

August 30, 2013

TO: Members of the MAG Economic Development Committee

FROM: Mayor Marie Lopez Rogers, City of Avondale, Chair

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

Tuesday, September 10, 2013-11:30 a.m.  
MAG Office, Suite 200 - Saguaro Room  
302 North 1<sup>st</sup> 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 or by telephone conference. 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, Regional Program Manager, at (602) 254-6300.

MAG ECONOMIC DEVELOPMENT COMMITTEE  
TENTATIVE AGENDA  
SEPTEMBER 10, 2013

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 the June 4, 2013 Economic Development Committee Meeting Minutes

4. Tribal Economics: Engines within a Vibrant Regional Economy

As tribal economies grow, diversify, and utilize their resource base they become key economic engines in larger regional economies. The Salt River Pima Maricopa Indian Community (SRPMIC) has utilized its resources, location, and planning to create a diversified economic foundation, and has forged partnerships with neighboring cities to build a robust regional economy in the East Valley. President Diane Enos from the Salt River Pima Maricopa Indian Community will provide a report on how the SRPMIC worked cooperatively with other local governments to build a diversified, robust regional economy.

2. Information and discussion.

3. Review and approval of the June 4, 2013 Economic Development Committee meeting minutes.

4. Information and discussion.

5. Report on SEED-Spot

Young talent is attracted to vibrant and prosperous communities. Young leaders and entrepreneurs want a voice in shaping the economic, civic and social fabric of the state. Arizona is in competition with global companies to keep our talent. This region needs to recruit and retain more talented young people who are committed to Arizona and its future. SEED-spot is a place where early stage social entrepreneurs can receive the support, mentorship, guidance and resources necessary to bring dreams to life. SEED-Spot's goal is to help build a community that supports those that have dreams for building products, services, or technologies that improves the lives of people or communities on a local, national, or global level. Courtney Klein Johnson, Co-Founder of SEED-spot, will provide a report on the organization and discuss how local governments can assist in connecting citizens to government.

6. Report on the City of Phoenix Access to Care Ordinance

Arizona hospitals are a major economic engine, generating nearly \$28 billion worth of economic activity and totaling approximately 3 percent of all jobs in the state. During the recent economic downturn, the health care industry was one of the only sectors in our economy to grow high-quality jobs. As a result of the impact of the recession on the state's budget and unemployment, hospitals across Arizona have seen an increase of more than \$540 million in uncompensated costs due to an increased number of uninsured individuals at hospital emergency rooms. The City of Phoenix recently adopted a new plan to stabilize economic vitality in the health-care industry by creating a new funding source to help cover the costs of the uninsured. Rick Naimark, Deputy City Manager with the City of Phoenix, will provide a report to the EDC on The Phoenix Access to Care Ordinance.

5. Information and discussion.

6. Information and discussion.

7. Discussion on the Draft Resolution of Support for Extending the Border Zone in Arizona

On May 7, 2013, the EDC was provided information on the streamlining of federal tourism and visitor regulations at the border to improve Arizona's tourism economy. David Randolph, a consultant for U.S.-Mexico border issues, and Garrick Taylor, Director of Policy Development with the Border Trade Alliance, provided information on visas, the I-94 card, and New Mexico's recent border extension policy change. The EDC directed MAG staff to work with the Arizona Councils of Governments (COGs) and Metropolitan Planning Organizations (MPOs) on extending the current 75 mile limit from the Nogales Port of Entry and 25 miles for the other Arizona Ports of Entry to include all of Arizona. This extension would assist in promoting commerce and economic development. Since that time, MAG staff developed a draft resolution of support for extending the border zone in Arizona, as well as a fact sheet on visitors from Mexico and the impact on Arizona's economy. This draft resolution was reviewed by the COG/MPO directors. At its August 22, 2013 Executive Board meeting, the YMPO Board approved the draft resolution of support for extending the border zone in Arizona. It is anticipated that the other COG/MPOs will discuss this resolution at their Board meetings, as well as during the COG/MPO Director's meeting at the League of Arizona Cities and Towns Conference on August 28, 2013. Please refer to the enclosed material.

