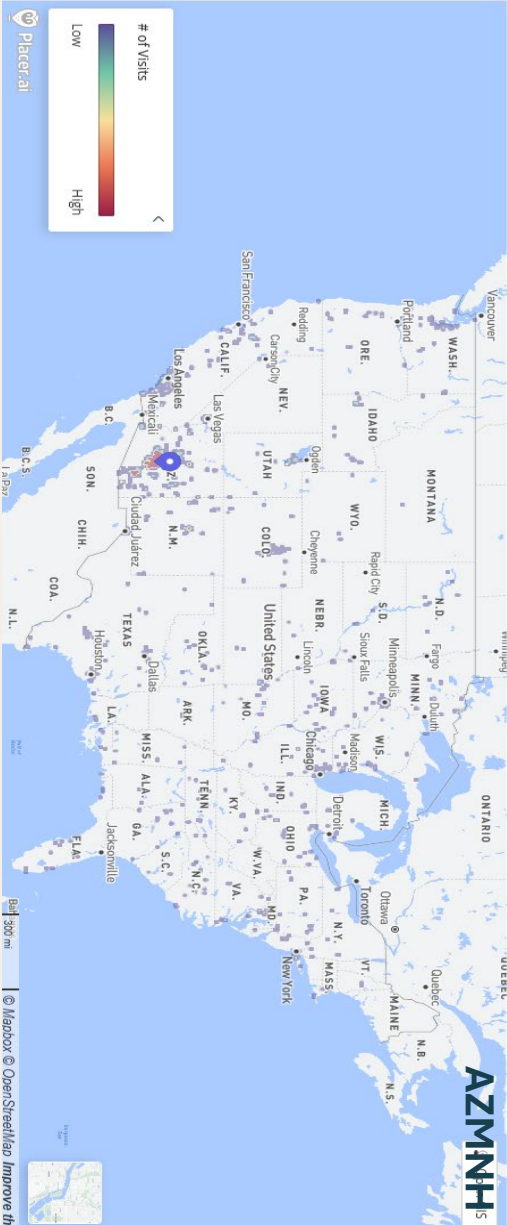
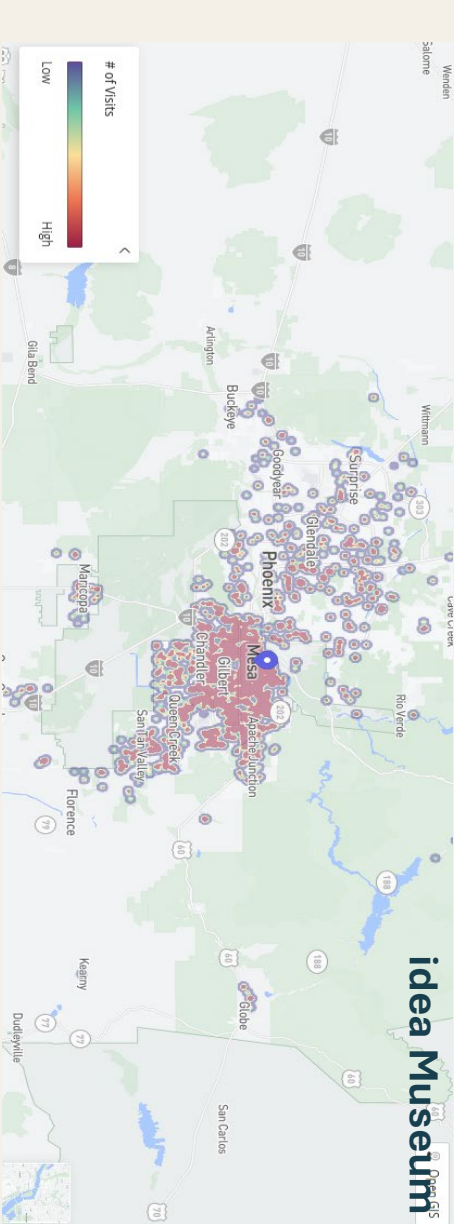
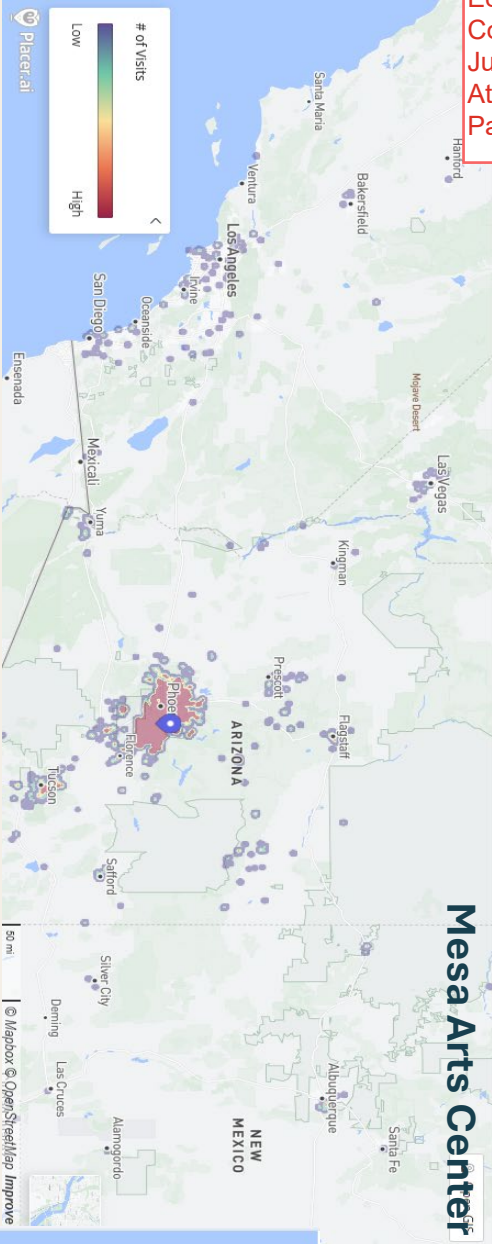
QUESTIONS TO ASK

- Where are visitors coming from?
- What else are they spending on?
- Did arts and culture bring them here?

Source: 2022 Americans for the Arts, Arts & Economic Prosperity 6.

VISITOR ORIGINATION

or origin helps show how arts and culture brings people into Downtown Mesa from across the region and beyond.



DOWNTOWN ECONOMIC OPPORTUNITIES

connect cultural activity more intentionally to downtown businesses.

- Shared promotion with downtown restaurants, shops, hotels, and events
- Visitor referrals from cultural institutions to nearby businesses
- Dining and event packages tied to performances, exhibitions, festivals, and museum visits

- Better wayfinding between Mesa Arts Center, AZMNH, idea Museum, Main Street, light rail, parking, ASU, and downtown businesses
- Stronger coordination with Visit Mesa and downtown business partners
- More visible connections between cultural destinations and the broader downtown experience

PACKAGE THE VISIT

CONNECT THE DISTRICT

ASURING DOWNTOWN ECONOMIC VITALITY – KPI 3

3 helps us understand how cultural activity connects to downtown economic impact.

Are arts and culture offerings contributing to increased participation and economic activity during key downtown activation periods?

What we hope the data will tell us

- Whether local sales tax revenue increases during defined arts and culture peak periods
- Which peak periods show the strongest relationship between cultural activity and economic activity
- Whether visitors are eating, shopping, parking, attending events, or visiting nearby businesses
- Where better promotion, wayfinding, partnerships, or packages could increase benefit

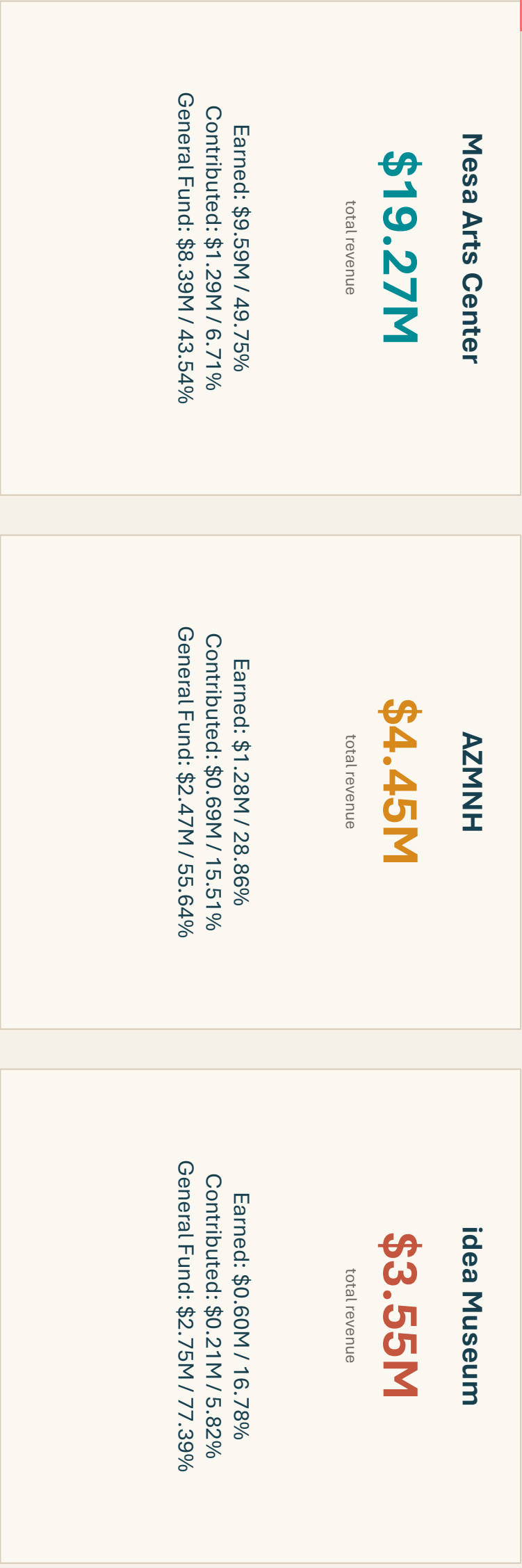
Measurement approach

- Year 1 : all downtown arts and culture offerings during defined peak periods
- Target: established using baseline sales tax data for those periods
- Measure: associated economic activity, not direct causation from one event

BETTER DATA CONNECTS CULTURE TO DOWNTOWN SALES, BUSINESS ACTIVITY, AND FUTURE INVESTMENT.

