

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

Date: January 3, 2023 Time: 7:30 am

MEMBERS PRESENT

Rich Adams, Chair
Brian Campbell
Michelle Genereux
Steve Henderson
Kathleen “KJ” Jolivette
Christopher Nickerson
Dominic Perry
Laura Snow

EX-OFFICIO

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

STAFF PRESENT

William Jabjiniak
Chris Molnar
Jaye O'Donnell
Maribeth Smith

MEMBERS ABSENT

N/A

GUESTS

Vice Mayor Jenn Duff
Mary Kopaskie-Brown
Jeff Robbins

1. Chair's Call to Order

Chair Adams called the January 3, 2023, meeting of the Economic Development Advisory Board to order at 7:30 a.m.

2. Items from Citizens Present - None

3. Approval of Minutes from December 6, 2022, Meeting

Chair Adams called for a motion to approve minutes. A motion was made to approve the December 6, 2022, minutes by Brian Campbell, seconded by Laura Snow.

Upon tabulation of votes, it showed:

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

NAYS – None

Vice Chair Zonneveld declared the motion carried by unanimous vote.

4. Hear from Vice Mayor Jenn Duff regarding economic development in District 4

Chair Adams thanked Vice Mayor Jenn Duff for joining the Board today.

Vice Mayor Duff thanked the Board for the invitation to speak with them and highlight some of the activities that have taken place in her District. She was elected to a second term in November which runs

through 2026. Vice Mayor Duff touched on City Council Committees, local boards, and regional committees she is a member of.

The population, demographics (53.3% Latino, 1.5% Asian, 4.4% Black), historic neighborhoods, transit network, Downtown Business District, redevelopment areas, small business incubation, and higher education within District 4 were discussed. A downtown development map was shared with the Board. Since 2020, 397 residential units were added, 867 units are under construction and 1,900 units are in planning and negotiation downtown. In addition, 21 new businesses have located, and 11 new business are under construction or lease.

Vice Mayor Duff shared her vision of a sustainable city economically, environmentally, and equitably. The downtown arts and innovation district is an ecosystem of opportunity. Entrepreneurship, collaboration, and small business are supported by The Studios, Co-Hoots, Local First kitchen, Launchpoint, and K'e. In addition, new co-working space is available at Newberry Station and Co-Hoots. She envisions a walkable arts and innovation corridor that spans from the Mesa Arts Center to Site 17 and is advocating for a Climate Action Board. The concept of 15-minute cities was introduced where housing, work, and entertainment are all accessible via a short walk or bike ride.

Bill Jabjiniak shared that during a recent roundtable, Mesa CEO's discussed climate action planning with City leadership. Environmental, Social, and Governance (ESG) is a topic site selectors are paying attention to and represents an organization's corporate financial interest that focus mainly on sustainable and ethical impacts.

Dominic Perry advocated for LEED certification for the new City Council Chambers project which would demonstrate Mesa's leadership and commitment to the importance of sustainability.

Mr. Brady shared that green building is important to the City, but in our experience LEED certification does not necessarily provide long term sustainability. The City builds for a 30–40-year term, conscious of environmental sustainability.

Brian Campbell complimented the EcoMesa project which will offer sustainable living and bring high-income earners to downtown.

Vice Mayor Duff mentioned that all projects currently underway in downtown are market rate or above except for CPLC. The LDS Church developed a market rate residential product, The Grove, with their own financing and rented to capacity very quickly. The EcoMesa project gained confidence from that success. Although, in addition to the rental market, Downtown is in need of for sale options.

Vice Mayor Duff shared that equity within the City and district is a focus and believes in recognizing and honoring our diversity, promoting the workforce development center and promise program, and advocating for infill projects. While Downtown is one focus, there are many opportunities for the rest of the district.

5. Hear a presentation on the City of Mesa 2050 General Plan update and timeline

City of Mesa Planning Director Mary Kopaskie-Brown and Senior Economic Development Project Manager Jeff Robbins were introduced to the Board and will provide an update on the 2050 General Plan. A general plan is an official statement of a municipal government which sets forth its mayor policies concerning desirable future physical development and formalizes agreements among various players in land use. Arizona Revised Statute requires that every municipality must prepare a comprehensive, long-range general plan that is adopted every 10 years. The plan must receive an affirmative vote of 2/3 of the city council and be approved by residents.

2040's community goals vision statement included creating and maintaining a variety of great neighborhoods, growing, and maintaining diverse and stable jobs, and providing rich, high-quality public spaces and cultural resources. A map of developed land was shared indicating the total undeveloped land at 14.6%.

Challenges faced today include conversion or pressure to balance land uses, job creation vs. housing or commercial development, revitalization or redevelopment, and infill development. Other challenges include infrastructure expansion and timing, auto-centric development patterns, connecting green and open spaces, connectivity/mobility (15-minute cities), sustainability, public perception (not just a bedroom community) and COVID refocus and impacts.

Since open land is largely in District 6, Mr. Campbell commented that the Board's focus may need to shift to redevelopment, which is a challenge we haven't faced before.

Laura Snow commented that open land is attractive to developers, but asked what the key principles for redevelopment are.

Mr. Jabjiniak shared that, in his experience in more mature cities, density and how you accommodate code and zoning changes to include mixed-use is key. For instance, he personally redeveloped a school into apartments. Also, some speculative land in SE Mesa is being privately held and not developed.

Mr. Campbell stated that the General Plan has such an impact on future development, and plan amendments are a challenging process based on state law. More flexibility is needed for other districts.

