



MINUTES

Economic Development Commission

March 28, 2012

Town of Queen Creek

22358 S. Ellsworth Rd, Queen Creek, AZ 85142

San Tan Conference Room

1. Call to Order and Introductions

Lee Ester, Chairman	SRP
Warde Nichols	ASU Polytechnic
John Schroeder	CGCC, Williams Campus
Jason Barney	Land Developer
Gordon Mortensen	Queen Creek Resident
Randy Parish	Queen Creek Resident
Steve Sossaman	Queen Creek Resident
Julia Wheatley	Town Council

Doreen Cott	Town of Queen Creek
Kim Moyers	Town of Queen Creek
Marsha Hunt	Town of Queen Creek
Wayne Balmer	Town of Queen Creek
Tim Lynch	Town of Queen Creek

Absent:

Carson Brown, Vice Chairman	W Holdings
David Valenzuela	Phoenix-Mesa Gateway Airport
Tom Lindsey	Queen Creek Unified School District
Marquis Scott	Queen Creek Chamber of Commerce
Craig Barnes	Town Council
Mark Schnepf	Schnepf Farms

The meeting was called to order at 7:31 a.m. by Chairman Ester.

2. Public Comment:

No public comment

3. Items for Discussion and Possible Action

A. Consideration and possible approval of the February 22, 2012 minutes

Commissioner Sossaman moved to approve the minutes of February 22, 2012.

Commissioner Schroeder seconded. Motion carried unanimously.

B. Update on the QC Incubator program

Economic Development Director Doreen Cott informed the Commission that staff presented an overview of the Queen Creek Incubator program and first year highlights at the March 21, 2012 Town Council meeting. Staff presented information on the initial investment for the program, an overview of operating expenses and revenues and the tenants that have utilized the space and/or business resources.

The Council discussed the idea of attracting more high-tech businesses to the incubator. Council agreed that the program should continue through the end of the lease which ends December 2012. Council directed staff to come back in 2-3 months with alternatives for attracting high tech users, fewer service oriented businesses and businesses that will create high paying jobs. It was suggested that another study be conducted to verify what type of incubator will work best in the community.

The Commission discussed the Council's suggestion for a different tenant mix in the incubator and the desire for high tech businesses. This is just a shift of who we are attracting to the incubator. The Commission discussed leveraging the current program and building upon the success of the program. It will be more difficult to attract high tech in Queen Creek because there are not as many high tech companies in the community. Gangplank is successful in Chandler because of the strong base of high tech companies in the city.

The Commission discussed the idea of a kitchen incubator or a machinist incubator to support business activities at Phoenix-Mesa Gateway Airport. Staff will continue to do research on different types of incubators and the investment involved with each.

Wayne Balmer discussed the Cottage Law and allowing home based businesses to hire one outside employee. Staff will need to work with Home Owners Associations (HOA) that may have deed restrictions related to home based businesses. Commissioner Nichols suggested working with new housing developments so the CCandRs will allow home based businesses with employees.

C. Update on Horseshoe Park & Equestrian Centre (HPEC)

General Manager Tim Lynch provided an overview on HPEC activities. The event season is basically from September through May. In the summer months HPEC has had success attracting more local events.

HPEC has been able to host two events on some weekends with larger events in the covered arena and smaller events in the other arenas. The Arizona Cutting Horse Association (AzCHA) was one of the first major contracts secured for HPEC. The AzCHA does 25 days of cutting in the year with the season starting in October. The relationship with the AzCHA and their satisfaction with HPEC have brought positive attention to the facility. HPEC is being considered for a National Cutting Horse Association event in April/May. This event would require approximately 400 stalls.

HPEC has just finished the first of three Stallion stakes with the National Reining Cutting Horse Association (NRCHA). This event has brought mention of HPEC in national horse publications.

Staff has secured a 3-year contract with a Hunter/Jumper Association. This is the English side of the horse show world and participants have a very strong demographic. Their first show will be in April. Staff is now concentrating on selling the Monday-Thursday shows since there are only a limited number of weekends in the year. Maintenance and Operations Staff has developed a strong system to get cleaned up from one show to the next. The better and faster we can clean up, the more shows we can have. Staff can currently reset the facility within 48 hours. HPEC currently has 300 stalls and if an event needs additional stalls, they can be rented. A 40 unit RV park has been added to the facility each unit has 50 amps of electricity and water. The people staying in the RV park will need to hire a pumper truck for sewer.