2025 REVENUE MIX BY INSTITUTION

Public investment, earned revenue, and contributed revenue work together.



Public investment provides the foundation, earned revenue shows audience demand, and contributed revenue expands programs and access.

THANK YOU

Mesa’s cultural institutions help bring people downtown, strengthen the visitor experience, and support the conditions that make Mesa attractive for business and investment.

Connect what we already have into a stronger downtown economic development strategy.

Mesa Economic Development.

Council Economic Development Committee.
June 8, 2026

Our vision.

Mesa, Arizona will be regarded as a premier location for companies and investors seeking an innovative, dynamic city to enhance their competitiveness.

01

A diverse and sustainable economy.

02

A leadership team who supports a regional, national, and global approach to economic development.

03

A partnership between industry and government.

Advancing business. Growing quality jobs.

Our mission.

Mesa’s Office of Economic Development (OED) works to enhance Mesa’s economy.



Promoting a culture
of quality.



Supporting the
creation of higher
wage jobs.



Promoting direct
investment.



Increasing prosperity
of our residents.

Our lines of service.



Business attraction,
retention and
expansion.



Entrepreneurship and
small business
development.



Redevelopment
and revitalization.



Workforce development
and talent attraction.

Industries of opportunity.



- Healthcare
- Biotechnology
- Medical Devices



- Aerospace
- Aviation
- Defense



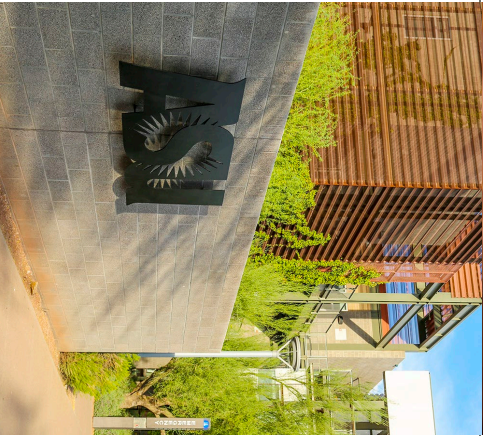
- Technology
- Semiconductors
- Electric Vehicles



- Advanced
Manufacturing
Sector-Wide

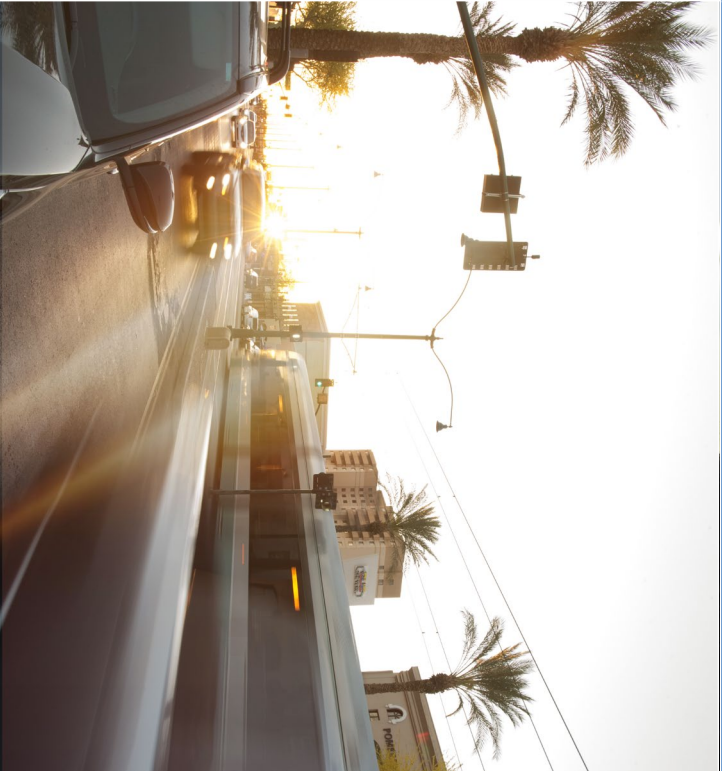
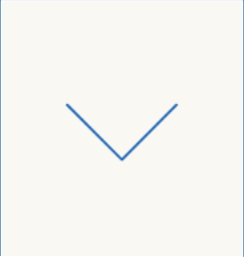


- Retail
- Hospitality
- Entertainment



- Education

Attraction: Foreign Direct Investment.

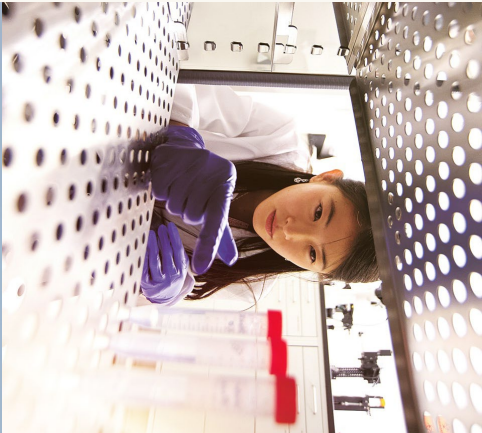


Foreign Direct Investment – Strategy.



- Focuses on attracting **export-oriented, capital-intensive industries**
- Leverages Mesa's core competitive advantages
- Positions Mesa to compete for international firms seeking **U.S. manufacturing, research and development, logistics, and technology investment locations**

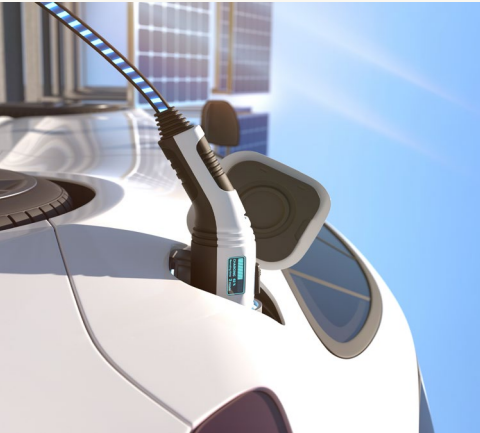
Foreign Direct Investment - Top Industry Clusters.



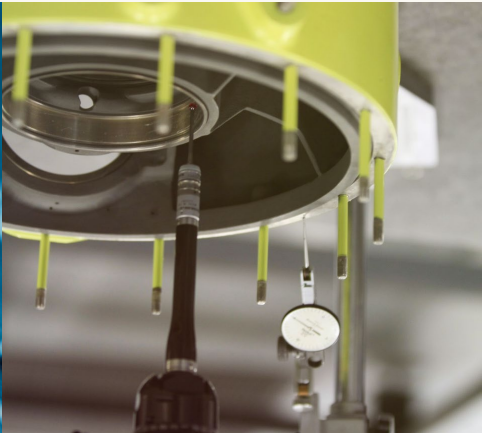
- Bio / Pharma / Life Sciences
- Medical Devices



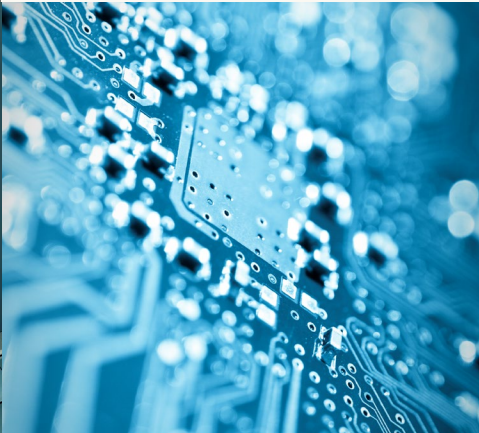
- Aerospace
- Defense



- Clean Energy Technologies



- Advanced Manufacturing Sector-Wide



- Semiconductor Supply Chain



- VTOL
- Mobility
- Autonomous Vehicles

Foreign Direct Investment – Top Markets for Mesa.

→ **Country and Key Sector Alignment**

- Japan – aerospace, semiconductors
- Taiwan – semiconductor supply chain
- Germany – automation, advanced manufacturing
- Canada – aerospace, mining technologies
- South Korea – battery technology, electronics

Quality Retail Attraction.



etail Attraction – Strategy.



- Focuses on attracting **high-quality, elevated hospitality, entertainment, restaurant and retail brands**
- Leverages Mesa’s **eight distinct retail districts** and demographic advantages
- Positions Mesa as a **location of choice** with retail brokers, developers and concepts

Retail Attraction Performance Metrics.