8. Report on the Incubator Tour

The Office of Economic Development in Nogales, Sonora, Mexico is exploring creating a Center for Research and Development. In an effort to begin identifying a mission, vision, and activities, representatives from the city of Nogales, Sonora, as well as other organizations, were interested in learning best practices that could be adapted to their community. On June 25, 2013, representatives from Nogales, Sonora took part in

7. Information, discussion and input.

8. Information and discussion.

a tour of the region’s incubators. MAG staff coordinated a full-day event that included visiting five incubators throughout the Valley. This tour provided our visitors the opportunity to see how incubators build a strong foundation for long-term sustainability and growth. In addition, this provided an opportunity for this region to better understand Sonora’s research and development needs to possibly collaborate in the future. Staff will provide an update on the incubator tour.

9. Update on Greater Phoenix Rising Website

The EDC approved a partnership between MAG and Greater Phoenix Economic Council to develop a web-based data resource for economic development. The GreaterPhoenixRising.com website was launched in late 2011 to provide information about the strengths and competitive advantages of the Greater Phoenix region. The joint website includes interactive maps, graphs, charts and videos that provide information on the region to prospective businesses and residents. MAG recently added two new videos to the site, including one on Population & Housing and one on economic opportunities with Mexico. Staff will provide an update.

9. Information and discussion.

10. 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.

10. Information and discussion.

11. 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.

11. Information.

Adjournment

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
ECONOMIC DEVELOPMENT COMMITTEE

June 4, 2013

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

Mayor Gail Barney, Queen Creek

#Steven Betts, GPEC

Dr. Joseph Cavinato, Thunderbird

Supervisor Steve Chucri, Maricopa County

Mark Dreher, East Valley Partnership

#Thomas Franz, Greater Phoenix Leadership

\*Gary Haydon, Haydon Building Corp.

Michael Hoover, Sundt Construction

#Jim Kenny, El Dorado Holdings, Inc.

Mayor W.J. "Jim" Lane, Scottsdale

Mayor Michael LeVault, Youngtown

Mayor John Lewis, Gilbert

\*Mayor Georgia Lord, Goodyear

Mayor Jackie Meck, Buckeye

#Mayor Mark Mitchell, City of Tempe

\*Jim Rounds, Elliott D. Pollack & Company

Floyd Roehrich, Jr., ADOT

Todd Sanders, Greater Phoenix Chamber  
of Commerce

Vice Mayor, Jack Sellers, Chandler

Bill Sheldon, WESTMARC

\*Mayor Scott Smith, Mesa

Mayor Greg Stanton, Phoenix

#Sandra Watson, Arizona Commerce  
Authority

\*Mayor Sharon Wolcott, Surprise

\* Not present

# Participated by video or telephone conference call

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

Roc Arnett, WESTMARC

Anubhav Bagley, MAG

Jonathon Bates, ADOT

Phil Bradstock, Phoenix

Michael Celaya, Surprise

Sandra Cooper, Maricopa Community  
College District

Doreen Cott, Queen Creek

Jami Garrison, MAG

Sintra Hoffman, ADOT

Denise McClafferty, MAG

Karen Peters, Phoenix

Linda Priano, MAG

Mayor Christian Price, Maricopa

Nathan Pryor, MAG

Tom Remes, Phoenix

Michelle Rider, WESTMARC

Christy Sipos, Littlejohn Engineering

Dennis Smith, MAG

Tim Strow, MAG

Kelly Taft, MAG

Karrin Taylor, DMB

1. Call to Order

The Economic Development Committee (EDC) meeting was called to order by Chair Schoaf at 11:43 a.m. Chair Schoaf stated that Steve Betts, Tom Franz, Jim Kenny, Mayor Mitchell and Sandra Watson were participating by phone. Chair Schoaf noted public comment cards were available for those members of the public who wish to comment. Chair Schoaf stated that 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 stated Mayor Lord's attendance was inadvertently omitted by staff on the May 7, 2013 meeting minutes that were mailed out and an updated copy of the minutes showing her attendance were each members place. Also at each members place was the 2013 Canada Arizona Business Council guide and an additional handout for Agenda Item 6.

