

September 3, 2014

TO: Members of the MAG Economic Development Committee

FROM: Mayor John Lewis, Town of Gilbert, Chair

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

Tuesday, September 9, 2014 - 11:30 a.m.
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 or by telephone conference. Use of proxy at the MAG EDC is not permitted. 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 9, 2014

COMMITTEE ACTION REQUESTED

1. Call to Order

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

2. Pledge of Allegiance

3. 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.

4. Approval of the August 5, 2014 Economic Development Committee Meeting Minutes

5. Report on Business Development Opportunities of Super Bowl XLIX

Super Bowl XLIX will bring an estimated 90,000 visitors and \$500 million in economic impact to the State of Arizona. The Arizona Commerce Authority (ACA) and the Greater Phoenix Economic Council (GPEC) have developed a Visiting CEO Program that will target 200 to 300 United States companies to be part of Super Bowl XLIX and experience Arizona's assets. Chris Petroff, Vice President of Marketing at GPEC, and David Drennan, Vice President, Strategic Initiatives at ACA will provide a report on the Visiting CEO Program and other efforts to promote business development opportunities in Arizona.

3. Information and discussion.

4. Review and approval of the August 5, 2014 Economic Development Committee meeting minutes.

5. Information and discussion.

6. Collectron International Management, Inc.

On May 28, 2014, MAG staff attended a business event at Collectron International Management's facilities in Nogales, Sonora. Collectron has been operating as a shelter company for more than four decades in Sonora, Mexico. As the pioneer in shelter plan and maquiladora services, they have helped more than 250 Companies start up and operate their maquiladora operations at their six locations: 5 cities in the State of Sonora, next to Arizona and Queretaro, Mexico. Supported by the local, state and federal governments of Mexico, the shelter and maquiladora services enable companies to quickly initiate a manufacturing operation in Mexico without establishing a local legal presence and provides an alternative to investments and expenditures associated with near-sourcing. Representatives from Collectron will provide an overview of their program's services and will invite two of their clients from Arizona to share their experience expanding operations to Mexico using the services of this shelter program.

7. International School of Arizona - Preparing for a Global Future

Over the past several months, MAG and its partners have been working to promote the Building an International Network (BIEN) website. This includes outreach to Arizona Councils of Governments and Metropolitan Planning Organizations, chambers and associations, as well local governments and businesses in Mexico. To begin focusing on outreach in Canada, the website would need to be translated to French. The International School of Arizona (ISA) volunteered its services to translate the BIEN fact sheet and website. ISA is a private, non-profit organization that was founded in 1997 by a group of dedicated parents, international educators and community members who strove to fill an unmet need in the Phoenix metropolitan area. ISA's educational programs offer students in our region the opportunity to learn another language and culture in an immersion environment. Students gain a

6. Information and discussion.

7. Information and discussion.

global perspective and obtain skills that enable them to communicate with a wide range of people, appreciate other cultures, become flexible thinkers, and enrich their lives. A representative from ISA will provide a report on the benefits of ISA to the region.

8. Update on Mexico Initiatives

At the August 5, 2014 EDC meeting, MAG staff provided an update on several Mexico related initiatives, including a business delegation visit to the MAG region on June 27, 2014, led by Deputy Samuel Moreno with the state Congress of Sonora. MAG staff also organized several Mexico related events during the League of Arizona Cities and Towns annual conference on August 21st. These events included a panel session on the Arizona-Sonora (Ari-Son) Binational Megaregion and a meeting of the Ari-Son Megaregion Council. On September 4th & 5th, 2014, MAG staff will be traveling to Ciudad Obregón in southern Sonora, at the request of officials from the municipality of Cajeme, to participate in a Binational Meeting for Promoting Regional Development. The purpose of this meeting is to lay the foundation for dialogue and continue building relationships that can foster future economic development opportunities and collaboration in emerging sectors between the MAG region and southern Sonora to enhance global competition and stimulate regional development. MAG staff will provide an update on these activities.

