

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
ECONOMIC DEVELOPMENT COMMITTEE

July 10, 2012

MAG Offices, Saguaro Room  
302 N. 1<sup>st</sup> Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Thomas L. Schoaf, Litchfield Park,  
Chair

\*Mayor Marie Lopez Rogers, Avondale,  
Vice Chair

#Steven Betts, GPEC

Dr. Joseph Cavinato, Thunderbird

\*Mark Dreher, East Valley Partnership

\*Thomas Franz, Greater Phoenix Leadership

Jim Kenny, El Dorado Holdings, Inc.

Mayor W.J. "Jim" Lane, Scottsdale

Mayor Michael LeVault, Youngtown

#Mayor John Lewis, Gilbert

\*Mayor Jackie Meck, Buckeye

\*Mary Peters, Mary Peters Consulting

Jim Rounds, Elliott D. Pollack & Company

\*Floyd Roehrich, Jr., ADOT

\*Todd Sanders, Greater Phoenix Chamber  
of Commerce

\*Mayor Elaine Scruggs, Glendale  
Councilmember, Jack Sellers, Chandler  
Jeffrey Simmons, Ryley Carlock &  
Applewhite

Mayor Scott Smith, Mesa

Mayor Greg Stanton, Phoenix

\*Sandra Watson, Arizona Commerce  
Authority

\*Candace Wiest, WESTMARC

\*Supervisor Mary Rose Wilcox, Maricopa  
County

#Mayor Sharon Wolcott, Surprise

\* Not present

# Participated by video or telephone conference call

OTHERS PRESENT (from sign-in sheet(s)):

Eric Anderson, MAG

Roc Arnette, EVP

Gail Baer, Valley of the Sun United Way

Len Becker, Buckeye

Scott Butler, Mesa

Miranda Culver, Mesa

Jami Garrison, MAG

Lori Gary, Fountain Hills

Shirley Gunther, Avondale

Chad Heinrich, Tempe

Fred Kaplan, Phoenix Mesa Gateway  
Airport

Christine Mackay, Chandler

Denise McClafferty, MAG

Christine McMurdy, Goodyear

Jeff Mihelich, Surprise

Harry Paxton, Goodyear

Jennifer Pena, Litchfield Park

Karen Peters, Phoenix

Michelle Pierson, Phoenix

Scott Powell, Gilbert

Linda Priano, MAG

Nathan Pryor, MAG

Michelle Rider, WESTMARC

Ana "Bea" Ronan, MAG

Dennis Smith, MAG

Tim Strow, MAG

1. Call to Order

The Economic Development Committee (EDC) meeting was called to order by Chair Schoaf at 11:42 a.m. Chair Schoaf noted that Mayor Lewis, Mayor Wolcott, and Steve Betts were participating by telephone conference.

Chair Schoaf noted public comment cards were available for those members of the public who wish to comment. Transit tickets were available from Valley Metro for those using transit to come to the meeting. Parking validation was available for the MAG parking facilities for those who parked in the garage.

Chair Schoaf announced that committee member, Dr. Joe Cavinato, was the recipient of the prestigious J. Shipman Gold Medal Award given by the Institute for Supply Management. He added this medal is awarded to an individual who has performed distinguished service for the cause and advancement of supply chain management as an innovator, community leader, mentor, and teacher. Chair Schoaf congratulated Dr. Cavinato.

Chair Schoaf also announced that at each members place was a copy of the Michael Gallis presentation that was given on June 13, 2012, along with a handout for agenda item 4.

2. Call to the Audience

Chair Schoaf stated according to the MAG public comment process, members of the audience who wish to speak are requested to fill out the public comment cards. He stated that there is a three minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Chair Schoaf noted that no public comment cards had been received.

3. Approval of the June 5, 2012 Economic Development Committee Meeting Minutes

Chair Schoaf asked if the members had any questions regarding the June 5, 2012 meeting minutes. There were none.

Mayor Lane moved to approve the June 5, 2012 Economic Development Committee meeting minutes. Mayor Smith seconded the motion and the motion carried unanimously.

8. Greater Phoenix Rising Web Site - International Video

This agenda item was taken out of order.