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 May 7, 2013 Economic Development Committee Meeting Minutes

Chair Schoaf asked if the members had any questions regarding the May 7, 2013 meeting minutes. There were none. Mayor Barney moved to approve the May 7, 2013 Economic Development Committee meeting minutes. Todd Sanders seconded the motion and the motion carried unanimously.

The next agenda item was taken out of order.

5. Report on the Impact of Medical Tourism in Arizona

Mayor Schoaf stated medical tourism is an important part of Arizona's health care industry and it is estimated that inbound medical tourism is expected to increase from 400,000 to 561,000 patients by the year 2017. Mayor Schoaf introduced Dr. Adelson from the Barrow Neurological Institute and Phoenix Children's Hospital, who was participating by conference call.

Dr. Adelson stated he was honored to be asked to speak to this committee and added Arizona has become a destination for seeking optimal care. He indicated that there is a significant increase of patients coming nationwide, as well as internationally, that include patients from Mexico, Europe, Asia, Australia and South America. He added that if these facilities can continue to develop their medical reputation, the opportunities in health care become a stabilizing factor within Arizona. These opportunities can create additional jobs and

economic power. He added it can also generate more research and science and the ability to grow research institutions, which depend on patient flow.

Chair Schoaf asked what percentage of cases are covered by private insurance. Dr. Adelson stated in his experience, the patients that come from out of state or internationally are self pay or paid by private insurance. He added there are countries that allow for patients to come here who have governmental resources and/or support and are insured by their country. Chair Schoaf asked if there were any additional questions or comments.

Dr. Cavinato stated medical tourism is a “borderless market” and asked how do people outside of Arizona find these physicians and hospitals. Dr. Adelson indicated that he sees marketing as education. Parents need to know where to go and this is accomplished by the internet and social networking. He added the demographics that the hospital works with are the younger population so it is not unusual for them to use Facebook and Twitter to market their services. Dr. Adelson stated a parent can go on the internet and put in a diagnoses and they instantly have the ability to see who is leading in that field.

Mayor Lewis asked when compared to other states, are individuals that are coming to this area receiving all the amenities that they need. Dr. Adelson stated all the facilities and amenities that are needed are here in the valley. He added the hospital is currently developing a collection of amenities in the area such as restaurants, extended stay lodging, entertainment, etc. so that the patients and families can access them online. He added when patients come to this hospital, whole families come with them, so it is important to develop amenities for everyone.

Mark Dreher asked if there are facilities available for patients that have been discharged from the hospital, but require aftercare treatment. Dr. Adelson stated the hospital does not offer specific facilities for aftercare and this is where the community partners can come in. He indicated that community partners can assist in facilitating their comfort during the families extended stays, with housing, entertainment, amenities, etc. Dr. Adelson provided an example where a patient was discharged but still needed outpatient therapy and the family stayed for an additional two months. He noted the family used a local realtor to find a home to rent during their stay. Mayor Lane stated with the ever changing health care industry, does Dr. Adelson think that medical coverage will be enhanced or reduced in regards to the implementation of the Health Care Act for reimbursement of coverage. Dr. Adelson stated he was inept in regards to the reimbursement aspect, but from his perspective, there will be more transparency and a consolidation of advanced care.

Chair Schoaf asked Dr. Adelson if there was an organization within Children’s Hospital to identify public policy issues that could be adopted to support this effort. Dr. Adelson stated the hospital does have specific individuals in the governmental office that work on public policy issues and he could get those names to the committee. Chair Schoaf stated it would be beneficial to have those contact points because this an opportunity to help build networks across the industry.

Dennis Smith, MAG Executive Director, stated at the last EDC meeting, general tourism was the focus and then the discussion turned towards medical tourism and how public bodies

could help this industry grow in our region. It was suggested that a Thunderbird Consultant Practicum team, working with representatives from our major medical facilities, could do a study on the importance of medical tourism and how local governments working together could support this effort in our region. Mr. Smith stated the attractiveness of the location is very important. He provided a slide showing the factors that are considered called the “Significant Seven”. The seven factors, in rank order, include geographical proximity, cultural proximity, destination image, destination infrastructure, destination environment and risk, reward and price. Mr. Smith stated Thunderbird could provide the roadmap to see what drives these decisions and we could see what our strong points are and what areas need improvement. He added if attractiveness is what drives these decisions, Arizona is a beautiful place to come for treatment.