9. Overview of the Activities of the MAG Economic Development Committee

With the economic downturn and declining sales tax revenues, a major source of funding for the Regional Transportation Plan, it was necessary for MAG to reduce the Regional Freeway Program by more than \$6 billion. The reduction in sales tax funds plus the fact that the region was faced with nearly 64,000 pending and foreclosed homes coupled with the federal requirement to tie economic development into transportation planning led MAG to form the Economic

8. Information and discussion.

9. Information and discussion.

Development Committee (EDC) in October 2010. The fundamental goal of the EDC is to foster enhanced communication, coordination and consistency between transportation plans and economic development strategies among economic development and planning agency leaders. In October 2012, the progress of the EDC was reviewed by the MAG Regional Council and it was decided the committee is a highly professional and beneficial forum. As we enter the beginning of our fourth year, it would be beneficial to review the purpose of the EDC, its accomplishments, and how the committee is moving forward.

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.

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 and/or share any practical applications of information and initiatives presented to EDC members. 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

10. Information.

11. Information.

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
ECONOMIC DEVELOPMENT COMMITTEE

August 5, 2014

MAG Offices, Saguaro Room
302 N. 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Michael LeVault, Youngtown, Vice Chair
#Mayor Gail Barney, Queen Creek
*Steven Betts, GPEC
Dr. Joseph Cavinato, Thunderbird
Supervisor Steve Chucri, Maricopa County
Angela Creedon, Arizona State University
Mark Dreher, East Valley Partnership
*Thomas Franz, Greater Phoenix Leadership
*Gary Haydon, Haydon Building Corp.
Michael Hoover, Sundt Construction
Mayor Linda Kavanagh, Fountain Hills
*Jim Kenny, El Dorado Holdings, Inc.
*Mayor W.J. "Jim" Lane, Scottsdale
Mayor John Lewis, Gilbert
*Mayor Georgia Lord, Goodyear

Mayor Jackie Meck, Buckeye
Mayor Mark Mitchell, Tempe
*John Nelson, ADOT
#Mayor Christian Price, Maricopa
*Jim Rounds, Elliott D. Pollack & Company
*Todd Sanders, Greater Phoenix Chamber
of Commerce
Mayor Thomas L. Schoaf, Litchfield Park,
Councilmember Jack Sellers, Chandler
Bill Sheldon, WESTMARC
Mayor Greg Stanton, Phoenix
*Sandra Watson, Arizona Commerce
Authority
Mayor Jerry Weiers, Glendale
Mayor Sharon Wolcott, Surprise

* Not present

Participated by video or telephone conference call

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

Roc Arnett, EVP
Anubhav Bagley, MAG
Alana Chávez Langdon, MAG
Dan Davis, Avondale
Elizabeth Higgins, Tempe
Darryn Jones, Avondale
Patricia Kraus, Chandler
Matt Ligouri, Goodyear
Brad Lundhal, Scottsdale

Denise McClafferty, MAG
Lora Mwaniki-Lyman, MAG
Linda Priano, MAG
Nathan Pryor, MAG
Tom Remes, Phoenix
Michelle Rider, WESTMARC
Kelly Taft, MAG
Marc Valenzuela, ASU
Marge Zylla, Tempe

1. Call to Order

The Economic Development Committee (EDC) meeting was called to order by Vice Chair LeVault at 11:38 a.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Mayor Barney and Mayor Price joined the meeting via teleconference. Vice Chair LeVault noted public comment cards were available for those members of the public who wish to comment. Vice Chair LeVault 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.

3. Call to the Audience

Vice Chair LeVault 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. She 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. Vice Chair LeVault noted that no public comment cards had been received.

4. Approval of the May 6, 2014 Economic Development Committee Meeting Minutes

Vice Chair LeVault asked if the members had any questions regarding the May 6, 2014, meeting minutes. There were none. Mayor Meck moved to approve the May 6, 2014 Economic Development Committee meeting minutes. Mayor Schoaf seconded the motion and the motion carried unanimously.

5. Report on Velocity

Vice Chair LeVault stated that the report on Velocity would not be heard at this time. MAG staff was informed that additional development work was being done before the formal unveiling and that this report will be moved to a future agenda item.

6. Update on Mexico Initiatives

Alana Chávez Langdon, MAG International Economic Development Analyst, provided an update on recent Mexico initiatives. She reported that MAG staff has been working in cooperation with several partners on various activities to positively impact our region's engagement with Mexico. She added that the purpose of these efforts have been to continue to build relationships and greater awareness of economic opportunities at the local and regional levels.