Initiative	FY25 Actuals	FY26 To Date	FY26 Goal
Retail Capital Investment	\$62M	\$201M	\$30M
Retail Prospects Generated	32	30	30
Retail Locates	6	8	8
Retail Jobs Created	100	195	160
Retail Square Footage Absorbed	78,000 SF	260,000 SF	30,000 SF
Retail Newsletter Subscribers	-	251	275

Milestones: FY25 and FY26 YTD Successes.

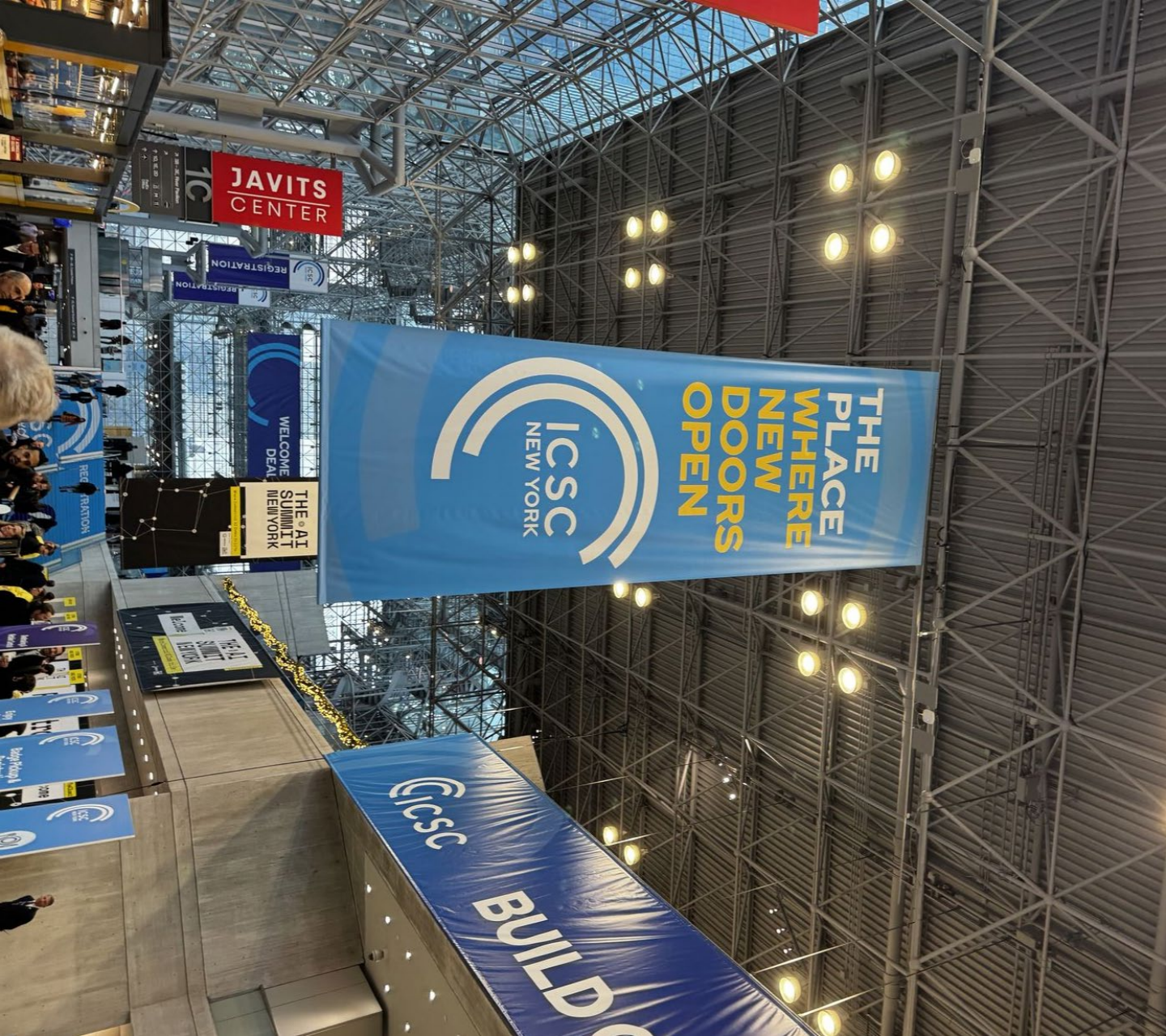
→ Companies / Brands / Developments

- Gateway Auto Mall
- Gallery Park / Tempo by Hilton, Homewood Suites
- Aldi
- Brick Road Coffee
- Fiesta Palms Redevelopment / Angry Chickz
- Medina Statios / OHSO, Cold Beer & Cheeseburgers
- Cambria Hotel
- Eastmarket / Sprouts, First Watch
- Mekong 88 – Dragon Lounge
- SpringHill Suites
- C2 Tactical

ilestones.

➤ Marketing and Business Development

- ➔ Quarterly Newsletter
- ➔ Broker/Developer Meetings
- ➔ Direct Outreach
- ➔ International Council of Shopping Centers (ICSC)
 - ➔ ICSC Western - 12 meetings
 - ➔ ICSC New York - 8 meetings
 - ➔ ICSC Las Vegas - 10 meetings
- ➔ Marketing material update and refresh
- ➔ B2C Campaigns



Milestones: B2C Paid Advertising.

3M+ 53K+ 1.7M+ 809K+ 420K+

Meta Impressions	Meta Link Clicks	TikTok Video Views	Spotify Impressions	Geo-Fence Impressions
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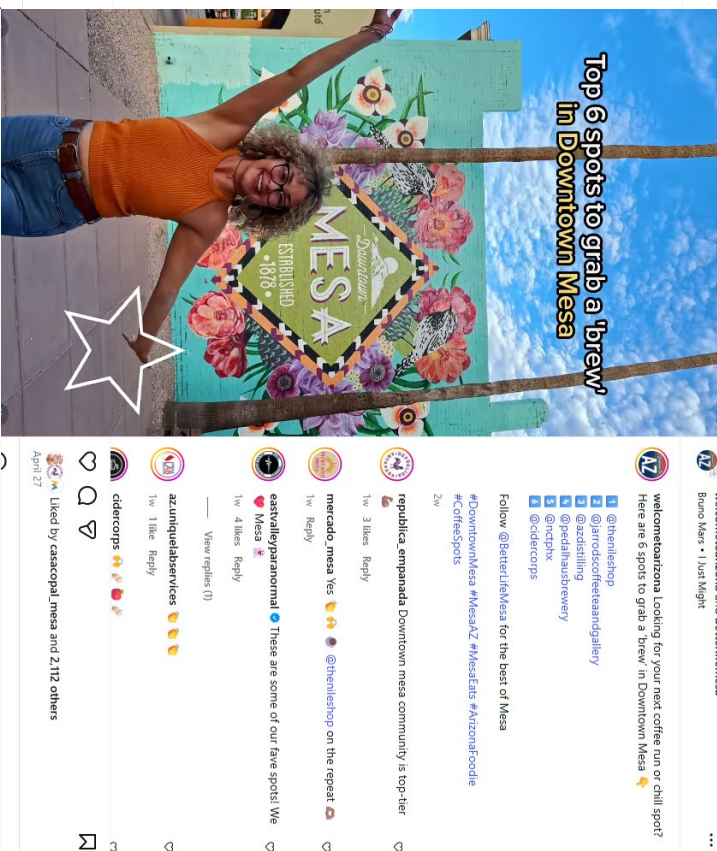
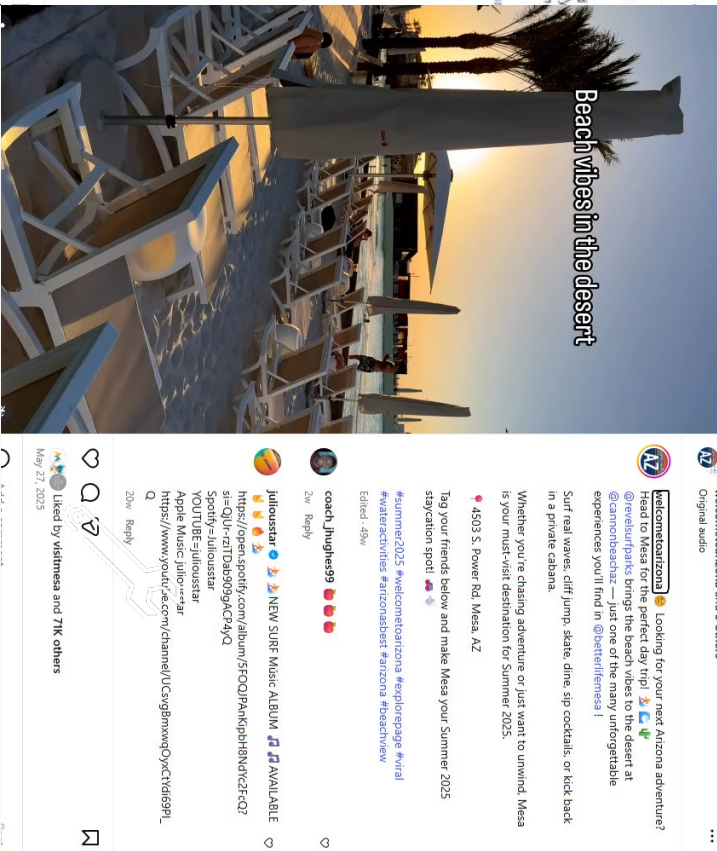
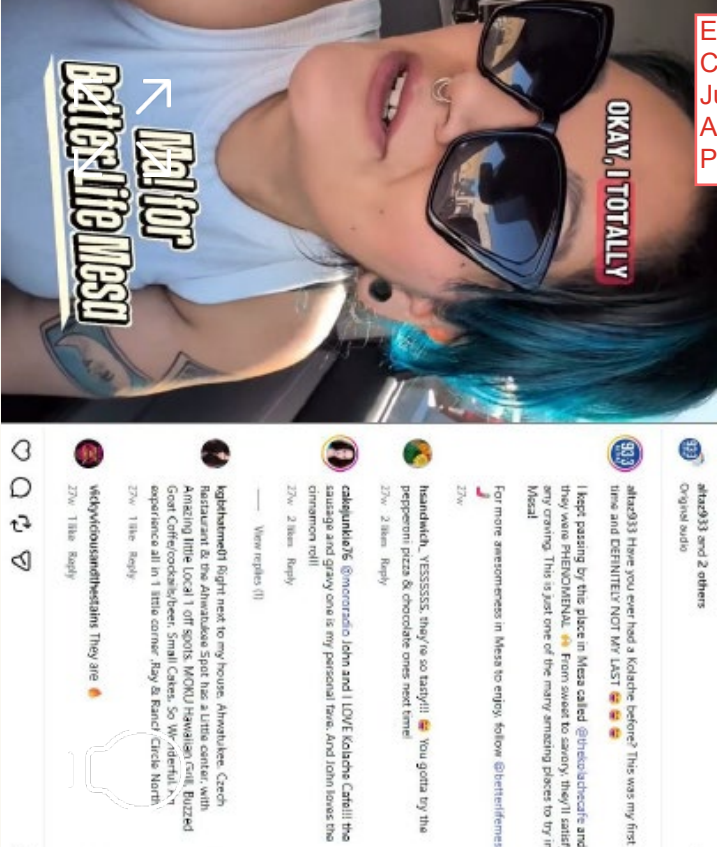