Ms. Kopaskie-Brown stated we'll look at key areas where adaptive reuse could occur and build flexibility where possible. It is important that that this board and others are involved in the process.

Laura Snow mentioned that walkable spaces are critical to healthy communities.

Jeff Robbins mentioned that when a company looks to locate, they have certain criteria. They may need to be 10 minutes from an airport or closer to a freeway. Their criteria narrows their choice of location. The General Plan is a 10-year plan that helps create place-based economic development. It directs future zoning designations, impacts future development patterns, and supports local employment opportunities. It is a comprehensive book of policy that influences many economic drivers, parameters for future housing, transportation, safety, and infrastructure.

Bill Jabjiniak felt that planning for buffers in the General Plan to protect industries of today while balancing residential nearby is crucial. Some land uses are not compatible. Certain employers appreciate the availability of nearby housing, while other industries require an auto-centric workforce.

Chair Adams concurred with Bill regarding keeping residential out of employment and flight paths. Protecting those uses is a passion of this board.

Mary Kopaskie-Brown mentioned that an employment parcel can be mixed-use with commercial below and residential above. We have a shortage of housing, both affordable and middle. So these are all things we need to balance; however, a progression of uses away from industrial uses is understandable.

KJ Jolivette commented about the need to be a destination and promote tourism, using redevelopment to entice those dollars to stay in Mesa.

Natascha Ovando-Karadsheh inquired about who is on the committee and how are we represented.

Mr. Robbins stated numerous City staff are assigned to the Technical Assistance Committee, including the Office of Economic Development. The Citizen Advisory Board consists of 7 members. The Planning Director also meets regularly with the City Manager and Department Heads.

Ms. Ovando-Karadsheh asked who ensures we uphold the vision of the plan as we've seen projects go against the general plan due to politics and influence.

Mr. Campbell mentioned that there is nothing in the original plan to protect flight paths for major aerospace employer expansions. Their access routes out of the city should be protected.

Ms. Kopaskie-Brown shared that the General Plan when adopted is an overall vision statement. The City needs to be able to evolve, but keep that vision in the forefront.

Ms. Snow asked how major businesses will be engaged to include their long-term vision and the plan for proactive stakeholder outreach.

Mary Kopaskie-Brown stated that early and continuous public participation from all geographic, ethnic and economic areas of the city is planned with today's presentation being the first listening session. A consultant has been engaged and is working with our internal team. Meetings in each council district are planned, a variety of engagement methods will be implemented to include workshops, questionnaires, interviews, listening sessions, online activities and virtual and augmented reality modeling. Materials will be available in multiple languages and interpretation services will be available.

Chair Adams encouraged Mary and Jeff to provide an update quarterly so the Board may stay engaged.

Mr. Robbins thanked the Board for their valuable input and reviewed the final review and approval process schedule which includes a 60-day comment period, citizen advisory committee, Planning and Zoning Board recommendation, City Council action and finally, ratification by residents.

Chair Adams suggested including the Mesa Chamber of Commerce in their outreach plan.

Mr. Campbell inquired if outreach to major employers is possible as they may have unique needs that we aren't aware of.

Mr. Robbins stated there are 70 hours planned for these type of sessions.

Brian Campbell suggested individual meetings with major employers as they may have pertinent information to share that couldn't be shared during a public session.

Ms. Ovando-Karadsheh reiterated that we must preserve relationships with mayor employers and protect airports from the housing push. Do we want to continue as a bedroom community without a property tax?

Chair Adams thanked Mary Kopaskie-Brown and Jeff Robbins for their presentation and for listening to the Board's input.

6. Director's Report

Mr. Jabjiniak wished the Board a Happy New Year and congratulated Vice Mayor Duff on her re-election. Vice Mayor Duff, Councilmember-elect Scott Somers, and Councilmember-elect Alicia Goforth will be sworn in on January 4, 2023, at the Mesa Arts Center. Mayor Giles' State of the City breakfast will be held on February 7. The Office of Economic is moving to our new space at 120 North Center Street on January 4th and will plan an open house once settled.

This fiscal year our staff has responded to 93 leads and 16 site visits, announced 1,960 jobs with an average wage of \$66,589, and \$928M in capital investment. Five years ago, Dexcom located with 500 jobs, and they have tripled their workforce since. A few years ago, Mr. Brady challenged our office to increase the average wage goal from 125% to 135% of the Maricopa County median annual wage. Our FY2023 jobs announced goal is 2,500 with an average wage of \$56,000.

Brian Campbell complimented the fantastic numbers and asked what Bill is seeing in economic headwinds.

Bill stated that economic development is a long process. We're seeing quality leads, but not at the pace they were in the last two years, although our industries of opportunity are strong. The Greater Phoenix Economic Council is seeing a slight slowdown, but the quality of leads is still good.

Lastly, SRP will host the Board for a watershed helicopter tour in February and our office will coordinate with attendees.

7. Other Business

The next board meeting will be held on Tuesday, March 7, 2023. The February 7th meeting has been cancelled. Bill encouraged members to attend Mayor's State of the City event on that date.

8. Adjournment

Chair Adams called for a motion to adjourn. A motion was made to adjourn the meeting at 9:02 a.m. by Brian Campbell, seconded by Laura Snow.

Upon tabulation of votes, it showed:

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

NAYS – None

Chair Adams declared the motion to adjourn carried by unanimous vote.

Submitted By:



William J. Jabjiniak

Economic Development Department Director