

February 22, 2011

TO: Members of the MAG Economic Development Committee

FROM: Councilwoman Peggy Neely, City of Phoenix, Chair

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA FOR
THE MAG ECONOMIC DEVELOPMENT COMMITTEE

Tuesday, March 1, 2011 - 12:00 Noon
MAG Office, Suite 200 - Saguaro Room
302 North 1st Avenue, Phoenix

A meeting of the MAG Economic Development Committee (EDC) has been scheduled for the time and place noted above. Members of the Committee may attend the meeting either in person, by telephone conference, or by videoconference. A light lunch will be provided.

Please park in the garage under the building. Bring your ticket to the meeting. Parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Denise McClafferty at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

If you have any questions regarding the EDC agenda items, please contact Dennis Smith, MAG Executive Director, or Denise McClafferty, Management Analyst, at (602) 254-6300.

MAG ECONOMIC DEVELOPMENT COMMITTEE
TENTATIVE AGENDA
MARCH 1, 2011

COMMITTEE ACTION REQUESTED

1. Call to Order

The meeting of the Economic Development Committee will be called to order.

2. Call to the Audience

An opportunity will be provided to members of the public to address the Economic Development Committee on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Members of the public will be requested not to exceed a three-minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Economic Development Committee requests an exception to this limit. Please note that those wishing to comment on action agenda items will be given an opportunity at the time the item is heard.

3. Approval of Economic Development Committee Consent Agenda

Prior to action on the consent agenda, members of the audience will be provided an opportunity to comment on consent items that are being presented for action. Following the comment period, Committee members may request that an item be removed from the consent agenda. Consent items are marked with an asterisk (*).

2. Information and discussion.

3. Approval of Economic Development Committee Consent Agenda.

ITEMS PROPOSED FOR CONSENT
BY THE ECONOMIC DEVELOPMENT COMMITTEE

*3A. Approval of the February 1, 2011 Economic Development Committee Meeting Minutes

3A. Review and approval of the February 1, 2011 Economic Development Committee meeting minutes.

ITEMS PROPOSED TO BE HEARD BY THE
ECONOMIC DEVELOPMENT COMMITTEE4. Update on the Arizona Commerce Authority

At the February 1, 2011 Economic Development Committee (EDC) meeting, the committee suggested coordinating with the Arizona Commerce Authority on issues, such as Intermountain West coordination, to ensure that infrastructure is adequate and available in the future. On June 29, 2010, Governor Jan Brewer issued an Executive Order establishing the Arizona Commerce Authority (ACA). The ACA's strategies aim to diversify the overall state economy bringing in new business and most importantly creating jobs for Arizonans. To begin coordinating efforts, Mr. Jerry Colangelo, Co-Chair of the ACA, will provide a presentation on the activities of the ACA and how the two agencies might coordinate on some of these activities.

5. Expanding Business Relationships with Canada

A major focus of the Economic Development Committee (EDC) is to begin discussions and build relationships among MAG member agencies and outside organizations to develop plans to foster economic development in the region. A major focus of the EDC is the designation of Interstate 11, a freeway corridor between Phoenix and Las Vegas, and potentially to destinations in the Pacific Northwest. Interstate 11 improves upon trade and commerce opportunities for the MAG region and better links to San Francisco, Salt Lake City, Portland, Seattle, as well as Canada. The Canada-Arizona trade relationship is valued at \$2.1 billion and supports more than 150,000 jobs in the Grand Canyon State. Representatives from Canada, including Rick Stephenson, Consul & Senior Trade Commissioner from the Canadian Consulate Phoenix, will discuss ideas for expanding business relationships with Arizona and Canada. Please refer to the enclosed material.

4. Information, discussion and possible action to partner with the Arizona Commerce Authority on potential projects in the Intermountain West.

5. Information, discussion and possible action to further explore business relationships with Canada.

6. Request for Future Agenda Items

Topics or issues of interest that the Economic Development Committee would like to have considered for discussion at a future meeting will be requested.

