



APPROVED MINUTES

ECONOMIC DEVELOPMENT COMMISSION MEETING May 26, 2010, 7:30 a.m. San Tan Conference Room

1. **Call to order**

Present:

Council Member Barnes	Town of Queen Creek
Rustyn Sherer, Vice Chairman	Queen Creek Chamber of Commerce
Jean Humphries	Arizona State University Polytechnic
Lee Ester	SRP
Jason Barney	Land Developer
David Valenzuela	Phoenix-Mesa Gateway Airport
Roseann Sweet	Queen Creek Resident
Steve Sossaman	Queen Creek Resident
Doreen Cott	Town of Queen Creek
Wayne Balmer	Town of Queen Creek
Laura Moats	Town of Queen Creek

Absent:

Kim Moyers	Town of Queen Creek
John Schroeder, Chairman	CGCC, Williams Campus
Carson Brown	W Holdings
Dr. James Murlless	Queen Creek Unified School District
Mark Schnepf	Schnepf Farms
Vice Mayor Mortensen	Town of Queen Creek

Guests:

None.

The meeting was called to order at 7:41 a.m. by Vice Chairman Sherer.

2. **Public Comment**

No public comment.

3. **Items for Discussion**

A. **Consideration and possible approval of the March 24, 2010 minutes.**

A **MOTION** was made by Commissioner Sossaman and seconded by Commissioner Humphries to approve the minutes dated March 24, 2010. The motion carried unanimously by a voice vote (7-0).

B. Discussion and possible action on plans for “ombudsman program” for the Town

Ms. Cott noted there was no quorum at the April meeting. At that meeting, discussion took place on a proposed ombudsman program for the Town to formalize a process or program for facilitation of the development process for prospective businesses/companies. Director Cott asked for Commission input. She provided information about how similar programs are run in other cities, including individual review by Economic Development Staff or Town management on a case by case basis, or review under a specific ‘ombudsman’ program. Under the program, a schedule is worked out to meet company’s timeline. Some cities have a more formal process, such as Gilbert’s PERT (Partners Experiencing Results Together) program. The PERT program has criteria that businesses must meet in order to be eligible for the program, such as square footage based on commercial, industrial, or office use, with a caveat that smaller projects with special needs, or those in targeted sectors can be considered for the program. Director Cott stated she would like to formalize a process for Queen Creek. She provided options for criteria, such as: the business falls within a targeted sector; it is a LEED certified building; or it is a large employer. Ms. Cott noted in Gilbert’s PERT program, a series of meetings is scheduled between Town staff and the developer/applicant. The schedule of deadlines is signed off on by all parties. The City of Chandler’s program reviews developments on a case-by-case review. The review is conducted by the Economic Development and Town Manager’s staff if it fits within strategic businesses targeted for the City. Chandler also offers expedited review for an increased price. The purpose of the proposed Town’s program would not be a ‘pay for’ program. Ms. Cott stated the Town of Queen Creek would prefer to guide applicants through the process and agree to meet deadlines.

Commissioner Barney cited as an example, three power centers and a regional mall which are all coming on-line simultaneously in Gilbert. The review process was bottle-necked, therefore, Gilbert needed to come up with a system for getting the applications moved through the process in a timely manner. Ms. Cott clarified this ombudsman program would start at the pre-application process and run all the way through to the grand opening.

Commissioner Barney stated in Queen Creek’s case, a bottleneck may not occur in the near future, but it would be beneficial to have something in place to guide large and small users without differentiating based on the size of the company. He discussed the advantages of having a system in place that allows Economic Development staff to have latitude in making decisions for the applicant, in order to meet applicant deadlines, etc. He stated he would like to see an environment created that allows staff to be able to make judgment calls.

Commissioner Valenzuela also cited examples of how reviews were previously handled in Gilbert, stating much of them were done on a first-come, first-serve basis, with staff putting together a team on an ad-hoc basis. However, staff reviewed projects by weighing the importance of one project versus another; in some cases it made sense to put some projects ahead of others, regardless of the official timeline according to the review process. In some instances, the driving factor was the economic value to the community, and not necessarily the square footage. The Town also looked at the type of business, and whether there would be an important need for keeping the team on the project throughout the process. Commissioner Valenzuela stated an ombudsman program is critical in managing a project from start to finish. The ombudsman program takes a portion of the applicant’s risk away.