Suzanne Pfister, stated she is Vice President of External Affairs for Dignity Health Arizona, which is comprised of St. Joseph’s Hospital, Mercy Gilbert Medical Center, Chandler Regional Medical Center, along with partnerships that include Phoenix Children’s Hospital and the University of Arizona Cancer Center. She noted St. Joseph’s was the first hospital in the valley and this year they will be celebrating 118 years of service. She added this is a destination hospital selected for quaternary clinical services and is home to the Barrow Neurological Institute. She noted that the Barrow Neurological Institute is known throughout the world for providing cutting-edge neurosurgical treatment and is rated as one of the top ten in the world for treating brain and spine diseases, disorders and injuries. She reported that Barrow Neurological Institute has the largest Neurosurgery Residency Program as well as the largest Neurosurgical Intensive Care Unit in North America.

Ms. Pfister stated Barrow Neurological Institute treats people from all over the United States, as well as internationally. She reported that they had fifty-seven international patients last year that included patients from Argentina, Israel, Kuwait, Mexico, China, Canada and others. Ms. Pfister stated there is a Barrow UK in the United Kingdom where they do specialty programs and they recently established a Barrow Foundation in Mexico. She added that Mayor Stanton and Todd Sanders attended the last trade mission in Mexico and they had the opportunity to see the new facility. She noted the foundation in Mexico will promote collaborations and additional activities and outreach in Mexico.

Ms. Pfister stated the way that patients hear about Barrow’s is through their fifty year reputation and they are active in hosting international symposiums around the world, they publish extensive academic publications, and hold webinars. They also get patients through physician referrals and consultations, contracting with international insurers, using Google ad words, and paid advertising.

Ms. Pfister stated that they offer professional concierge services that include medical consultations and second opinions, scheduling of clinic appointments and diagnostic tests, reserving hotel and lodging arrangements, assist with hospital admission and insurance verifications, assist with financial estimates and payments, etc. She added they even have an International Patient Manager that works with their international patients and their physicians while they are still in their home country, so that the transition to their hospital is smooth.

Ms. Pfister indicated that some of the ways local government can help promote medical tourism in our region would be to include hospitals in trade missions, incorporate hospital/healthcare information into our business recruitment materials, use the hospitals as ambassadors, and to help them with packaging local infrastructure and amenities to create the best patient experience possible.

Mayor Schoaf thanked Ms. Pfister for her very comprehensive presentation and asked the committee if they had any questions or comments. Mayor Stanton stated when he attended the trade mission, the patients that he met indicated that their decision to choose Barrow's was because of their area of expertise and exceptional care. Mayor Lane asked what was the average length of stay of a patient and their family in the valley. Ms. Pfister stated the average stay varies on the condition of the patient, and added for a patient with a brain injury their stay could be anywhere from three to eight months and a patient having chemotherapy treatments could be staying here for up to four months.

Todd Sanders stated the quality of care here is the best in the country and after patients leave, they often come back because they like the amenities and the environment, so we need to also look at this beyond medical tourism. Mayor Lewis asked where are the concierge services located. Ms. Pfister stated they are located right at the hospital for anyone that needs any type of assistance or support, including the patient, family members, and staff.

Dee Emon, Vice President of Patient Care Services, Cancer Treatment Centers of America, stated this cancer center is privately owned by one family and has been in Goodyear, Arizona since 2008. She stated it was founded because the Chairman's mother was diagnosed with bladder cancer and she lived in Sun City, Arizona. After flying his mother all around the country for cancer treatments he was disheartened by the lack of care and coordination that was available, so through her estate they formed this facility.