Ms. Chávez Langdon reported that on June 27, 2014, a business delegation of 20 individuals representing the areas of Puerto Penasco (Rocky Point), Hermosillo, and Nogales visited the

region, led by Deputy Samuel Moreno, State Congress of Sonora. She noted that MAG staff coordinated this visit with the Arizona Commerce Authority, Arizona Mexico Commission and the Greater Phoenix Economic Council. The agenda included a morning meeting at MAG that began with a networking breakfast, presentations and a roundtable discussion with the delegation. She stated that over 40 participants attended this meeting with representation from MAG's Economic Development Committee, Consulate General of Mexico in Phoenix, Arizona State University – including the Office of the President, Morrison Institute and Seidman Institute and three of the region's incubators – Chandler Innovations, ASU Skysong in Scottsdale and BioAccel in Peoria.

Ms. Chávez Langdon added that the attendees met with some of the region's top business leaders at the Arizona Chamber of Commerce and Industry's Annual Awards Luncheon that was hosted by Arizona Commerce Authority, Arizona Mexico Commission and Tucson Electric Power. The day wrapped up with a meeting at Greater Phoenix Economic Council with Barry Broome and Hank Marshall from the City of Phoenix discussing the region's export related initiative and furthering economic development initiatives with regions in Sonora. She stated that Deputy Moreno commented that he and members of his delegation were extremely impressed with the prospect of furthering relationships and economic related initiatives with our region.

Ms. Chávez Langdon also reported that MAG staff was requested to organize two panels for the upcoming Annual League of Arizona Cities and Towns Conference. One panel will be on Interstate 11/Canamex Corridors and another panel will be focusing on the role of megaregions, which have emerged as centers of global economic activity. She added that at the Second Binational Economic Forum that took place in April 2014, local elected leaders from Arizona and the State of Sonora signed a partnering agreement to form the Ari-Son Megaregion. She stated that the main purpose of forming Ari-Son is to provide a statewide organizing framework for regions in Arizona and Sonora that will engage with one another on local and regional issues, as well as with businesses to market the region for competition in the global economy.

Ms. Chávez Langdon added that the reactor panel will include Mayor Stanton, City of Phoenix; Mayor Rothschild, City of Tucson; Mayor Garino, City of Nogales; Mayor Ortega, City of Douglas; Mayor Sanchez, City of San Luis; and Mayor Jackson, City of Casa Grande; Mayor Guzmán, City of Nogales, Sonora; Mayor Guillen, City of San Luis, Colorado, Sonora; and Mayor Terán, City of Agua Preta, Sonora. She noted that the meeting has been scheduled for August 21, 2014.

Ms. Chávez Langdon also indicated that MAG staff has been working very diligently over the past three months during the soft launch period of the BIEN database. Staff has been meeting with partners in the MAG region and will support our Council of Governments and Metropolitan Planning Organization partners around the state to educate business stakeholders and the communities about ConnectBIEN.com to populate the database. Currently, the database has 326 business registrations and with the help of our partnerships in other regions, this number will increase. She added that staff would be happy to provide a more in depth presentation to economic development staff to help familiarize them with

the database tool so they can promote this with their small and medium size businesses in their communities to get more participation.

Ms. Chávez Langdon stated that on July 24, 2014, she attended a business seminar, “How to do Business in Mexicali”, which was hosted by the Office of Consulate General of Mexico in Phoenix. She added that representatives from Industrial Development Commission of Mexicali, BrupoProdensa, GKN Aerospace and the Industrial Park Association of Mexicali were in attendance. Representatives from the Industrial Park Association of Mexicali expressed interest in meeting with this committee to discuss opportunities in our region and also to find out more about the BIEN initiative and how they can help cross promote it. She added that there is also great interest from other northern states in Mexico to further their relationships and opportunities within the MAG region and state.

Vice Chair LeVault thanked Ms. Chávez Langdon for the update and asked if there were any comments or questions from the committee.

Mr. Dreher asked if staff has received any feedback in regards to the BIEN business to business relationships that have been developed. Anubhav Bagley, Information Services Manager, stated that as part of the development of this website, staff purposely did not include tracking the connections after the initial contacts had been made. This was done on purpose due to privacy and propriety concerns. He added that he does know that approximately 25-30 connection requests have gone through, because they do keep track of that data count. He reported that staff has received feedback on business categorization and the joining process and those pieces have been revamped and are now easier to use.