Commissioner Barney asked what kind of criteria was used. Commissioner Valenzuela replied he does not remember the exact criteria, but knows they looked at the number of jobs created,

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income, wage per job, whether or not it fit into aerospace and retail clusters (type of business); timeframe, if there were any extenuating circumstances with the site, and financial arrangements to name a few.

Commissioner Barney noted an ad-hoc process can be problematic for Town staff. Ms. Cott stated she does not want to push one project through at the expense of another project. She wants to make sure projects meet timelines.

Commissioner Valenzuela stated complex projects required a complex approval process and coordination. He explained how risk is eliminated, and projects run more smoothly when a process is set up.

Commissioner Barney stated he feels a large component is still prioritizing projects if there are several in line. He provided an example of how other projects can get in the way and delay the process for larger projects due to caseload. He questioned how to establish criteria on something that will ultimately be subjective.

Vice-Chairman Sherer asked if PERT has a disclaimer of some sort. Ms. Cott replied there is a cooperative agreement among the parties involved, in which all team members collectively agree to the schedule. PERT is not necessarily a guarantee of an expedited process. It means there will be a facilitated process that will be followed, with someone making sure all deadlines will be met. There can be several PERTS in the process simultaneously. PERT ensures projects don't fall behind in deadlines. Ms. Cott stated some projects may be slightly expedited, but that is not the main intent of PERT. She stated not every project goes through the PERT process; there is a disclaimer that strategic smaller projects could be considered for PERT. PERT establishes a main point of contact, or several points of contact.

Commissioner Valenzuela added the biggest thing about PERT is how much several development people who were not otherwise involved in the process became involved. The program educated people, and eliminated wasted time on calls regarding status of projects. He stated the process allows extra coordination and lays out the timeline for all people involved. He noted part of this is also coordinating timelines for staff and the applicant, taking into account the caseload that includes other projects in the queue.

Planning Manager Balmer noted that putting a process like this in place requires an audit of existing processes. Commissioner Valenzuela stated he does not think of this as process-driven, but rather communication-driven. There was general discussion regarding communication gaps and misunderstandings between developers and staff (reviewers) about prioritizing projects. It was agreed an ombudsman program would fill the communication gap among all people on the team.

Ms. Cott provided background information pertaining to a similar program initiated by the Town to facilitate the Vestar and WDP projects when they developed in Queen Creek. She noted this process included a team that met on a regular basis with the applicant/developer, and it worked very well.

Commissioner Humphries addressed Mr. Balmer's concern about the idea that having a process in place like this means existing processes are not good. She cited Apache Junction's process, which used citizen groups split into teams that evaluated existing procedures, and interviewed people from the public who have gone through the development process. According to the results, the process was streamlined, forms were revised to be more user-friendly, and some of the

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forms were posted on-line. Commissioner Humphries suggested evaluating what is and is not currently working with the Town's existing processes.

Ms. Cott reiterated this process would be an additional tool, more than something that replaces processes currently in place.

Commissioner Humphries pointed out the differences in perceptions about where potential 'bottlenecks' occur and what the perceived problems may be (between Town and applicant). She stated the Town may perceive the problem to be one thing, while the applicant feels it is something completely different.

Mr. Balmer provided information on the process that the Planning staff followed when the update to the Zoning Ordinance started. This process included hiring an architect to interview other architects who have gone through the development process with the town. The architect evaluated the Town's processes and procedures. From there the ordinance was revised to be more user friendly.

Commissioner Barnes stated he had attended a conference in Washington, D.C. on this topic. The main issue presented was how to receive applicants and make them know they are wanted. One of the tools put in place was a type of welcoming committee, where key officials, such as the mayor and council members, initially meet with developers, send out 'thank-you' cards, and make sure the developers know there is a main point-of-contact in place for them.