Denise McClafferty stated the EDC approved partnership between MAG and Greater Phoenix Economic Council (GPEC) to develop a data resource for economic development and that the Greater Phoenix Rising website was officially launched in November 2011. She

added the joint website includes interactive maps, graphs, charts and videos that provide prospective businesses and residents information on the region. Ms. McClafferty then provided the steps to get to the landing page video for the International section under Special Reports and played the video, which highlighted Mexico, China, India and Canada. The video demonstrates how our region and state benefits by having relationships with these countries.

Ms. McClafferty noted that it is very important for MAG member agencies and businesses to add the Greater Phoenix Rising link to their websites. She added to date, approximately 13 agencies have placed a link on their website. She stated that in the past 30 days, the Greater Phoenix Rising website has had 322 hits, with the majority of hits coming from the U.S., but also included Chile, China and Costa Rica. Ms. McClafferty thanked Kelly Taft, her staff, and GPEC for all their hard work on this website.

Mayor Schoaf thanked Ms. McClafferty for her presentation and asked the committee if they had any comments or questions. Councilmember Sellers asked if MAG ever considered an application for the website for Mac computers and iPads. Ms. McClafferty stated staff is looking to see if this is an option.

4. Followup to MAG Event - *The Sun Corridor Economic Region in the 21<sup>st</sup> Century Global Network*

Dennis Smith provided an update on the *Sun Corridor Economic Region in the 21<sup>st</sup> Century Global Network* event that took place on June 13, 2012. He noted that approximately 200 people attended the event and that it generated a lot of publicity within our region. He stated copies of six newspaper articles were at each members seat regarding the event, and it was also discussed on the television program *Horizon*, which committee member, Jim Rounds, took part in.

Mr. Smith distributed a handout to the members providing key messages that the presenter, Michael Gallis, discussed. During the presentation, Mr. Gallis stated “The Sun Corridor has built a remarkable foundation for the future. The region has a lot of advantages, assets and initiatives. The challenge is to prioritize, align and link these assets and initiatives together to generate greater synergies. By putting the pieces together, they can form the framework for a leading-edge global region.” Mr. Smith stated the issue now is to decide if the Sun Corridor wants to compete as a “big picture” global region or as a more limited regional center. He added achieving a global vision will require a more integrated approach and regional alignment and cooperation. It will require thinking of the region as a product in the global marketplace and competing on a worldwide basis.

Mr. Smith noted during the presentation there was discussion that this region will need to create a process and structure to build a more comprehensive and integrated regional vision and framework for long-term growth with a strategy for implementation. He noted this

committee could be an instrument to bring all the partners in this region together. He added three foundation elements for the region are transportation/infrastructure, the economy, and the environment/urbanization. These three elements must become more integrated and interactive to form the foundation for the region's future.

Mr. Smith stated this region needs to move forward. He offered some ideas to the committee members. These ideas included meeting with partners, not just those on EDC, but with other partners in the region to enhance cooperation and communication. He noted that a mayor suggested the EDC have a retreat, including regional agencies that are not committee members. Mr. Smith stated another way to move forward would be to review the findings of the MAG Transportation Framework Freight Study and review the preliminary recommendations. This study is due to be completed by September 2012.

Mr. Smith noted the region has so many similarities with Columbus, Ohio and their inland port, and perhaps the elected officials would like to attend a site visit to this port. He added another possible way to move forward is on August 29, 2012, at the League of Arizona Cities and Towns Annual Conference. There will be a concurrent session on trade and border issues with our partners, where we can talk about greater communication. Mr. Smith added that this morning, he was informed that the U.S. Department of Commerce will be having a national conference on border issues, at Arizona State University, September 23-25. Following that national conference, on September 26, Michael Camuñez, U.S. Assistant Secretary for Market Access & Compliance, has agreed to stay for a locally focused event. Mr. Smith added his preliminary thought is to have this at 9:00 a.m. and have it as a "listening session" so that the elected officials from around the state could voice their concerns to him on what is needed to address the border issues, (staffing, infrastructure, etc.). Mr. Smith noted he would like to reach out to the state agencies, Arizona Mexico Commission, Arizona Transportation & Trade Corridor Alliance & Arizona Commerce Authority to see if they would like to join in this effort and asked the committee for input and direction.

Chair Schoaf noted there have been discussions that an idea of a retreat would be beneficial. He added there are two basic ways to move forward; try to break the recommendations down in small pieces so they can be addressed one piece at a time at the EDC meetings where time is limited; or block out a larger period of time, for a retreat, and devote the entire process to the recommendations and next steps.

