



MINUTES

Economic Development Commission

August 22, 2012

Town of Queen Creek

22358 S. Ellsworth Rd, Queen Creek, AZ 85142

San Tan Conference Room

1. Call to Order and Introductions

Each member introduced themselves

Lee Ester, Chairman	SRP
Carson Brown, Vice Chairman	W Holdings
Jason Gad	Town Council
Julia Wheatley	Town Council
John Schroeder	CGCC, Williams Campus
Tom Lindsey	Queen Creek Unified School District
Steve Sossaman	Queen Creek Resident
Gordon Mortensen	Queen Creek Resident
Doreen Cott	Town of Queen Creek
Kim Moyers	Town of Queen Creek

Absent:

Jason Barney	Land Developer
Mark Schnepf	Schnepf Farms
Marquis Scott	Chamber of Commerce
David Valenzuela	Phoenix-Mesa Gateway Airport
Warde Nichols	ASU Polytechnic

The meeting was called to order at 7:32 a.m. by Chairman Ester.

2. Public Comment:

No public comments were received.

3. Items for Discussion and Possible Action

A. Consideration and possible approval of the June 27, 2012 minutes

Commissioner Wheatley moved to approve the minutes of June 27, 2012. Commissioner Schroeder seconded. Motion carried unanimously.

B. Consideration and possible approval of a Chair and Vice Chair for the Economic Development Commission FY12-13

Chairman Ester opened the floor for nominations for the positions of Chair and Vice Chair for 2012-13. Commissioner Schroeder nominated Lee Ester as Chair and Carson Brown as Vice Chair. Both accepted the nomination. Nominations were closed. A MOTION was made by Commissioner Schroeder, seconded by Commissioner Sossaman, to elect the Chair and Vice Chair for the Economic Development Commission for FY12-13. Motion carried unanimously on a voice vote.

C. Consideration and possible approval of the annual work plan priorities for FY 12-13

Economic Development Director Doreen Cott shared a draft of the Economic Development Commission's work plan and asked the Commission for any additions or changes.

Commissioner Mortensen asked for an item specific to the new targeted sector of Clean and Renewable Energy and Water. This will be added to the work plan.

Commissioner Mortensen asked about a work plan item related to the new strategic plan. Ms. Cott explained that the Key Result Area action items from the strategic plan are included as objectives in the department's action plan.

Commissioner Sossaman asked for clarification on item #4, "to provide input and recommendations on new economic development programs that may benefit Queen Creek." Ms. Cott replied that this includes the Commission's input on programs such as a potential revolving loan program.

Commissioner Wheatley asked if Horseshoe Park & Equestrian Centre (HPEC) could be added now that they are under economic development. Ms. Moyers said HPEC falls into item #3, to work with Town staff to develop new definitions for agritourism/agritainment to be added to the zoning ordinance as well as the item related to new programs that may benefit Queen Creek.

Item #6 is designed for educational updates on various topics to the Commission. Chairman Ester suggested a presentation from SRP on water in Queen Creek. Hospitality is another presentation to support Queen Creek's efforts in attracting a hotel or resort to the area. Commissioner Schroeder stated that with Allegiant's new flights to Hawaii, there is a market for people to spend 2-3 days here and then connect to their final destination. Ms. Moyers suggested adding a presentation on the medical assets in the region.

Commissioner Mortensen asked about the incubator's work plan. Ms. Moyers said it is called out in item #1. Staff has been working to identify the educational needs of the tenants and the type of tenants desired for the space. Growth of the incubator program is also included in the department's action plan.

Commissioner Gad would like to see the Commission review the staff's activities to reach out to new businesses. Ms. Cott suggested adding "Review the department's outreach activities and marketing program on a quarterly basis and identify areas where the Commission can assist", as a work item.

Commissioner Mortensen made a MOTION to accept the work plan with the addition noted. Commissioner Brown seconded the motion. Motion carried unanimously on a voice vote.