Ms. Emon indicated that patients that come to this facility have late stage and advanced cancers. She reported that about two-thirds of their patients come from out of state because this hospital offers some of the most advanced cancer treatments available. She added that they also have partnerships with Dignity Health, Barrow's, the Mayo Clinic and others.

Ms. Emon stated ninety five percent of the patient care is on a outpatient basis and the hospital has just twenty four inpatient beds. She added a large part of the building is actually outpatient accommodations, because many of the patients stay anywhere between two weeks to three months.

Ms. Emon stated the hospital also offers a dedicated concierge service and has even invested in an entire fleet of transportation vehicles knowing that most patients are too ill to drive. This service has become so popular that they recently invested in a fifty seat bus so that patients and families can go to the Phoenix Zoo, the Botanical Gardens and other attractions, without worrying about transportation. Ms. Emon added that they have contracts with most of the hotels in the area so that they can negotiate rates that the families can afford so that they can stay near the hospital. Ms. Emon added in the past four years approximately 1,500 people have come from out of state.

Ms. Emon stated the competition for qualified employees in the area is an issue. She added they have brought in about sixty employees from outside the state and these employees are buying homes in the area. She added that recently the corporate office, which was in Schaumburg, Illinois decided that they were going to relocate the Corporate IT office to the Goodyear area. This move relocated thirty five employees and it is expected that sixty more employees and their families will be coming within the next twelve months. She added the entire corporate office is also considering relocating to this area.

Ms. Emon stated when we talk about the impact of medical tourism, it is not just about the patients, but also the employees that are needed to be available to take care of this level of patients. She indicated that one of the things they are struggling with is certified translators for their Canadian and Mexican patients. Ms. Emon stated that in the healthcare industry it is required by law to have a certified translator for all healthcare purposes and there aren't a lot of programs offering this.

Chair Schoaf thanked Ms. Emon for her report and asked if there were any comments or questions from the committee. There were none. Chair Schoaf stated medical tourism is a very interesting subject and it can lead to many opportunities in our area. Chair Schoaf asked the members if they have any questions or comments regarding Thunderbird performing a study in this area. Mr. Smith stated he spoke with the President at the University of Arizona who was very interested in this study. Chair Schoaf stated it would be a good idea to understand what drives the industry and, from a public policy standpoint, what the local communities could do.

4. Update on a Visit from Representatives of Obregon, Sonora, Mexico

Denise McClafferty, Management Analyst III, stated on May 17, 2013, MAG staff was notified that representatives from Obregon, Sonora, Mexico were in Phoenix attending an agriculture conference and in an effort to improve relationships with Mexico, staff invited the Sonora representatives to the MAG office. She noted the representatives included the Head Officer of the Economic Development Secretariat in the Municipality of Cajeme and the Former President of the Institute of Technology in Sonora.

Ms. McClafferty stated the general discussion at the gathering was how Sonora and Arizona, as strategic partners, could cooperate regionally and compete globally in areas such as transportation, energy, telecommunications and water. She added the City of Obregon is interested in MAG visiting their region to tour the Port of Guaymas and their historic city. Ms. McClafferty added staff did some preliminary research on a trip to Obregon and it would require three days of travel. To travel by air the cost would be approximately \$650 round trip with a connecting flight in Hermosillo. She stated the cost by bus would be \$3,900, which includes a 54 passenger motor coach, miles, fuel, Mexican insurance, tolls, fees and the driver. This bus trip would be approximately 8.5 hours in length when driving straight through. Ms. McClafferty added the estimated cost for a hotel would be approximately \$100 per night at a typical Holiday Inn. She stated staff is looking for feedback regarding interest in the Obregon trip and whether there is a preference to travel by air or by bus.

Chair Schoaf stated the concept of going to the City of Obregon is a good one and although three days seems like a long time, it is realistic. He added it would be tremendously helpful for local officials and business leader to see the city and Port of Guaymas and he thinks the bus makes the most sense. Chair Schoaf asked if there were any comments or questions from the committee.