7. Comments from the Committee

An opportunity will be provided for the Economic Development Committee (EDC) members to present a brief summary of current events. The EDC is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Adjournment

6. Information and discussion.

7. Information.

ARIZONA

- ✦ The Canada–Arizona trade relationship is valued at \$2.1 billion and supports more than 150,000 jobs in the Grand Canyon State
- ✦ More than 8 million U.S. jobs depend on Canada–U.S. trade
- ✦ Total Canada–U.S. merchandise trade: \$392 billion
- ✦ Canada is the top export destination for 34 states
- ✦ 103 Canadian-owned companies employ 13,156 people in 736 locations in Arizona

Arizona has the most powerful solar footprint in America

With over 300 days of sun per year, Arizona is becoming a center of excellence in photovoltaic and concentrated solar power R&D, power producing installations, technology commercialization, and component manufacturing. Arizona’s regulated utility companies have been mandated to spend more than \$1.2 billion for energy efficient projects and renewable energy programs through to 2025. Recently, Canada-based Linamar Corp announced plans to establish a manufacturing facility in Glendale, AZ which will employ over 50 Arizonans to supply power conversion units to the new Stirling Energy’s “Suncatcher” concentrated solar power installation. Canadian companies operating in any aspect of the solar sector should explore the opportunities offered by the rush to solar now taking place in Arizona.



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Nation-to-nation tribal trade mission energizes Arizona

Two recent Atlantic Canada trade missions have established excellent relationships with tribal groups across Arizona and New Mexico. Canada’s Mi’kmaq Trading Group in Prince Edward Island is developing a new line of value-added seafood products for Arizona’s tribal owned hotels and restaurants. The Nova Scotia-based Membertou Nation has entered into a joint-venture business partnership with Gusascor, a Spanish multi-national, to market renewable energy solutions in North America. This partnership establishes a vehicle for developing renewable energy faculties across the sun-filled desert and windy mountain tops owned by Indian nations in the U.S. southwest.

August 2010

Investing in recycling

Winnipeg’s Blue Diamond Technologies, Ltd was selected to present at the 2009 Invest Southwest Capital Conference in Scottsdale, AZ and received venture capital investment in its Recycle Jet Technology. Recycle Jet expanded its footprint in the U.S. southwest establishing an office in Phoenix, AZ. The company harnesses the power of water to provide next generation technology poised to transform the scrap tire recycling industry to maximize the value derived from scrap tires while simultaneously reducing pollutants.

Arizona–Canada facts

Foreign export markets

% foreign-bound goods sold to Canada.....12%

Jobs

150,000 jobs in Arizona depend on trade with Canada

Top Canadian-owned businesses in Arizona

Circle K Stores Inc.....4,537 employees
 Learjet Inc.....850 employees
 Car Wash Partners Inc.....630 employees
 AT Systems Security Inc.....500 employees
 AbitibiBowater Inc.....450 employees

Merchandise trade

AZ exports to Canada.....\$1.2 billion
 AZ imports from Canada.....\$896 million
 Bilateral trade.....\$2.1 billion

Top exports

Aircraft engines & parts.....\$150 million
 Trucks.....\$73 million
 Computers.....\$65 million
 Navigation equipment.....\$58 million
 Aircraft parts, except engines.....\$34 million
 Inorganic chemicals.....\$24 million
 Motor vehicle parts, except engines.....\$20 million
 Automobiles.....\$19 million
 Engines & turbines.....\$19 million
 Service industry equipment.....\$18 million

Top imports

Engines & turbines.....\$42 million
 Softwood lumber.....\$36 million
 Electrical lighting equipment.....\$36 million
 Office machines & equipment.....\$34 million
 Motor vehicle parts, except engines.....\$34 million
 Aircraft parts, except engines.....\$29 million
 Televisions, radios & personal electronics.....\$22 million
 Aircraft engines & parts.....\$22 million
 Basic plastic shapes & forms.....\$21 million
 Containers.....\$17 million

Tourism account

Canadian visits to Arizona.....556,700
 \$ spent.....\$527 million
 Arizonan visits to Canada.....121,000
 \$ spent.....\$77 million

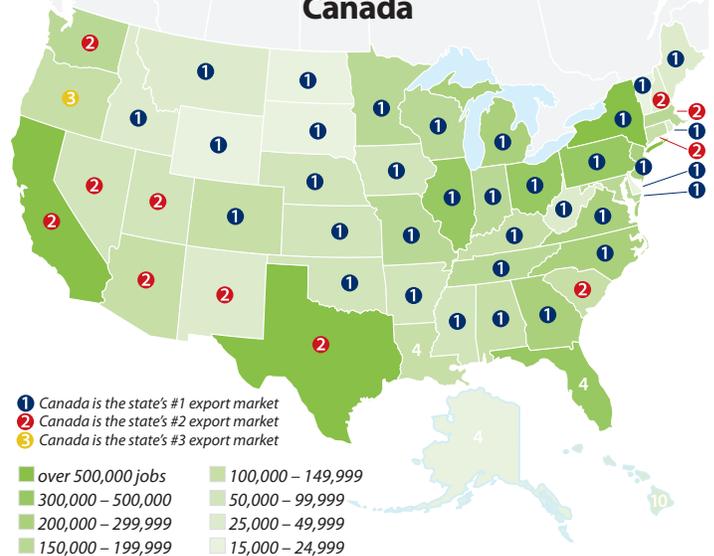
United States–Canada: working together to create jobs

The United States and Canada share a deep and unique relationship, which supports our mutual prosperity and millions of jobs in both countries. Building on our strong economic partnership, we continue to find new and innovative ways to stimulate our highly integrated economies, thereby ensuring the long-term competitiveness of our respective and shared supply chains.