D. Presentation and discussion on real estate trends by Ryan Duncan with Nathan & Associates

Ryan Duncan gave an educational update on real estate trends in Arizona. In 2012 new home permits will be approximately 14,000. One year ago the region issued 7,000 new housing permits. In 2013 the BREC (Belfore Real Estate Consulting) numbers are looking at dynamic growth with the potential of 19,500 new permits. Our standing lot inventory will be depleted by 2014. Mr. Duncan reviewed population growth since 1975 through 2020 showing the forecasted increase. He reviewed the employment growth rate, and reviewed new single family median pricing forecast. Mr. Duncan compared the status of the land markets of Los Angeles, Orange County, San Diego, Denver and Las Vegas. Arizona is looking strong.

Planning Director Wayne Balmer interjected housing permit information for the Town of Queen Creek.

E. Update on Economic Development Programs and Projects

Ms. Moyers reviewed the Incubator program. The Town Council approved \$55,000 for tenant improvements to the new location which will also house the Queen Creek Chamber of Commerce and tourism office. The new location will have private, enclosed offices. The conference room has been expanded and one of the larger offices has been turned into a training room. Staff is working with the SBDC to become a remote site for video teleconferencing bringing educational opportunities to the southeast valley. Tenants will start moving into the new facility through the month of November with a re-grand opening planned for January 2013.

Commissioner Mortensen suggested contacting Cox and SW Gas as potential sponsors for the incubator program. Staff will be soliciting sponsorships this fiscal year.

Ms. Moyers explained that the incubator began as a 2 year pilot program. With Council's decision to continue the program, staff will be developing future goals and objectives for tenant procedures.

The Commission will tour the new facility in the near future.

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

Commissioner Lindsey gave a presentation on the Queen Creek Unified School District (QCUSD). QCUSD has been rated an "A" district for the second year in a row and they are in the top 20 school districts in the state.

On the ballot in November, the school district is asking voters to continue the Maintenance & Operations override. This override gives the school district the ability to increase their budget by 15% of the state established budget limit. The M&O override is good for 7 years and must be renewed every 5 years by the voters. If not renewed, it is phased out over the 6th and 7th year. There are 3 options for the governing board. Option #1 is 10% (current level). Option #2 is 15%. Option 3 is 10% + 5% for K-3. The majority of the people polled felt Option #1 was right for current

economic conditions. Queen Creek voted the first M&O override in 2002. In 2007 they approved continuing the override. The school district is not asking for an increase in taxes but rather continuing what is already in place.

Arizona districts are not sufficiently funded to educate students. The override is needed to maintain academic and athletic and co-curricular opportunities. The total M&O budget is \$25.5m.

Queen Creek uses the M&O override to maintain class size standards, continue to increase academic offerings, continue to provide a variety of athletic opportunities for students, and continue to improve salaries to provide top teachers and staff.

If funding fails, FY 2013/14 will need to be reduced by 1/3rd which is approximately \$835,000. Funding for FY 2014/15 will be reduced by 1/3rd and another 1/3rd in FY 2015/16. The school district is the largest employer in Queen Creek with approximately 600 employees.

Commissioner Mortensen said it is great to see a superintendent as passionate as Tom.

Commissioner Gad asked how the voters will be educated. Commissioner Lindsey responded that the District is working to get the information out through Twitter and signage.

4. Announcements

It is time for the Queen Creek Schools Education Foundation annual golf outing at Las Colinas. Last year the foundation gave \$9,500 in scholarships.

Phoenix Commercial Advisors is marketing the Town's 20 acre site.

Commissioner Mortensen and his wife have accepted an assignment in the Philippines for 2 years. He will need to step down from the Commission and this will be his last meeting.

5. Adjournment

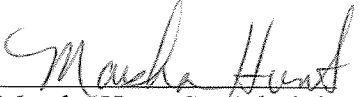
Commissioner Sossaman moved to adjourn. Commissioner Mortensen seconded the motion. Motion carried unanimously. The meeting adjourned at 9:12 a.m.

TOWN OF QUEEN CREEK



Lee Ester, Chairman

ATTEST:



Marsha Hunt, Sr. Administrative Assistant

Economic Development Commission MINUTES

August 22, 2012

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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 August 22, 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 Nov. 28, 2012.