Mayor Lewis asked how many people would you consider a good representation. Ms. McClafferty stated they would have to take a 54-passenger bus. Chair Schoaf stated it should not be any less than 30 people that would be committed to going for the three days. Mayor Barney suggested staff check to see if there is a train on that route. Vice Mayor Sellers suggested also looking into touring the maquilas in that area. Chair Schoaf thanked Ms. McClafferty for the report.

Before the next agenda item, Mayor Stanton presented Chair Schoaf a Resolution of Appreciation for his dedicated service as a charter member and Chair of the Economic Development Committee. Mayor Stanton stated Chair Schoaf has done an outstanding job chairing this committee and spoke of his many accomplishments during his tenure, such as the work with Mexico and Canada, resulting in elected officials from the MAG region initiating a dialogue with officials at the ports of entry with Nogales and San Luis, Arizona. The committee gave Chair Schoaf a round of applause. Chair Schoaf stated this committee understands the importance of economic development to our region it is critical that we build a sustainable place for our children and grandchildren in the future. He added these activities assist in bringing the local governments, businesses, and educational institutions together to create a common vision for our region is very important. Chair Schoaf thanked the committee and stated he looks forward to this committee doing a lot of good things in the future.

6. Update on the Incubator Tour

Denise McClafferty, Management Analyst III, stated MAG staff was approached by Nogales, Sonora to tour some of the incubators in our region. She added the Office of Economic Development in Nogales, Sonora is exploring ways to create a Center for Research and Development and their idea is that the center will provide formal structure to advance technology through various types of cooperative agreements between universities, industrial companies, and other institutions, including international institutions.

Ms. McClafferty stated they are interested in learning best practices that could be adapted in their community and they would like to see what methodology our incubators use in providing services, what types of services the incubators offer to companies, and who are the participants. She added this also provides an opportunity for our region to better understand Sonora's research and development needs to possibly collaborate in the future.

Ms. McClafferty stated staff has worked with the incubators in our region and put together a one day tour of four incubators that include ASU Skysong in Scottsdale, Innovations in Chandler, Center for Entrepreneurial Innovations in Phoenix, and AZ TechCelerator in Surprise. She indicated that there would be approximately ten people from Sonora attending

the tour and staff also invited the mayor and economic development person from each of the cities where the incubators are located. She stated that a draft agenda of the tour was at each members place.

Chair Schoaf thanked Ms. McClafferty for her report and asked if the members had any questions or comments. Mr. Smith added that everyone from this committee is invited to attend the tour and to contact staff if they are interested. Chair Schoaf stated that this is a really great project and it will be interesting to see what comes out of this exchange.

7. Request for Future Agenda Items

Chair Schoaf asked if there were any requests for future agenda items. Mayor Stanton stated the City of Phoenix has adopted a ordinance to support local hospitals called the Access to Care Ordinance and has heard that the City of Tempe and the City of Mesa are actively considering the same thing. He stated it would be interesting to hear what the cities are doing in terms of healthcare and perhaps this topic could be on a upcoming agenda.

8. Comments from the Committee

Kelly Taft, MAG Communications Manager, reminded the committee that the Passing of the Gavel ceremony and networking reception will be held on June 19, 2013 at the Downtown Phoenix Sheraton, immediately following the Regional Council meeting. Ms. Taft asked members of the committee to RSVP on the MAG website or contact her directly by June 10, 2013. Mayor Stanton thanked staff for moving the event to an evening meeting so business leaders could also attend.

Adjournment

There being no further business, the Economic Development Committee meeting was adjourned at 12:58 p.m.

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Chair

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Secretary

**DRAFT**  
**RESOLUTION OF SUPPORT**  
**FOR EXTENDING THE BORDER ZONE IN ARIZONA**

WHEREAS, the regional planning agencies throughout Arizona, including the Central Arizona Governments (CAG), Central Yavapai Metropolitan Planning Organization (CYMPO), Flagstaff Metropolitan Planning Organization (FMPO), Maricopa Association of Governments (MAG), Northern Arizona Council of Governments (NACOG), Pima Association of Governments (PAG), SouthEastern Arizona Governments Organization (SEAGO), Western Arizona Council of Governments (WACOG), and Yuma Metropolitan Planning Organization (YMPO), and other regional planning agencies and Native American Communities that may wish to join in this effort, hereafter referred to as the Regional Planning Agencies, desire to advocate for the extension of the authorized border zone for Border Crossing Cards (BCC) to include all of Arizona, and for the streamlining of the Mexican Visa process; and