- Source: City of Mesa Office of Economic Development campaign analytics, 2025–2026.

Influencer Impact

- 25+ Posts across Meta, Instagram, and TikTok
- Resulting in growing followers from 92 → 2,500 Instagram followers

Social Media Ads.



Next Steps.

Active Projects

- Longbow Area
 - Hotel
 - Sunshine Acres
 - Recker and Longbow SWC
 - 12 West Parcel
- Dana Park Improvement/Expansion
- Gateway Crossing
- Rush Fun Plex
- Gallery Park
- A.T. Still Retail
- Cannon Beach Hotel

→ Continued Attraction Efforts

- Quarterly Newsletter
- Broker/Developer Meetings
 - Quarterly updates with local brokers
- International Council of Shopping Centers (ICSC)
 - ICSC Western
 - ICSC Retail Forward
 - ICSC Las Vegas
 - Direct Outreach
 - B2C Campaigns

FY26 by the Numbers. Year to Date.



26 Business Attraction by the Numbers.

Successes		
Closed, FY26 year-to-date		
Locates	42	
Square feet absorbed	6.72M	
Capital investment	\$2.49B	
Net new jobs	3,310	
Average annual wage	\$74,442	
RETAIL LANE		
Projects	8	
Square feet	282.9K	
Capital investment	\$201M	
Net new jobs	195	

Active		
Prospective pipeline		
Projects	55	
Square feet absorbed	11.47M	
Capital investment	\$9.24B	
Net new jobs	8,108	
Average annual wage	\$74,103	
RETAIL LANE		
Projects	23	
Square feet	1.14M	
Capital investment	\$3.30B	
Net new jobs	7,529	

Leads		
Potential prospects		
Prospects	131	
Square feet absorbed	18.9M	
Capital investment	\$20.45B	
Net new jobs	26,501	
Average annual wage	In review	
RETAIL LANE		
Projects	43	
Square feet	247.2K	
Capital investment	\$29.2M	
Net new jobs	242	

26 by the Numbers.

REAL ESTATE CONTEXT: MESA INDUSTRIAL AND FLEX

YoY Submarket context, CoStar, Mesa jurisdiction. Commercial data shown for trend; levels verified against the project base.

45.9M INVENTORY SF ▲ 5.2%	4.3M 12-MO ABSORPTION ▲ 138.9%	21.6% VACANCY RATE ▼ 5.8%	2.0M UNDER CONSTRUCTION ▼ 13.3%	\$15.03 ASKING RENT SF ▲ 3.4%
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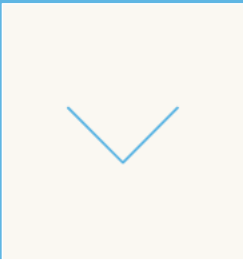
The active non-retail pipeline alone represents **11.47M square feet** of prospective absorption, close to the **11.3M square feet** of available industrial and flex space in the market. Strong recent absorption alongside elevated vacancy points to available capacity, with conversion shaped by site readiness, infrastructure, and product fit. *Analyst inference, City Economic Development analysis.*

SEVEN YEARS AGO · 2019 Q2

Mesa industrial and flex, CoStar. The market was roughly half today's size and very tightly occupied.

20.9M INVENTORY SF	0.49M 12-MO ABSORPTION	6.3% VACANCY RATE	0.88M UNDER CONSTRUCTION	\$8.38 ASKING RENT SF
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City of Mesa Economic Development Strategic Plan.



Strategic Plan.

Define Mesa’s long-term vision and economic priorities, providing a clear roadmap to align resources, guide decision-making, and achieve measurable results.



scope of Work (FY27-29 Strategic Plan).

- Economic & Market Analysis

→ Business District & Redevelopment Area Positioning

→ Business Attraction

→ Entrepreneurship

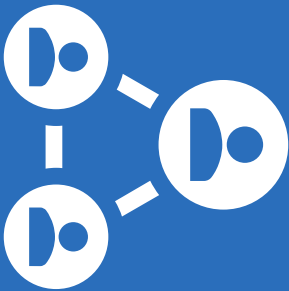
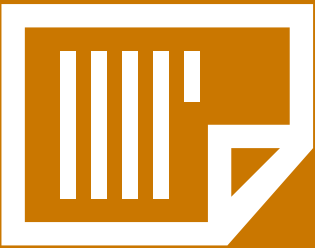
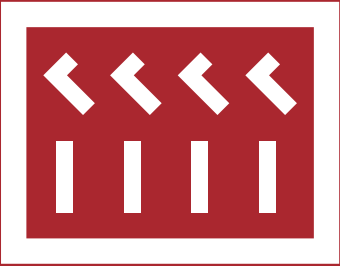
→ Workforce Development
- Strategy & Implementation Plan

→ Metrics & Performance

→ Funding & Resource Strategy

→ Marketing & Communications Alignment

Request for Proposal Process.



OCTOBER 2025
Solicited for RFPs.

DECEMBER 2025
12 responses.

DECEMBER 2025
Three interviews.

JANUARY 2025
Selected Hickey Global.



Hickey Global.

- Full-service economic development consulting firm supporting private, public, and non-profit economic development organizations around the world
- Services: Research & Analytics, Strategy & Business Development, Insights & Incentives, Organizational Development, Workforce Development
- Sister company to Hickey & Associates – global leader in site selection, location strategy, credits & incentives advisory, and labor analytics

chedule.

- Phase 1 (Kick off and Discovery) | Jan 30 – Feb 27
- Phase 2 (Stakeholder Engagement) | Mar 6 – Apr 24
- Phase 3 (Economic & Market Analysis) | Feb 13 – May 1
- Phase 4 (Business Development & Workforce) | Mar 13 – May 29
- Phase 5 (Strategy Development & Implementation) May 1 – Jul 3
- **Phase 6 (Final Document) | Jun 20 – Jul 31**
- **Council Presentation – August / September 2026**

Stakeholder Engagement.

Roundtables

70 Participants

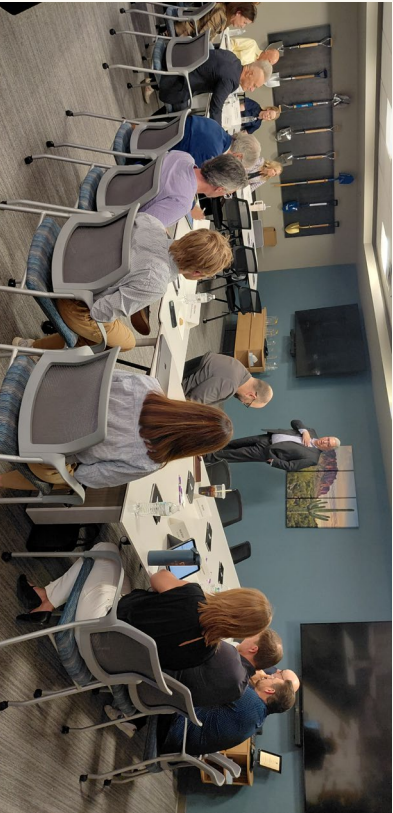
- City and Infrastructure
- Talent Pipeline
- Development Partners
- Membership Partners
- Business & Industry



Interviews

~20 Participants

- Mayor & Council
- Employers
- Utility Providers
- State & Local Partners



Next Steps.

- Draft Complete June 30
 - Staff & City Manager Review of Draft (July)
 - City Council 1:1s – Review of Draft (July/Aug)
- City Council Presentation August / September 2026

Questions/Comments?



Stay connected.