Mayor Smith stated that this is new for the region and the problem is that this region does not have a clear vision on what it wants to be. He added he would like to see focus on regional transportation and how it fits in the long term vision and what is decided will determine the specific steps that need to be taken. Mayor Schoaf agreed with Mayor Smith and added that these topics are much bigger than one retreat, but we need to keep the momentum going and bring together thought patterns and visions so that our entire region can benefit. He suggested having MAG staff contact committee members to see if there is enough support to move forward and if there is, a determination would have to be made who

to include in the retreat, beyond the EDC members.

Mayor Lane asked if the focus of the retreat would be on the Sun Corridor. He added he is in favor of a retreat if the right players are involved and noted it is important. Mayor Schoaf stated elected officials can create an atmosphere, but they need the business and education communities' support, as well. He added we have to make sure there is support before we decide who is invited. Mayor Lane added who attends will have meaningful information in determining a regional or global vision and this would have to be the first order of business.

Mayor Smith added this region needs to commit to a regional or global vision, otherwise the world will take us, where it takes us. He gave an example of the Scottsdale community, which was a small little western town and visionary leaders made a decision to make Scottsdale into the great city that it is today and implemented the steps to do that. It started with the vision of what they wanted to be. He also remembers Chandler being a very different place than it is now and they made the same transition and created a great community. Mayor Smith noted that Mesa went the opposite way. Mesa was a leader and a regional center thirty years ago. Leadership felt things were great and did not plan for the future. He stated that twenty years later, the future passed Mesa. Mayor Smith stated the focus is on the region now, it is not about one city anymore. Mayor Smith noted this is a great time to begin, this region has seen successes in a regional freeway system being completed and its coming together in a way it has never come together before in history. He stated communities have grown together. Now the question is, what kind of region are we going to be in 10, 20, 50 years from now, by design. He stated that if discussions focus on specifics, such as deep water ports, people will not get excited because that is not transformative for the whole region. It would be a piece of the puzzle, but not the overall vision.

Mayor Wolcott stated she appreciates the discussion and said Mayor Smith made some excellent points. She added that cities are at a critical junction and need to have a clear vision as to how they fit in the region. Robust conversations with leaders and the business community need to take place. She stated that she supports having a retreat.

Mayor Lewis agreed that it is critical to hold a retreat. He added the need to take the ideas and formulate them into something. Mayor LeVault stated the heart of this issue is that the world continues to shrink and the global economy is going to continue to become more complex. It is not a question of whether or not it is going to happen, but whether this region will actively participate. He added this region is uniquely qualified to reap the benefits due to its location, climate, and workforce. He noted he agreed with Mayor Schoaf's comments on the need to figure out a way to better involve the people of Arizona, to make sure that the people of Arizona buy in to this concept. Mayor LeVault noted that he supports the retreat, and recommends it is done in a way that involves the maximum number of partners and entities.

Councilmember Sellers stated one of the things he took away from the Gallis presentation

was that this region is still looking at too small a picture. He added that he came away with a really different view of how we should be looking at our region, and added this is an important topic that needs to be addressed during discussions. He added that we may want to invite Las Vegas and Victor Mendez. Mayor Lane stated a retreat is a good idea and the focus now should be on who is invited. He added he does not think the Sun Corridor has even been expressed as anything other than an international or global vision. It is going to be a matter of who has the interest to support and move the vision forward.

Dr. Cavinato stated the stakeholders need to first define the region and once people see the vision, they will react to it. He believes the EDC's role is to define what the options are, and what does the region gain or lose if nothing is done. He noted it appears that everybody in the region is looking around and waiting to see what happens. The penalty for that is the region will grow, but just in bits and pieces and without any guarantee that it will tie together in a transformative sense.

Chair Schoaf stated we can influence the change or we can just let change happen. He added it is important to not just concentrate on what is happening today, but also what will be happening 20-30 years from now. He noted that there seems to be a consensus for a retreat. The next step is for staff to analyze who should attend and when to hold the retreat. Mr. Smith stated he believes the Arizona Commerce Authority should be involved because this is a statewide issue. He added GPEC is a big driver and needs to be on board. If the focus area is on the Sun Corridor, TREO has to be on board, along with the universities. Mr. Smith stated the more that the region is aligned, the more great things can happen. Texas is a great example of a state that has more alignment than Arizona. He stated this cannot be driven out of the MAG region, it has to be a statewide issue in order to make this happen.