WHEREAS, Mexican visitors traveling into the United States through the land border ports of entry use the Border Crossing Card, which allows for frequent, low-risk Mexican citizens to visit border communities for a period of up to 30 days, and remain within the “border zone,” which is no more than 25 miles beyond the border, and 75 miles if entering through selected ports in Arizona, limiting the opportunity for tourism and economic development throughout our state; and

WHEREAS, the proposed border zone extension would allow BCC holders to travel to world-class destinations such as the Grand Canyon – one of the Seven Natural Wonders of the World – and other state and federal parks, stimulating tourism throughout Arizona, and expanding the travel zone to include these tourist destinations will translate into greater economic benefits from residents from Mexico traveling to Arizona for leisure, shopping, conducting business, and visiting family; and

WHEREAS, it is estimated that \$7.3 million is spent each day in Arizona by Mexican visitors, and more than 65,000 Mexican residents travel to Arizona each day for business, leisure and recreation; and

WHEREAS, Mexico is the 14th largest economy according to the International Monetary Fund, a member of the G-20 economies, and the 11th most populous country, with 17 percent of Mexico's population of 112 million inhabitants joining the middle class in the last decade, representing market opportunities for U.S. exports-oriented industries; and

WHEREAS, at the peak of the economy in 2007-08, 24 million Mexican visitors came to Arizona and spent \$2.7 billion, creating 23,400 direct jobs and an additional 7,000 indirect jobs in Arizona. In 2011, 157,700 jobs were related directly to domestic and international tourism in Arizona, and when combined with indirect employment generated by tourism, the figure almost doubles to 300,000 jobs; and

WHEREAS, in the spirit of the 2012 Executive Order, the proposed extension of the border zone in Arizona will provide significant economic benefits to many communities, especially in rural Arizona, while maintaining ample safeguards to prevent undocumented entry into the United States, and

WHEREAS, due to the necessity to act immediately, the Regional Planning Agencies noted in this resolution have signed with the understanding that other governmental and nonprofit economic development organizations will be joining in supporting this resolution:

NOW, THEREFORE, BE IT RESOLVED BY THE REGIONAL PLANNING AGENCIES as follows:

That it is the intent of the respective Regional Planning Agencies to work cooperatively to jointly advocate to the Arizona Congressional Delegation and the Department of Homeland Security for the extension of Arizona’s border zone, authorized for holders of Border Crossing Cards, to include the entire state of Arizona, and to jointly support the streamlining of the Mexican visa process to be more effective in enabling both business travelers and tourists to cross the border.

PASSED, ADOPTED AND APPROVED BY THE REGIONAL PLANNING AGENCIES OF CENTRAL ARIZONA ASSOCIATION OF GOVERNMENTS, CENTRAL YAVAPAI METROPOLITAN PLANNING ORGANIZATION, FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION, MARICOPA ASSOCIATION OF GOVERNMENTS, NORTHERN ARIZONA ASSOCIATION OF GOVERNMENTS, PIMA ASSOCIATION OF GOVERNMENTS, SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION, WESTERN ARIZONA COUNCIL OF GOVERNMENTS, AND YUMA METROPOLITAN PLANNING ORGANIZATION, ON THE DATES PROVIDED BELOW.