Jaye O'Donnell

Director

City of Mesa, Arizona

Office of Economic Development

480.644.3457

Jaye.O'Donnell@mesaaz.gov

SelectMesa.com

MesaBusinessBuilder.com

in Mesa-Economic-Development

f Mesa Business Builder

@ BetterLifeMesa



mesa·az
ECONOMIC DEVELOPMENT



MESA CITY COUNCIL · ECONOMIC DEVELOPMENT COMMITTEE

FY25-26 Update

(Including overall visitor economy performance)





WHO WE ARE

Visit Mesa is the official Destination Marketing Organization (DMO) for the City of Mesa, charged with branding, selling and marketing the destination; generating overnight visitation; supporting the hospitality industry that employs thousands of residents; and elevating the quality of life of Mesa residents.

Current # of staff members: 13*

Current # of board members: 25*

FY 25-26 Budget: \$4,705,079 (includes Mesa TLT, Prop 302 and private sector investment)

FUNDING MODEL

Visit Mesa is funded primarily through hotel (bed) tax revenue paid by overnight visitors — **not by Mesa residents or general fund dollars**. For every \$1 of public funding invested in Visit Mesa, an estimated \$24 in direct visitor spending is generated in Mesa.

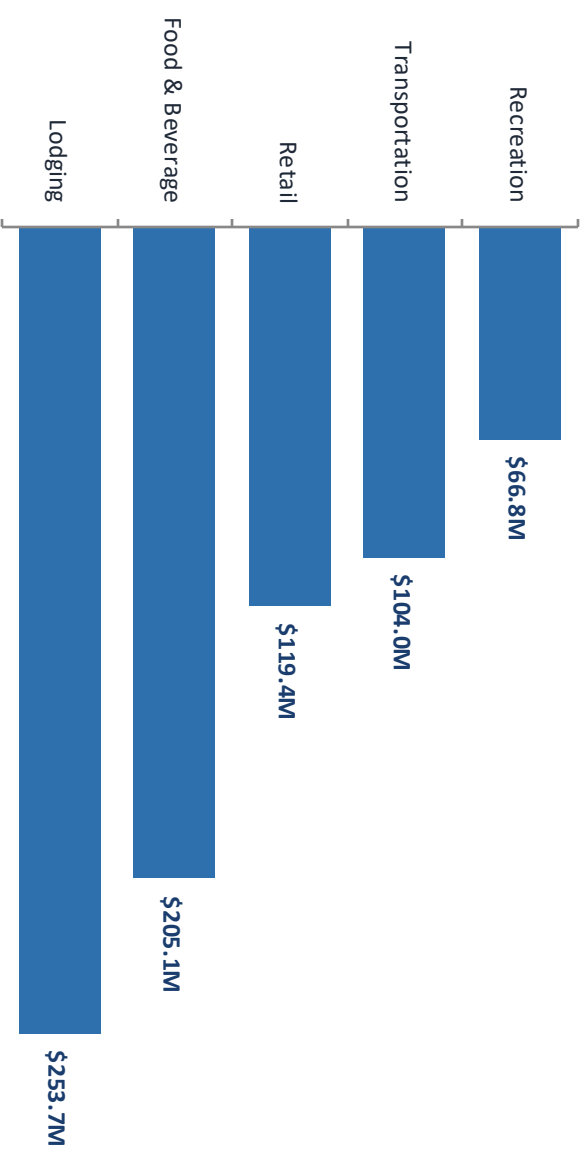


E 2024 VISITOR ECONOMY: A KEY ECONOMIC DEVELOPMENT DRIVER

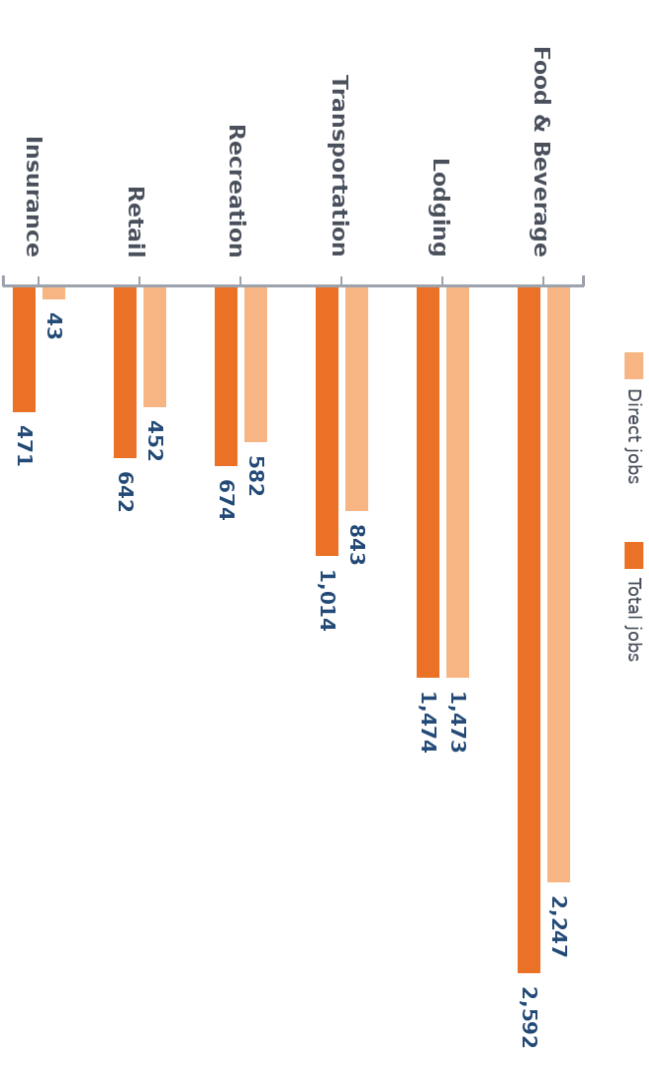
pendent analysis: Tourism Economics, an Oxford Economics Company



WHERE THE \$749M IS DIRECTLY SPENT



JOBS SUPPORTED BY THE VISITOR ECONOMY IN 2024

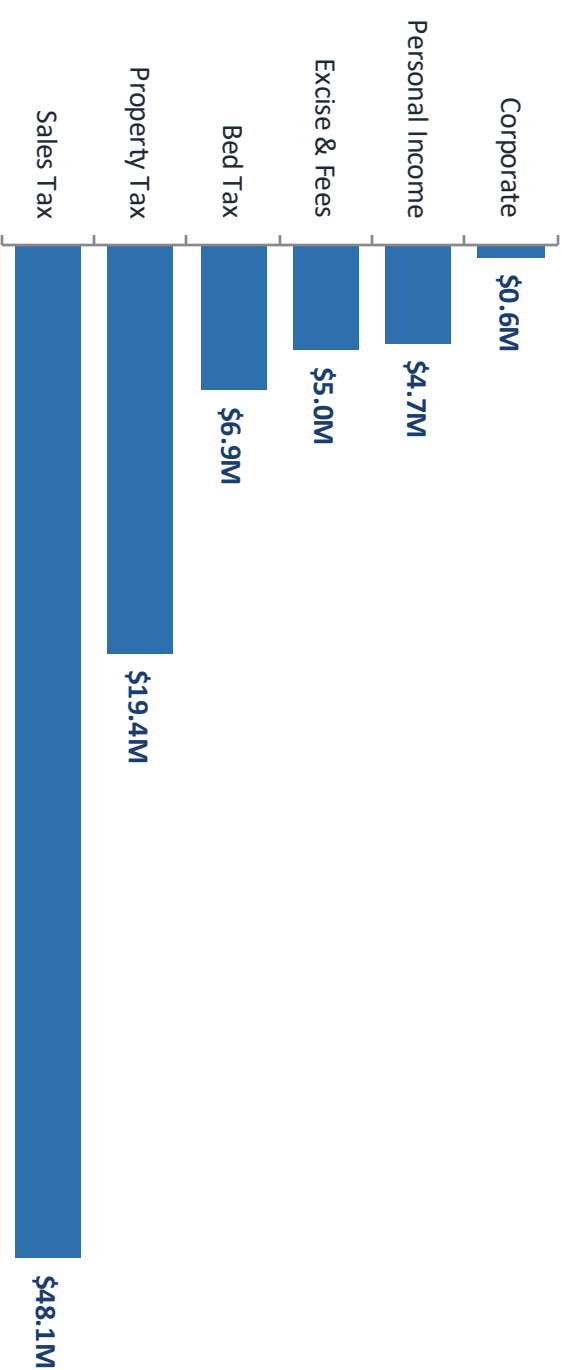


Source: Tourism Economics — Economic Impact of Visitors to Mesa, 2024 (Client Preliminary, July 2025). Total impact includes direct, indirect, and induced effects.

VISITOR ECONOMY FISCAL IMPACTS - CY2024



STATE & LOCAL TAX BREAKDOWN (\$M, 2024)



WHY THIS MATTERS

Without the visitor economy, each Mesa household would need to be taxed an additional **\$432** to replace the state and local taxes visitors generate.

Tourism is a low-cost, high-return tool for funding city services without burdening residents.