Ms. Chávez Langdon added that staff has created a LinkedIn page for the BIEN professionals to express their experience and comments and an e-newsletter is also being created to highlight BIEN businesses. Vice Chair LeVault stated that it is gratifying to see a multi-prong approach in further enhancing future trade with Mexico and applauded staff for all their hard work.

7. Report on the City of Peoria Self-Certification Pilot Program

Rebecca Zook, Deputy Director of Development, Economic Development Services, City of Peoria, stated that they have been initiating several customer service enhancements to bring together partners and development services. These include permitting, plan review, site development, inspections and certification. She explained that their Building Development Services group ensures public safety in building construction through thorough plan review and inspections to ensure compliance with city policies and standards.

Ms. Zook explained that the Site Development Services group reviews engineering documents for private development and public infrastructures, and acts as development liaisons on private projects. She added that they ensure compliance with state and county agency requirements, as well as the city’s policies and standards. The Site & Building Development group tracks process and review times, which is then reported to the city manager and council members. This is very important because this tells them how they are doing. These construction documents include residential homes; miscellaneous permits;

commercial buildings; final plat, grading and drainage, water, sewer and paving.

Ms. Zook reported that the City of Peoria looked at several cities to see what they were offering, much was with the City of Phoenix. City council determined that they wanted to provide customer service enhancements, and after working with the community and stakeholders for eight months to make sure they would be getting the services, the Self Certification Pilot Program rolled out in January 2014. This self certification program quickly bypasses the plan review process and eligible permits can be issued in three business days. She noted that eligible permits include interior tenant improvements of non-residential buildings, not exceeding 15,000 square feet and two stories, as well as ICC (International Code Council) certification.

Ms. Zook explained the Over-the-Counter Plan, which is for minor plan reviews such as patios, pools, and minor electrical changes. She noted that over eighty permits have been issued since March 2014 and that these building & site permits may be issued in as little as 30 minutes. Ms. Zook also discussed the Electronic Document Review, which is targeted to roll out in Fall 2014. This will benefit customers with reduced trips to drop off/pick up plans, as well as reduce customer's costs since hard copy plans will no longer be needed. The Online Permitting service is also targeted to roll out in Fall 2014. These permits will include solar permits and more complex residential and tenant improvements. She added that eligible permits can be issued in two business days and they are also looking into including online payments in phase two of this service.

Vice Chair LeVault thanked Ms. Zook for the presentation and asked if there were any comments or questions from the committee. Mayor Lewis stated that many of the cities have gone to the City of Phoenix to see their innovative ideas and that the City of Gilbert has done some process improvements. Mayor Lewis asked if there was a comparison on how long the process takes within the cities. Ms. Zook stated that she was not aware of a comparison. She added that when she has reached out to different municipalities, they all have been incredibly helpful. She stated that when one city is successful, we are all successful. Mayor Lewis agreed.

Mayor Wolcott congratulated the City of Peoria for their success and thanked Mayor Stanton and the City of Phoenix for sharing their best practices. She added that the City of Surprise engaged with the City of Phoenix and it really speaks volumes how much can get accomplished and how we can better service our communities, when we work together.

Mayor Stanton stated that this required a change of philosophy and in their efforts to make the system more efficient and customer service friendly, they found the right compromise, with safety still being the number one priority. He added that one challenge they faced was onsite inspections and debated if these were going to be City of Phoenix employees or outsourced. The city now out sources some inspection services. Mayor Kavanagh asked if there was a best practice model that has been created, to see what would work best for a particular city, based on their needs and wants. Ms. Zook recommended Excella electronic plan review, which is what the City of Peoria uses, as well as, Blue Bean plan review service, which is what the City of Gilbert uses. She has heard many great reviews of Blue Bean from

the staff, as well as the customers on how user-friendly it is. Mayor Stanton added that the City of Phoenix wanted to reduce time and make the permit process as simple as possible. He also commented in their success on having a county employee in the City of Phoenix Development Services Department so customers can get county permits done at the same time.

8. Proposed Practicum Project with the Thunderbird School of Global Management

Amy St. Peter, MAG Human Services and Special Project Manager, discussed a proposed practicum project with the Thunderbird School of Global Management. The focus of the project would be engaging experienced older adults in the Greater Phoenix global economy. Ms. St. Peter shared a recent experience she had while attending the Maricopa City Council meeting when she went to present on the Greater Phoenix Age-Friendly Network. She added that prior to her presentation, the Maricopa economic development staff were recognizing some of their key volunteers and partners. One of them was a gentleman who had moved to Maricopa three years ago to retire. He relaxed, played golf, and grew bored. He became involved with the City's leadership program and quickly became an asset to the City and their economic development team because of his executive experience.

