



ECONOMIC DEVELOPMENT COMMISSION MEETING

May 27, 2009, 7:30 a.m.

San Tan Conference Room

1. Call to order

Present:

Chairman, John Schroeder	CGCC Williams Campus
Vice Chairman, Roseann Sweet	Queen Creek Resident
Council Member Mortensen	Town of Queen Creek
Council Member Barnes	Town of Queen Creek
Lee Ester	SRP
Jason Barney	Land Developer
Carson Brown	Vanderbuilt
Rustyn Sherer	Queen Creek Chamber of Commerce
Dr. James Murlless	Queen Creek Unified School District
Mark Schnepf	Schnepf Farms
David Valenzuela	Phoenix-Mesa Gateway Airport
Molly Jacobs	Queen Creek Performing Arts Center
Doreen Cott	Town of Queen Creek
Kim Moyers	Town of Queen Creek
Wayne Balmer	Town of Queen Creek
Tracy Corman	Town of Queen Creek
Mark Young	Town of Queen Creek

Guests:

Robert Brinton	Mesa Convention and Visitors Bureau
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Absent:

Jean Humphries	Arizona State University Polytechnic
Steve Sossaman	Queen Creek Resident

2. Public Comment

No public comment.

3. Items for Discussion:

A. Consideration and possible approval of the March 25, 2009 minutes.

A **MOTION** was made by Commissioner Valenzuela, seconded by Council Member Mortensen to approve the minutes dated March 25, 2009. Voice vote carried 11-0.

B. Presentation and discussion on the Warnick Company Report for the Valley Hotel and Resort Association.

Economic Development Director, Doreen Cott introduced Robert Brinton, Executive Director of the Mesa Convention and Visitors Bureau. Mr. Brinton distributed a handout that provided data

generated by the Warnick Company for the Valley Hotel and Resorts Association and provided a synopsis on it.

Key Points:

- Of the Top 10 Demand Activity Markets, Phoenix is at the bottom of the list with -7.3%
- Phoenix has been hit hard due to economy; tourism is a lagging indicator of a recession.
- Hotel room rates have decreased to entice visitors. Supply is up, demand is down which will make for a slower recovery
- Southeast Valley has seen the most growth of hotels
- Money is not available to fund new hotels.

Commissioner Schnepf stated that Schnepf Farms would like to develop a specialty resort such as a Bed & Breakfast. Business components are important for a hotel and currently Queen Creek doesn't have the infrastructure of local shops, entertainment venues to attract visitors.

Mr. Brinton indicated that the Gaylord Resort may take one year longer to begin construction. He liked the idea of a unique approach for Queen Creek such as bed and breakfasts.

Council Member Barnes asked if Queen Creek should have shovel ready sites available when the economy improves. Mr. Brinton suggested that the Town review the General Plan and Zoning Ordinance related to hotel development and make adjustments if needed instead of focusing on shovel ready sites.

Commissioner Schnepf indicated that Encanterra & Trilogy are catering to Canadians, the construction of the Banner Ironwood Medical Center in Pinal County is underway, all of which draws visitors.

Ms. Cott emphasized that being prepared for the improvement of the economy is important and Queen Creek needs to identify sites as well as the development potential of certain types of hotels in the community. Mr. Brinton stated that Queen Creek needs to be patient and prepared.

Commissioner Valenzuela defined hospitality as entertainment and restaurants for visitors and to create a centralized area for this to evolve.

Planning Manager, Wayne Balmer asked how long it will be until the next round of hotels gets built particularly the Gaylord Resort and Conference Center. Mr. Brinton projected that the Gaylord Resort will begin construction at the end of 2010.

Vice Chairman Sweet stressed that Horseshoe Park & Equestrian Center has no RV hookups and no close hotels nearby. The Town is limited on what events take place there because of the lack of accommodations.

C. Discussion and possible action on the proposed hotel study for the Town.

Ms. Cott provided a draft of a Request for Proposals for a proposed hotel study and asked for input from the Commission.