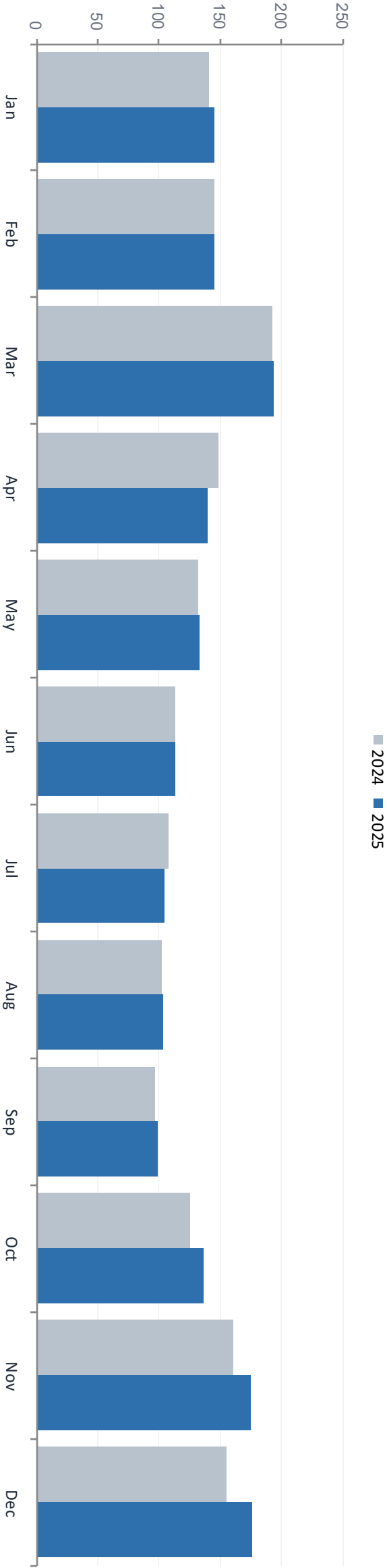
Source: Tourism Economics — Economic Impact of Visitors to Mesa, 2024. Household tax offset assumes redistribution of \$84.7M in state/local taxes across Mesa households.

VISITOR TRENDS — CALENDAR YEAR 2025

Strong overnight visitation drives hotel occupancy, restaurant sales, retail spending, and tax revenues.



MESA OVERNIGHT TRIPS BY MONTH — 2025 VS 2024 (thousands)



Source: PlaceIQ — Mesa overnight trips, Jan-Dec 2025 vs. Jan-Dec 2024.

SHOWING DEMAND SUPPORTS HOTEL INVESTMENT

Trailing 12 Months and FY 25-26 To Date)

Demand and revenue holding steady as supply expands; peak season shows strong compression

12-MO OCCUPANCY

Through April 2026

65.2%

12-MO ADR

Mesa overall, all classes

\$118

SUPPLY GROWTH

New rooms outpacing demand

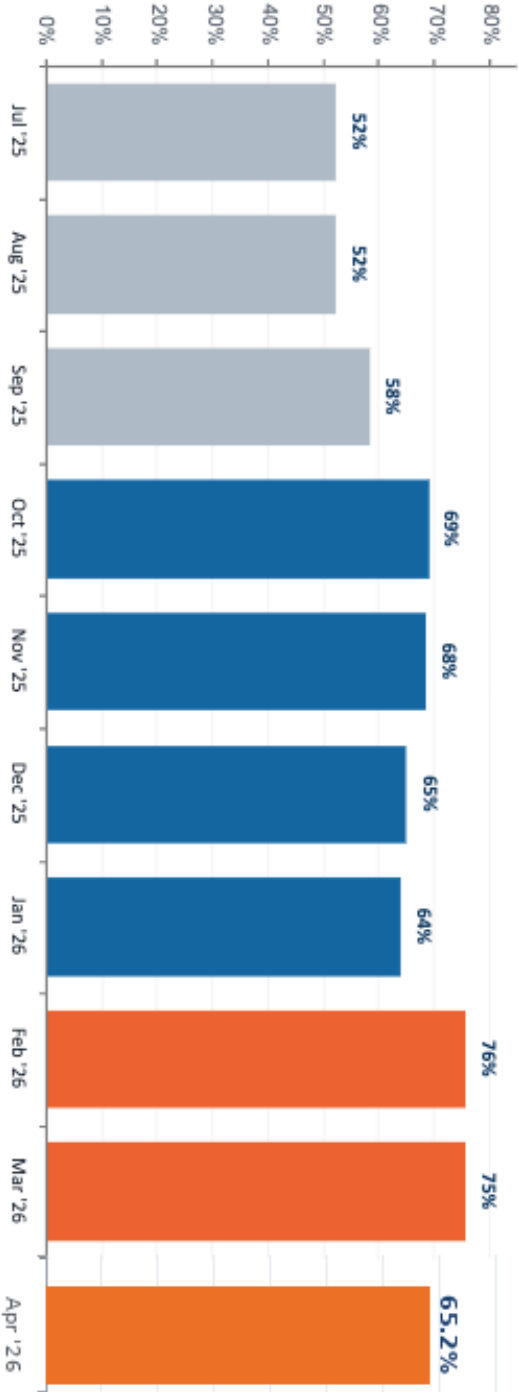
+4.7%

DEMAND GROWTH

Room nights consumed

+3.4%

MESA MONTHLY OCCUPANCY — FY25-26 (Jul 2025 – Apr 2026)



KEY TAKEAWAY

Demand is up **+3.4%** on a trailing 12-month basis, but supply growth of **+4.7%** is compressing year-over-year RevPAR.

Peak winter months (Feb-Mar 2026) cleared **75% occupancy with ADR above \$160** — confirming the destination's pricing power when demand is present.

LES & EVENTS

025–26 year to date through May 31, 2026

city funded sales efforts generated



DEFINITE BOOKED BUSINESS BY SEGMENT — FY25-26

SEGMENT	CONTRACTED RN	ATTENDANCE	EST. VISITOR SPEND
Sports	57,974	94,215	\$78.3M
Meetings & Conventions	12,520	15,046	\$34.7M
Leisure — OTA & Attribution Campaigns	28,046	12,002	\$10.0M
TOTAL DEFINITE	98,540	121,263	\$123M

OTA: Online Travel Agency (Expedia.com, hotels.com, VRBO.com, etc).

THE BOOKED-BUSINESS STORY

Sports is the volume engine — 57,974 contracted room nights and \$78.3M in estimated spend.

Conventions, meetings & group business delivered \$34.7M in estimated spend, including wholesale travel-trade production.

Leisure OTA campaigns (Adara, Expedia) added 28,046 contracted room nights to date.

25-26 WINS - SPORTS EVENTS

Million+ dollars in additional funded sales efforts generated

WORLD CUP 2026 TEAM BASE CAMP

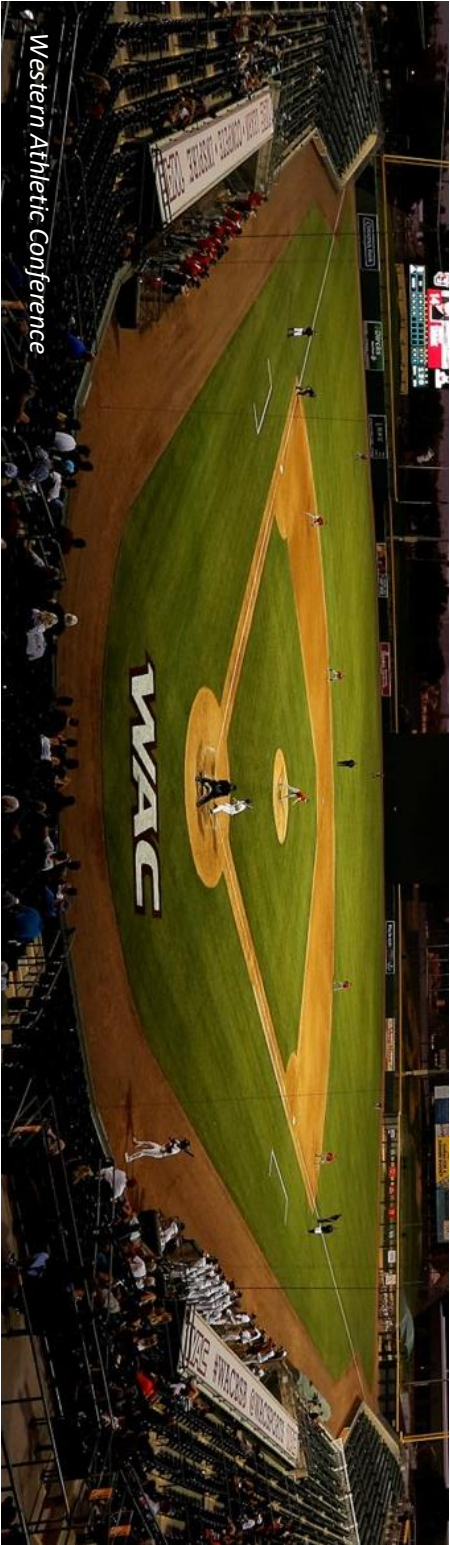
GLOBAL STAGE · SUMMER 2026 · 4,600+ ROOM NIGHTS
Mesa selected as a team base camp for the FIFA World Cup 2026 — international exposure and team room-night impact.

MLS NEXT FEST

6,000 ROOM NIGHTS · 14,000 ATTENDEES
Premier youth soccer event drawing teams from across North America; multi-year agreement secured.



MLS Next



Western Athletic Conference

TRIPLE CROWN SPRING SHOWCASE

5,500 ROOM NIGHTS · 21,000+ ATHLETES
Major multi-session spring tournament series — among the largest sports room-night generators of the year.

MSBL & NABA WORLD SERIES

1,522 ROOM NIGHTS · 1,250 ATTENDEES
Adult amateur baseball championships — long-duration events with strong shoulder-season value.

MOUNTAIN WEST & WAC BASEBALL CHAMPIONSHIPS

1,885 ROOM NIGHTS · 2,450 ATTENDEES
Simultaneous NCAA conference championships hosted in Mesa — demonstrating venue depth and capacity.