Ms. St. Peter noted that this raises some important points. Every community has residents who have valuable experience who could make important contributions. What is the strategy for finding and engaging these older adults and what is the value of their contributions to the economy? She added that we don't necessarily know the answers to these questions today, but we do know that every community will see a significant increase in the numbers of people aged 65 years plus. We know that, in general, people in this age group have more education and experience than any other age group. We know that we are facing a skills gap and we are losing business and ground in the global economy as a result and the solution may be found within the experienced residents living in our communities today.

Ms. St. Peter added that the Greater Phoenix Age-Friendly Network has been approaching this work from more of a human services perspective and that they are working with local governments, nonprofit agencies, and places of worship to build community capacity. The goal has been to leverage the talents of older adults to build stronger communities. This work continues and is expanding statewide. She added that Greater Phoenix Age-Friendly Network is proposing to partner with this committee to consider this work from an economic development perspective. What is the impact of seasoned workers in the global economy here in Greater Phoenix? How can we compete more successfully for export and trade opportunities by better leveraging our experienced workers? What kind of work environment will keep older adults in the workforce and how do we facilitate the transfer of knowledge to younger workers?

Ms. St. Peter stated that we can explore the answers to these questions by working with the Thunderbird School of Global Management. A team of students can analyze the human capital impact of continuing older adults in high skilled employment such as STEM jobs. They can help us develop a better understanding of our region's competitive advantages and disadvantages and by working with the team, we can quantify the contributions older adults

make to the economy as a source of skilled human capital and purchasing power. She noted that the proposed deliverables for this project include delivering an analysis of data to create a better understanding of the range of skills existing among Arizona's population aged 65 years plus; strategies to keep this population engaged in the workforce as part/full time employees, mentors, or volunteers; strategies to facilitate the transfer of knowledge from seasoned workers to younger generations; and the corresponding impact on the availability of skilled human capital and the economy.

Ms. St. Peter added that the ability of the region to leverage the time and talents of older adults can play a pivotal role in the region's ability to sustain a thriving global economy based on exports and skilled human capital. This region's asset of retired workers may have a significant impact on the overall economic vitality if effectively identified and engaged. She stated that they will specifically be looking for non-academic oriented deliverables, which should be comprehensive, actionable, strategic and guide decision making in a prioritized manner. She noted that this item is for action to recommend proceeding with the study.

Vice Chair LeVault asked if there were any questions or comments from the committee. Mayor Wolcott asked Ms. St. Peter to expand on the implementation strategies at the result of this study. Ms. St. Peter stated that one of the strategies is to work with local governments to see what programs and partnerships could be put in place to further engage older adults. Another strategy could be a leadership program within the workplace and also working with businesses to determine what changes they can make. Ms. St. Peter added that Intel, for example, works with the nonprofit agency Experience Matters, that connects talent with social purpose, as a way to help their employees retire successfully and remain involved with their communities.

Mayor Wolcott stated that there is tremendous untapped opportunities to better engage and respond to the evolving retirement communities. She added that the City of Surprise, Sun City and Sun City West represents one of the areas with the largest density of seasoned citizens in the country, along with Scottsdale and two communities in Florida. Mayor Wolcott added that as a city that is growing and still has 65-75 percent of residents that are young families, this is an untapped opportunity. She noted that retirement is evolving and we need to find positive ways to respond to our seasoned citizens. Mayor Lewis discussed the value of mentors and added that he is excited to see what will be found and how to implement it to get our talent engaged.

Chair LeVault agreed that the seasoned citizen sector of our communities are a great untapped resource and that they can play a huge role in helping us economically, both as workers with experience and as mentors to the young people.

Mayor Wolcott moved to recommend proceeding with the Thunderbird Practicum Project in the amount of \$2,500. Mayor Lewis seconded the motion and the motion unanimously.

9. Request for Future Agenda Items

Vice Chair LeVault asked if there were any requests for future agenda items. There were none.

10. Comments from the Committee

Vice Chair LeVault asked if there were any comments from the committee. There were none.

Adjournment

There being no further business, the Economic Development Committee meeting was adjourned at 12:27 p.m.

Chair

Secretary