Ms. Cott said we have leased a modular building to allow for a larger show office. Staff will look at more permanent option but the larger space was needed to accommodate the larger equestrian shows. Mr. Lynch explained that the new show office also allows the other show office to be utilized by a second event.

Commissioner Sossaman asked what gives HPEC an advantage over other venues. Mr. Lynch said initially the blank calendar was attractive to associations wanting to host their events. However, once we get people into the facility, the excellent customer service and specialized attention brings them back. At HPEC you are not competing with space or attention, staff specializes in your event.

Commissioner Mortensen asked how HPEC is balancing larger shows and community events. Mr. Lynch said we are doing well. We are able to run gymkhanas in the other arenas while a larger event is being held in the covered arena. We have not had to turn a community event away.

Commissioner Schroeder asked about the newly installed RV spaces and how the rentals were going. Mr. Lynch said we have not had less than 30 units sold at events during the past couple of months. Commissioner Schroeder asked if there might be a market for an RV resort near HPEC. Mr. Lynch said probably not since people want to be parked close to their horses. Commissioner Schroeder asked about interest from hotels. Ms. Cott said the equestrian staff stays with the horses in the RV park and the owners stay in the hotels.

Commissioner Barney asked if we have a good way to measure how many room nights an event will generate. Mr. Lynch explain that we can run projections and we are working with Hampton Inn and Legado hotels in Gilbert to help track room nights generated by HPEC.

D. Discussion on updates to the Economic Development Strategic Plan (continued to next meeting)

E. Presentation and discussion on the Maricopa County Economic Development Committee

Ms. Cott said at the last Greater Phoenix Economic Council (GPEC) meeting she heard this presentation and she thought it was good information for the group.

Brad Smidt from the Greater Phoenix Economic Council said that GPEC has been working with Maricopa County to help the County compete in attracting business to the area. He discussed the fund and how it is managed. The County has strategic goals related to economic development

which include increasing the per capita personal income relative to US benchmarks and to increase the share in regional employment in base industries. The County set up a committee to review business location and expansion proposals. The elected body of Supervisors desired to have the proposals reviewed by qualified citizens to provide an additional level of business scrutiny. There are 7 members on the Committee, one appointed by each Supervisor. This fund is for targeting economic development projects for job creation and job retention. Criteria for eligibility include:

- Project must be located in Maricopa County.
- 80% of the business income must be export revenues.
- New jobs must exceed 125% of the median wage for Maricopa County.

Funding can be used for infrastructure.

Current obligations approved by the committee include:

- First Solar - \$20 million over 10 years.
- Silicon Valley Bank - \$1 million over 5 years.
- International Genomics Consortium - \$9 million in disbursements to date.

Commissioner Barney asked how the County gets the money back. Mr. Smidt explained that County runs a detailed impact analysis on the project. If approved the County writes a check to the company. The County's return on investment is through the increased property tax and sales tax revenues. Mr. Smidt will research if the money is used for infrastructure will it go to the company of the city/town. Mr. Smidt said that the money could be used to cover permitting fees.

F. Summary of current events – Reports from Chair, Commission Members and Economic Development staff


The Roots 'N Boots Rodeo event starts this weekend and they still need volunteers.

4. Announcements

5. Adjournment

Commissioner Sossaman moved to adjourn the meeting at 9:03 a.m. Commissioner Schroeder seconded. Motion carried unanimously.

TOWN OF QUEEN CREEK



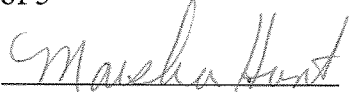
Lee Ester, Chairman

ATTEST:

Economic Development Commission MINUTES

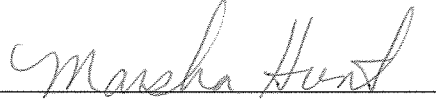
March 28, 2012

Page 5 of 5



Marsha Hunt, Sr. Administrative Asst.

I, Marsha Hunt, do hereby certify that, to the best of my knowledge and belief, the foregoing minutes are a true and correct copy of the minutes of the March 28, 2012 meeting of the Queen Creek Town Economic Development Commission. I further certify that the meeting was duly called and that a quorum was present.



Marsha Hunt

Passed and approved on May 23, 2012.