NAIA WOMEN'S BEACH VOLLEYBALL CHAMPIONSHIP

250 ROOM NIGHTS · 700 ATTENDEES · 2-YR DEAL
Multi-year championship secured. Establishes Mesa as home of an emerging NCAA-feeder event.

Source: Visit Mesa Sales Activity Report, FY25-26 (7/1/2025 - 6/30/2026). Room-night and attendance figures reflect Mesa-contracted business. MSBL = Men's Senior Baseball League, NABA = National Adult Baseball Association

25-26 WINS - MEETINGS/CONVENTIONS/EVENTS

city funded sales efforts generated

PENTEC HEALTH SUMMIT 2026

820 ROOM NIGHTS IN THE MEDICAL MARKET SEGMENT
Medical market segment has been an elusive one for the lack of resort product, but the Pentec Summit hosted at the Sheraton Mesa Hotel was a welcome exception.

MASTER TECH EXPO 2026

TRADE-SHOW · 900+ ROOM NIGHTS & 1,000 ATTENDEES
2026 was the 5th consecutive year that the Mesa Convention Center has hosted this international trade-show and annual meeting. Major brands like Sony, Kenwood, JBL are among the exhibitors.

ARIZONA ASSOCIATION FOR THE GIFTED AND TALENTED

AAGT 2026 ANNUAL CONFERENCE · 95 ROOM NIGHTS
Over 1,000 educators, students and advocates gathered at the Mesa Convention Center for this annual conference for the 5th consecutive year.

VEX DIAMOND IN THE DESERT

INTERNATIONAL ROBOTICS COMPETITION · 350 ROOM NIGHTS
600+ high school and 400+ middle school students participated at the inaugural Diamond in the Desert robotics competition that took place at the Mesa Convention Center.

MEXICAN BASEBALL FIESTA & SLOAN PARK

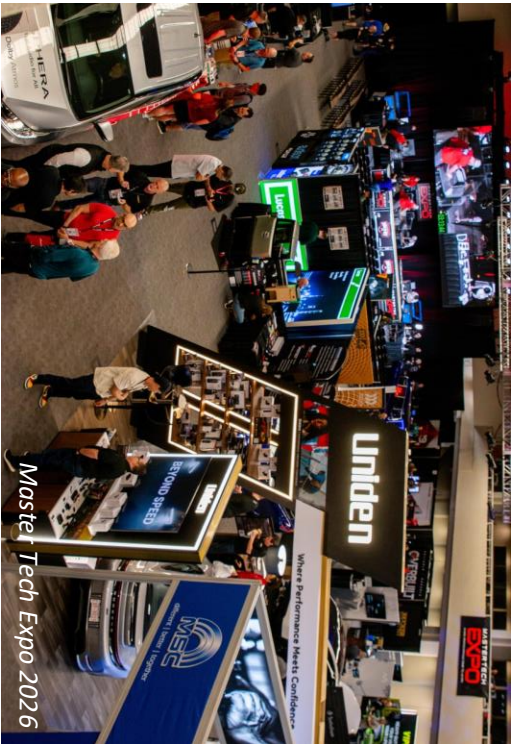
CUBS PARTNERSHIP · EXPANDING
Continued partnership with the Cubs and Hispanic community engagement; expanding to six teams.

COPPER STATE BEER FESTIVAL

SIGNATURE FEST · 5,000 ATTENDEES
Mesa festival drawing regional visitation and showcasing the local beer, craft & culture scene.

ALT FEST

AWARD-WINNING FESTIVAL · 4,600+ ATTENDEES
Award-winning arts and music festival extending Mesa's creative-destination brand and downtown activation.

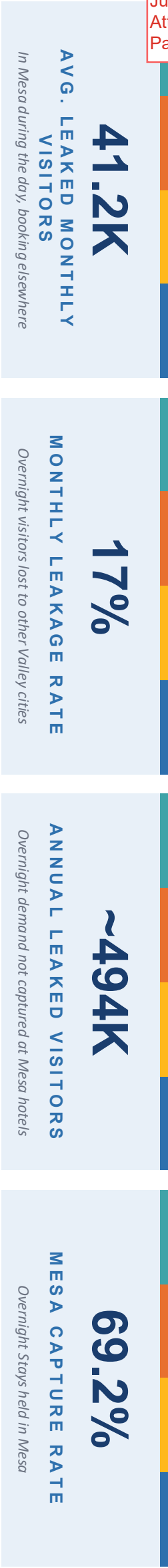


WHY THIS MATTERS FOR ED: Sports and group business alone generate more than 70,000 contracted room nights and over \$113 million in estimated visitor expenditures, driving demand for hotels, restaurants, retail, and attractions. Signature events like Copper State Beer Fest and ALT Fest further activate downtown, strengthen Mesa's destination brand, and create economic impact across the community.

E LEAKAGE OPPORTUNITY

attracts major demand it cannot fully capture — room nights and high-value group business leak to neighboring cities

Leakage Report, Last 12 Months



- Estimated leakage impact: approximately \$177.8M in lost hotel revenue, equal to roughly \$12.4M in combined TLT/TPt, based on a 3-night average stay and \$120 ADR.

SPORTS ROOM-NIGHT LEAKAGE EXAMPLES

Sources: Visit Mesa CRM & Destinations International Event Impact Calculator

EVENT	TOTAL EVENT RN	MESA RN	GAP
MLS Next	39,000+	<6,000	33,000+
SC Del Sol	3,500+	877	2,600+
Triple Crown Spring Showcase	21,000+	~5,000	16,000+

- Mesa hosted MLS Next Fest but, with limited hotel inventory, held only ~18% of the room nights — the remaining 33,000+ booked in Scottsdale, Tempe, and Phoenix. This does not include the estimated room nights for families and guests, which would make the leakage even greater.

LEAKAGE IS A PATTERN, NOT A ONE-OFF

- Requested sports room nights exceeded current contracted capacity by more than 75,000 room nights.
- The issue is not lack of demand. The issue is in-market capacity and capture.

- This supports a broader economic-development case around lodging product, event-support infrastructure, and visitor-serving growth.

LOST GROUP BUSINESS: limited hotel inventory and insufficient meeting, ballroom, and exhibit space cost Mesa convertible business from Nestle Health Sciences, Blank Rome, and Madrigal Pharmaceuticals, among others.

The demand is already here — Mesa needs the product to capture it.

MARKETING & DEMAND GENERATION — FYTD Thru May

media, search, and social channels driving measurable room nights and outperforming targets



Marketing is pacing to deliver est. 30K attributed and OTA room nights this fiscal year — up from 20.6K in the prior full fiscal year, a projected **36% year-over-year gain**.

Source: VisitMesa Marketing Dashboard, Google Analytics, Adara attribution, FYTD May 2026. Prior-year figures reflect the full FY24-25. ROAS = revenue-attributed room-night value divided by paid media investment. Year-over-year comparisons reference the last complete fiscal year (FY24-25). Current-year figures are FYTD and pacing to meet or exceed prior-year totals.

MARKETING CREATIVE EXAMPLES

Campaigns helped drive 28,000+ attributed room nights.

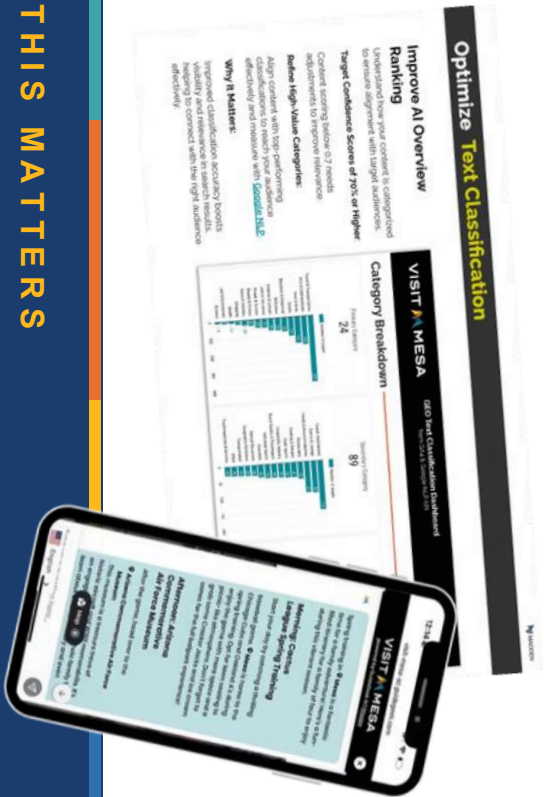


& SEARCH LEADERSHIP

changing how destinations compete, operate, and connect with visitors. Visit Mesa is applying it strategically, using practical tools with purpose and human oversight. AI tools help Visit Mesa extend marketing reach and improve productivity without proportional increases in staffing costs.

WHAT WE'RE DOING

- **AI Roadmap Implementation**
First DMO in the nation to implement a formal procedural roadmap which includes both execution by individual staffer and department lead, while adhering to organization-wide usage policies.
- **AI Optimization Strategic Plan**
Generative Engine Optimization (GEO) to surface Mesa in AI answers, not just search results.
- **Scrunch AI brand monitoring**
Real-time tracking of how and when Mesa is cited across AI platforms.
- **Custom GPTs + org-wide adoption**
Internal AI tools across marketing, communications, and destination experience (Partnership sales).
- **AI webinar series**
Open to all Mesa businesses, sharing practical AI insights from Visit Mesa's roadmap to support innovation across our community.