The Commission asked for more specific information on what staff is requesting at this meeting. Ms. Cott clarified she would like input on whether an ombudsman program would be a good idea, and how to implement such a program; additionally, whether specific criteria should be established. She stated staff would like to be able to have a process that is tangible and can be marketed.

Planning Manager Balmer suggested one of the criteria be, "is this project something extraordinary, unusual, or something the Town does not currently have." There was additional information provided by Commissioner Humphries on the university's "Tiger Team", and SPOCK (Single Point of Contact).

Ms. Cott requested formal direction on the concept in general, and possibly eligibility criteria, whether it's general or on a case-by-case basis

Commissioner Barney made a **MOTION**, seconded by Commissioner Sweet that staff take ideas presented today, and compile a draft of a PERT-like project, based on points of importance noted today, and to move forward with some type of Ombudsman program. The motion carried unanimously by a voice vote (7-0).

Commissioner Ester pointed out proposed criteria as discussed by EDC today:

- Strategic advantage
- Is there competition?
- Is it an extraordinary project?
- Is the project complex – requiring additional communication by staff.

Commissioner Sossaman pointed out why a formalized process is needed, including examples of where improvements can be made from daily communication between staff and an applicant to putting a formalized process in writing.

Ms. Cott asked the Commissioners to come up with an acronym or name for this ombudsman program.

C. Summary of current events

Commissioner Humphries informed the Commission that Valley Metro has notified the university the bus route running from Red Mountain to PMGA and ASU Polytechnic has been delayed to January instead of July. This is being done for economic reasons.

Ms. Cott informed the Commission of the following:

- 1) The Business Incubator Feasibility study is underway. Foote Consulting is the conducting the study. Kim Moyers has been scheduling appointments with various stakeholders. Interviews will be conducted on June 1 and June 3. The estimated completion time is the end of June.
- 2) Horseshoe Park Equestrian Centre is now part of the Economic Development Department. Council has approved \$1 million in capital improvements to the park, as well as the hiring of a General Manager. Interviews for the General Manager will take place on June 9. Ms. Cott noted the applicant pool is high quality.
- 3) The Barney Farms Major General Plan Amendment was approved unanimously at the last Council meeting on May 19. She thanked the EDC for their input in this process.

Commissioner Sossaman asked what kind of improvements will be made at HPEC. Ms. Cott responded bleachers to increase seating capacity, emergency lighting, additional lighting for the back parking area, additional stalls, drainage, and a fifth warm-up arena. Commissioner Sweet inquired about the potential for RV areas in the future. Ms. Cott stated the idea of having RV hook-ups in future years has been raised at the staff team level. She stated the Special Ops team meets on Wednesday mornings. In addition, the new General Manager will have some input on the park improvements.

Commissioner Valenzuela provided a PMGA update:

- Vertical expansion of the passenger terminal is scheduled for November and includes two new gates plus baggage claim, totaling six gates.
- South Bend service starts next month; this is currently the farthest destination.
- Construction of the fire station is rapidly progressing.
- The ramp between ICE and the fire station is being expanded by 30-45%.
- Forest service is under construction.
- A 787 was at the airport this past weekend. The pilot of this plane noted he likes the 'welcoming' feeling of PMGA.
- Boeing has vacated its last facility at the airport. Staff is actively working to get that space filled.

Commissioner Valenzuela noted more airlines are committing to alternative fuels, such as algae and solar panels. Commissioner Humphries stated algae jet fuel professionals are growing barrels of fuel, have done some test flights, and are moving forward.

Commissioner Valenzuela noted a result of alternative fuels will be lower carbon emissions, and the fuel will burn cleaner and burn cooler at higher altitudes. He spoke about contrails, which reflect light, and affect weather. There will not be as many contrails with alternative fuels.

6. Adjournment

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A **MOTION** was made by Commissioner Sossaman and seconded by Commissioner Humphries, to adjourn. The motion carried unanimously by a voice vote (7-0).

The meeting adjourned at 8:55 a.m.

/ljm

Passed and Approved this 23rd day of June, 2010