ATTEST:

\_\_\_\_\_  
Tom Rankin, Chair  
CAG Regional Council  
Mayor, Town of Florence

\_\_\_\_\_  
Kenneth Hall  
CAG Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Darryl Croft, Chair  
CYMPO Executive Board  
Vice Mayor, Town of Chino Valley

\_\_\_\_\_  
Christopher Bridges  
CYMPO Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Matt Ryan, Chair  
FMPO Executive Board  
Board of Supervisor, Coconino

\_\_\_\_\_  
David Wessel  
FMPO Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Scott Smith, Chair  
MAG Regional Council  
Mayor, City of Mesa

\_\_\_\_\_  
Dennis Smith  
MAG Executive Director

\_\_\_\_\_  
Date

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Wade Carlisle, Chair  
NACOG Regional Council  
Councilman, City of Holbrook

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Date

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Jonathan Rothschild, Chair  
PAG Regional Council  
Mayor, City of Tucson

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Date

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Rudy Molera, Chair  
SEAGO Executive Board  
County Supervisor, Santa Cruz

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Date

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Janice Shelton, Chair  
WACOG Executive Board of Directors  
Superintendent, La Paz County Schools

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Date

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Greg Ferguson, Chair  
YMPO Executive Board  
Supervisor, Yuma County

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Date

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Chris Fetzer  
NACOG Executive Director

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Cherie Campbell  
PAG Acting Executive Director

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Randy Heiss  
SEAGO Executive Director

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Brian H. Babiars  
WACOG Executive Director

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Charlene FitzGerald  
YMPO Executive Director

## MEXICAN VISITORS - FACT SHEET

- Visa holders who wish to use the Border Crossing Card as a B1/B2 visa to travel outside the “border zone,” and/or who are staying longer than 30 days in the United States, must complete a Form I-94 and then be processed through the Office of Biometric Identity Management (OBIM) utilizing biometric procedures in secondary inspection areas at the land border ports of entry at the time of their crossing, and according to the Department of Homeland Security the OBIM is “an interim solution for the land border while the Department explores a long-term solution to record the entry and exit of visitors crossing our land border ports of entry.”
- The elimination of the requirement of an I-94 form, or the streamlining of the entire Mexican visa process to eliminate the need for the OBIM biometric procedures in secondary inspection areas for BCC holders traveling anywhere in Arizona would also decrease the administrative workload for Customs and Border Protection (CBP) officers at the Arizona ports of entry, allowing CBP to focus resources on those who may pose a higher risk, improving security, reducing border wait times, and increasing efficiency at land border crossings.
- Tourism is one of the largest industries in Arizona and tourists from Mexico are critically important to the Arizona economy, according to the Arizona Lodging and Tourism Association.
- According to the municipality of Cajeme, Obregon, Sonora, tourism is one of the top developing engines in Sonora and is expected to have a potential market of 4.3 million Mexican tourists by 2030.
- The Regional Planning Agencies jointly recognize the economic power of the tourism industry due to its positive influence for every resident and business in Arizona.
- Tourism is an export-related activity bringing new monies to the region spent in tourism-sensitive sectors and on retail-exports. Tourism and export promotion have become a national focus through the National Export Initiative and the Travel Promotion Act signed into law in 2010 to enhance economic growth and job creation through the promotion of exports and inbound tourism.
- Mexico represented an impressive 21 percent of all inbound international arrivals to the United States with over 12.7 million arrivals in 2012 and was the second largest tourist-generating country after Canada, according to data from the U.S. Department of Commerce’s Office of Travel and Tourism Industries.
- Legal entry of Mexican residents and goods is an essential element of Arizona’s economy, with Mexico being the largest bilateral trading partner with Arizona, and the second largest in the U.S., accounting for an estimated \$30 million in two-way trade between Arizona and Mexico each day, and reaching a record high of \$1.3 billion per day in two-way trade between the U.S. and Mexico.
- According to the Greater Phoenix Convention and Visitors Bureau, the Mexico driving market represents the number one method of visiting Arizona and the most important market, with most of the visitors being from the middle class who spend weekends in Arizona with their families shopping and dining.
- The economic contribution of spending by Mexican visitors in Arizona has continued to grow over the decades. The economic impact of Mexican visitors increased from \$688.3 million in spending and 12,407 total jobs in 1991, to \$962.9 million in spending and 35,179 total jobs in 2001.
- The 2012 Executive Order signed by President Obama “Establishing Visa and Foreign Visitor Processing Goals and the Task Force on Travel and Competitiveness,” was ordered to “enable us [United States] to better capitalize on the economic opportunities presented by a dynamic 21st century travel and tourism industry” (Executive Order January 2012).