WHY THIS MATTERS

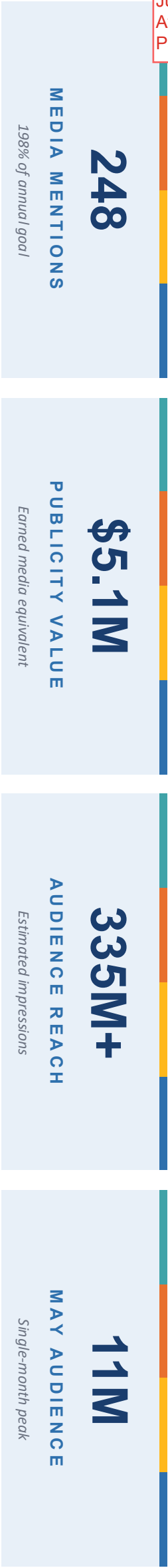
Search is being rebuilt around AI Across travel, organic clicks are down **20-30% YoY** as AI answers replace blue links.

Mesa is bucking the trend: Search site impressions are **up 38% YoY** because we optimize to be the source that AI engines cite.

We are leading this shift, not reacting to it — protecting Mesa's visibility as visitor behavior changes.

R. & EARNED MEDIA — FYTD (Thru May)

national media exposure strengthens Mesa's reputation among visitors, event planners, investors, and future residents.



WHAT THE NATIONAL PRESS IS SAYING ABOUT MESA

ACCESSIBILITY LEADERSHIP

Mesa is consistently profiled as a national leader in accessible and inclusive tourism — covered by national outlets following the Dani Bowman / Love on the Spectrum FAM tour.

ARTS & CULTURE WEEK

Mesa Arts & Culture Week earned significant earned-media coverage in regional and national lifestyle publications, helping establish Mesa as a creative destination beyond Spring Training. This partner collaboration has earned recognition by the 2026 AZ Travel Awards as the Destination Marketing Campaign of the Year.

CITY LIMITLESS® PODCAST

Our podcast expanded Mesa's storytelling reach through compelling conversations with influential guests, introducing new audiences to the destination and elevating brand awareness. These efforts earned a Telly Award and contributed to the podcast's recognition by the 2026 AZ Travel Awards as Destination Social Media Account of the Year.

SEE & DO >

FOOD & DRINK >

HOMES >

COMMUNITY >

EVENTS

SEE YOUR COMMUNITY LISTING >



Visit Mesa Launches New Adventure Guide

Written by Fabulous Arizona - Published on May 28, 2025 - In See & Do, Travel & Adventure

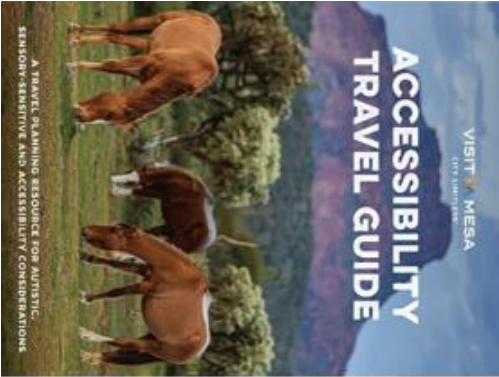
Visit Mesa has released a new Adventure Guide designed to help visitors and residents explore the outdoor recreation opportunities surrounding Mesa and the greater Sonoran Desert region.

THINGS TO DO

Rare cougar shadow returns to Superstition Mountains
March 15–21



The best time to catch the shadow is 30 minutes before sunset March 15-21.



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47,089.51

FREE APACHE JUNCTION WINTER STORM BRINGS BUZZARD CONDITIONS TO THE MIDWEST, EAST COAST

HEADLINES

'COUGAR SHADOW' RETURNS TO THE SUPERSTITIONS



Witnesses and 4 others

The Bamboos, Kylie Autist • I Don't ...

...

Witnesses Edited • 3w

EXPLORE DOWNTOWN MESA WITH @downtownm

@lovenontheaspectrummetrix star, Dani Bowman visited us in Mesa, and here's how she spent a day exploring @downtownmesa

1. Coffee and photo booth pics at @enricheshop (Dani prefers Matcha over Coffee)

2. Tour @azmnh (Dani is a self-proclaimed amateur geologist, but we think she could pass as a pro 🤪)

3. Take a class at the @mesaatcenter (Dani is an animator and extremely creative, so she loved this)

4. Visit the Mesa Contemporary Arts Museum (Dani appreciates all kinds of art)

7K 154

May 15

MESA NEWS

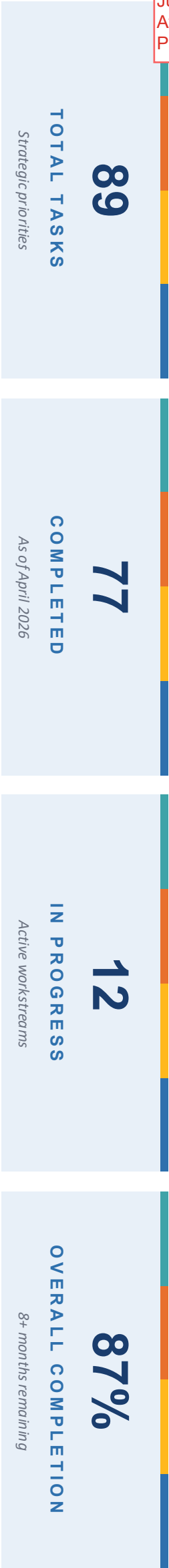
WATCH: Mesa is growing rapidly but there aren't enough lodging options



The City of Mesa is adding hotels at a hurried pace. Economic developers in the Valley know Mesa is growing, and there isn't enough hotel space to house the growing number of visitors.

STRATEGIC PLAN EXECUTION (CY 2024 – 2026)

End-of-year view of Visit Mesa’s strategic priorities, showing progress from planning to measurable execution.



COMPLETED THIS YEAR

- ✓ AI Roadmap, GuideGeek, & operational AI integration
- ✓ New VisitMesa.com website launch
- ✓ Adventure Guide & Brand Book refresh
- ✓ Campaign attribution via Adara pixel
- ✓ Accessible tourism resources & adaptive sports development
- ✓ Partnership automation & CRM
- ✓ Event Investment & Marketing Framework
- ✓ Hotel development business case & universal design addendum

COMMUNITY IMPACT INITIATIVES

MESA ARTS & CULTURE WEEK

Established as a destination-defining signature initiative — drove measurable visitation and earned media.

SPRING TRAINING GUIDE

Premium destination content paired with sports tourism — drives early-year overnight visitation.

ALLEGIANT AIR CO-OP

Expanded reach in direct-flight markets through influencer marketing and strategic air service alignment.

EVENT DEVELOPMENT & SIGNATURE EVENT STRATEGY

Advanced signature event alignment while supporting new and emerging events including ALT Fest, Flavors on Main, Dia de los Muertos, Copper State Beer Festival and Mesa International Film Festival. Aligned event producers, venues and stakeholders around opportunities that drive visitation and economic impact.

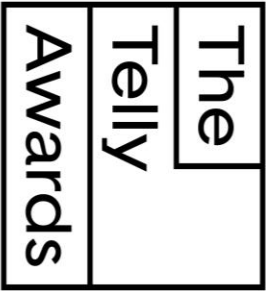
CITY LIMITLESS® PODCAST & CONTENT

Award-winning storytelling platform extending Mesa’s brand reach across audiences.

AWARDS & RECOGNITION — FY25-26

WINS BY CATEGORY

AMERICAN ADVERTISING AWARDS	"AI Can't" Campaign	Gold ADDY
DESTINATION SOCIAL MEDIA ACCOUNT	City Limitless® Podcast	AZ Travel Award
DESTINATION MARKETING CAMPAIGN	Mesa Arts & Culture Week	AZ Travel Award
EVENT MARKETING	ALT Fest	AZ Travel Award
PARTNERSHIP MARKETING	Las Sendas	AZ Travel Award
OUTDOOR / RECREATION	Hawes Trail System	AZ Travel Award
ATTRACTION MARKETING	Arizona Baseball Museum	AZ Travel Award
TELLY AWARD (BRANDED CONTENT)	Jesse Cole / Savannah Bananas Episode	City Limitless® Podcast



LOOKING FORWARD — Q4 FY25-26 AND BEYOND

ities, pipeline, and momentum carrying Mesa into FY26-27

NEAR-TERM

Q4 FY25-26 PRIORITIES

- Spring/summer sports actualization (NAIA, WAC/MWC conference championships)
- IPW international buyer marketplace
- Summer Adventure campaign launch
- Year-end KPI reporting

PIPELINE

HOTEL DEVELOPMENT PIPELINE

- 21 properties / 3,146 rooms tracked:**
- 943 rooms under construction (2026–27)
 - 2,203 in planning/proposed (incl. AC Marriott Hotel, Residence Inn, two stadium hotels, 600-room Legacy Park, Longbow select service)

STRATEGIC

TIA — TOURISM IMPROVEMENT AREA

Continued advocacy for a TIA mechanism to provide stable, sustainable funding for destination marketing — a tool used successfully by 25 states and, as of now, 215+ U.S. cities.

NEW FY

FY26-27 PLANNING

2027–2029 strategic plan session, AOT Prop 302 execution, and a brand campaign with MOED connecting destination awareness to resident and business attraction.

OPPORTUNITIES TO ALIGN

Continued collaboration on visitor economy infrastructure, full-service hotel and event space development, and sustainable destination funding tools such as TIA/TID exploration.