Successful relationships always require constant attention and cooperation. It's crucial our countries work together to secure recovery from the current economic downturn. By successfully negotiating an agreement on government procurement, we will keep doors open for Americans and Canadians alike to create wealth and ensure our joint prosperity and security.

With over \$1 million worth of goods and services crossing our border every minute of every day, challenges are bound to emerge. Over the years our two countries have faced — and resolved — challenges of varying degree. Commerce remains critical to both countries, so we must continue to nurture this vital relationship for the benefit of citizens on both sides of our 5,500 mile border. Canadians are committed to working closely with our American neighbors to build on our tremendous record of cooperation — and to doing so as we've always done in the past: as partners, allies, and friends.

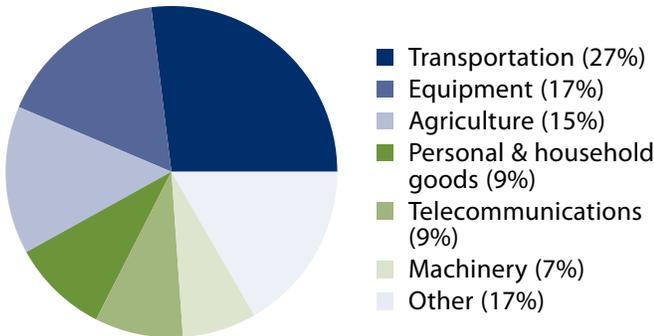
Canada is the biggest customer for 34 states; over 8 million U.S. jobs depend on trade with Canada



Our relationship is about people too

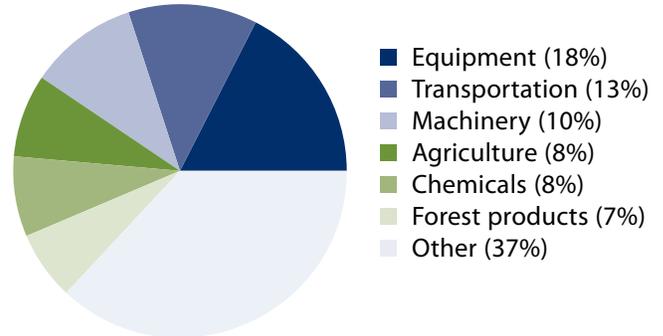
Cross-border travel is not only the key to our prosperity — it links our communities and strengthens our families. In 2009, Canadians made more than 556,700 visits to the Grand Canyon State, contributing over \$527 million in tourism directly to local coffers. Why do they come? To share memories at café tables, ideas at conference tables, and meals around dinner tables.

Arizona's goods exports to Canada, 2009



Total Arizona exports: \$1.2 billion

Arizona's goods imports from Canada, 2009



Total Arizona imports: \$896 million

For more information on Canada's trade relationship with Arizona, please contact:

Consulate General of Canada
 550 South Hope Street, 9th Floor
 Los Angeles, CA 90071
 Phone: (213) 346-2719 • Fax: (213) 346-2767
 lngls-td@international.gc.ca • www.losangeles.gc.ca

Consulate of Canada
 2415 East Camelback Road, Suite 700
 Phoenix, AZ 85016
 Phone: (602) 508-3573 • Fax: (602) 508-3574
 phoen-td@international.gc.ca • www.phoenix.gc.ca

Job numbers are based on 2008 data from a 2010 study commissioned by the Embassy of Canada. All other figures are based on 2009 data in U.S. dollars.
World Institute for Strategic Economic Research (WISER): Canada's export ranking (February 28, 2010). **Statistics Canada:** trade (February 2010 release), tourism (May 2010 release).
Dun & Bradstreet: Canadian-owned companies and employment (August 2010 release). Figures are converted at the rate of US\$1.00=CS\$1.1420. Figures may not add up due to rounding.
 Produced by the Embassy of Canada in Washington, D.C.