Molly Jacobs asked if there were any statistics on people needing hotels in Queen Creek.

Ms. Cott indicated that the statistics can be part of the study. It was recommended to include events that have been potentially lost due to the lack of accommodations in the area. Data to support what certain businesses require in terms of hotel stays would also be helpful.

Commissioner Valenzuela indicated that the Phoenix-Mesa Gateway Airport companies need to send business personnel to Scottsdale hotels/resorts because of the special accommodations that are needed.

Council Member Mortensen pointed out that there may be no need to hire a consultant at this time. He recommended doing data collection which can be shared with developers. It may be premature to do a hotel study at this time and that the focus should be on bringing more entities to Queen Creek.

Commissioner Ester suggested that the Town host a meeting with local business owners/stakeholders to see what their needs are and to gather their input in moving forward with a study.

Economic Development Management Assistant, Kim Moyers said that Mesa may have a data collection tool for the Town to utilize.

Commissioner Barney asked what the cost would be to do the hotel study. Ms. Cott replied that it would cost approximately \$20,000.

A **MOTION** was made by Council Member Mortensen, seconded by Chairman Schroeder to have the Arts, Culture and Experience Committee work with staff to collect data, coordinate outreach to stakeholders and add information to the draft proposal for future implementation. Voice vote carried 11-0.

D. Discussion and possible action on the proposed S.R. 802 Freeway Alignment options.

Ms. Cott introduced Mark Young, Intergovernmental Liaison for the Town of Queen Creek. Mr. Young gave a presentation on the proposed SR802 freeway Alignment to the Commission.

Key Points:

- During the Tier 1 Analysis, Alignment #4 ran through a community. ADOT devised new alignments as alternatives.
- Out of the corridor #4 came three alignments B/C/D. After input alignment B was divided into two sections B1 and B2, and alignment E was added.
- Alignment B1 & B2 have development opportunities on Germann Road. Queen Creek would like to see an interchange for B1 & B2 at Schnepf Road.
- Alignment C has an exit onto Schnepf Road and Alignment E runs through the proposed Superstition Vistas
- There is no funding for Pinal County for the SR802 Freeway
- The project will be done in phases. Alignment B1 will be less expensive than the other alignments

Council Member Mortensen asked if Alignment E would drop to Germann Road and continue to run east. Mr. Young indicated that he has not seen a formal proposal for option.

Ms. Cott reminded the Commission that they supported alignment number 4 which has now been renamed to B1.

Mr. Young pointed out that Alignments C & D are not the best options for Queen Creek - B1 or E provides less congestion. Alignment B1, B2 or E is the best choices for Queen Creek.

Mr. Balmer indicated that Alignment B1 has more interchanges east of the CAP.

A **MOTION** was made by Commissioner Sherer, and seconded by Vice Chairman Sweet to support Alignment B1 of the proposed SR802 Freeway. Voice vote carried 11-0.

3. Announcements

Chairman Schroeder informed the Commission that at the July 22nd meeting there will be nominations and the election of a new Chair and Vice Chair. There will also be a discussion on the work program for FY09-10. Chairman Schroeder welcomed Mark Schnepf and Carson Brown to the Commission.

Ms. Cott said that the Shop Queen Creek Program, in partnership with the Chamber, has been rolled out. The program encourages residents to shop within the boundaries of the Town and educates them on what the sales tax dollars are used for. The next Farmers Market will be held on July 20th from 8 a.m. to noon.

Ms. Moyers informed the Commission that Economic Development staff worked with Land Advisors to create a simulated flyover of the Town. The flyover gives a bird's eye view of the community and surrounding area highlighting new development and land use designations. To view the flyover visit the Town website under Economic Development.

4. Adjournment

The meeting adjourned at 9:10 a.m.

Next meeting is scheduled for July 22, 2009.

Passed and Approved on August 26, 2009


Roseann Sweet, Vice Chairman

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