Dr. Cavinato stated we need to identify the scope of what this region wants to be. He asked if it is going to be the Phoenix metropolitan area, the Sun Corridor or something else. He added this needs to be defined to create a hook that the rest of the world can identify with. He gave the example that if someone mentions Silicon Valley, a vision comes to mind. He added that another benefit is that it creates an impression in ourselves, as well to the outside world, that there is an energy with a focus and drive. He added that energy creates more energy and this region needs to make this happen.

Chair Schoaf thanked everyone for their comments.

#### 5. Becoming a Multimodal Global Transportation Hub

Tim Strow, MAG Transportation Planner, stated this committee has been very active in participating in different freight studies, such as the MAG Freight Transportation Framework Study and the Thunderbird Mexico Supply Chain Study. He added the committee has made trips to the Mariposa and San Luis Ports of Entry to see how goods and people are moved legally across the border. The EDC has also had representatives from the Port of Guaymas come and speak at a meeting. He stated the Michael Gallis presentation also discussed

global logistic hubs and the impact they have in certain regions. Mr. Strow stated Lynn Kusy, Executive Director of the Phoenix-Mesa Gateway Airport, introduced staff to the President and CEO of the Columbus Regional Airport Authority, Elaine Roberts. He added that staff met with Ms. Roberts and discussed the partnerships and the planning efforts of the Rickenbacker Inland Port that made it successful. He noted this facility uses the converted Rickenbacker Air Force Base and has rail connections using the Norfolk Southern rail line to the port at Norfolk, Virginia.

During his presentation, Mr. Strow provided some history and an overview of the Rickenbacker Inland Port. He stated the Rickenbacker International Airport has two 12,000 foot runways and the Rickenbacker Intermodal Terminal has more than 300,000 container transfers per year, and provides direct double-stack, next day service to and from the port of Norfolk, Virginia. He stated the Mid-Ohio Regional Planning Commission and the Columbus Regional Airport Authority has offered to host a delegation from Arizona. He noted this would be a two-day trip to Columbus, Ohio that could include a dinner reception with the Port Authority, and a tour of the Rickenbacker International Airport, the Norfolk Southern and CSX Intermodal Facility, and the Global Logistics Park. Mr. Strow stated that this is a great opportunity to learn about the obstacles this project had to overcome to make it successful, and to review their best practices. He stated that staff is looking for direction from the committee on whether to proceed with coordinating a site visit.

Chair Schoaf asked if there were any questions or comments.

Mayor Schoaf stated that this looks like a great opportunity to learn more about intermodal facilities and recommended staff move forward to see if there is interest with committee members, the JPAC, and other partners. Dennis Smith stated that this region could learn some lessons from this trip. He noted that this could assist the City of Nogales, Tucson's inland port; the Red Rock facilities, Phoenix-Mesa and Gateway airports; Sky Harbor, and Goodyear airport. He added another similarity is that Rickenbacker has a great relationship with Ohio State University just like this region has with Arizona State University and other universities. He also noted that Rickenbacker also has a private sector led freight logistics council and it would be interesting to see how it operates. Mayor Smith stated he has contacts at the City of Columbus and offered his assistance, if needed.

6. Request for Future Agenda Items

Chair Schoaf asked if there were any requests for future agenda items.

Mayor Stanton announced that the City of Phoenix has adopted a new policy to purchase Certificates of Deposit at each community bank in the City of Phoenix to show support for local banks and business. He offered to have a representative from the City of Phoenix speak at a future committee meeting to discuss the policy in more detail. He stated he is very interested in hearing about Best Practices being done in other communities for possible adoption. Mayor Schoaf suggested that staff add a standing agenda item on Best Practices

to the EDC agenda. Mayor Smith stated that he appreciates Mayor Stanton's leadership on this issue and it helps other communities with discussions when they see Phoenix stepping out and taking the lead.

7. Comments from the Committee

Mayor Schoaf announced that there will not be a meeting in August. The next meeting is scheduled for September 11<sup>th</sup> at 11:30 a.m. He also reminded the committee members that the League of Arizona Cities & Towns session on border trade will be taking place on August 29, 2012 at 3:30 p.m. at the Hyatt Regency Scottsdale at Gainey Ranch.

Adjournment

There being no further business, the Economic Development Committee meeting was adjourned at 12:45 p.m.

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Chair

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Secretary