

**MINUTES OF THE PUBLIC MEETING
TOWN COUNCIL ECONOMIC DEVELOPMENT SUBCOMMITTEE
TOWN OF CHINO VALLEY**

**TUESDAY, SEPTEMBER 4, 2018
4:30 P.M.**

The Town Council Economic Development Subcommittee of the Town of Chino Valley convened for a public meeting in the Council Chambers Conference Room, located at 202 N. State Route 89, Chino Valley, Arizona.

1) CALL TO ORDER

Councilmember Lane called the meeting to order at 4:33 p.m.

2) ROLL CALL

Present: Annie Lane, Chair; Darryl Croft, Mayor; Corey Mendoza, Councilmember

Staff John Coomer, Economic Development Project Manager; Cecilia Grittmann, Town Manager;

Present: Frank Marbury, Public Works Director/Town Engineer

3) APPROVAL OF MINUTES

- a) Consideration and possible action to approve April 17, 2018 meeting minutes.

MOVED by Mayor Darryl Croft, seconded by Councilmember Corey Mendoza to accept the April 17, 2018, meeting minutes.

AYE: Chair Annie Lane, Mayor Darryl Croft, Councilmember Corey Mendoza

PASSED - Unanimously

4) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Subcommittee concerning a subject that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 15 minutes per meeting. Committee action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

5) OLD BUSINESS

- a) Report on the second round of consulting by the EPS Group pertaining to the Old Home Manor Industrial Park. (John Coomer, Economic Development Project Manager)

Mr. Coomer and the subcommittee discussed the following:

- The EPS Group Report included cost estimates and a traffic circulation study.
- The main differences in the round two report were changing the primary entrance from Rodeo Drive to Road 4 North and the addition of land uses and building phases one through four.
- EPS recommended straightening out Road 4 North and placing the front entrance on Road 4 North going south.
- Implementing the original subcommittee direction which consisted of placing the main entrance facing due West at the North West corner of Road 4 North and Jerome Junction, with the orientation of the entrance facing west so that it could be seen when driving down the hill towards the industrial park.
- The possibility of no main entrance and instead have two diagonal signs with two general entrances to enter the park. Signs would be placed on Road 4 North and Jerome Junction. There would continue to be architectural elements when turning onto the new road, but monumentation signs would be located on the corners. The subcommittee favored this design idea.
- The entrance sign was redesigned with fewer architectural elements, which made it less expensive.
- Lot placement and phases, in which the back of the lots would be facing Jerome Junction and the front would face the new road.
- Phase One would require the utility infrastructure to be expanded to the Phase One site. The Committee discussed the possibility of beginning at a different phase that was located closer to the existing utility infrastructure (phase three).
- It was reported to Mr. Coomer that the Town had lost projects because there was no move in spec ready spaces for development.
- The cost estimate encompassed all four phases but only within the boundaries of the commerce center industrial park. It did not include straightening Road 4 North, bringing gas lines and utilities to the park, etc.
- Subcommittee members believed the cost estimate unit prices were too low (example: curb and gutters unit prices).
- The top priorities that would bring businesses into the park and the elements that could wait until later in the development.
- The area cleanup would begin once the construction season wound down. The public works crew will burn some old buildings that had been torn down. They will also work on disposing the old tanks, and dirt piles will be assessed and leveled with the proper equipment.
- Mr. Coomer and Town Manager Gritman had met with Sergio Martinez who represented a group of out of state investors. The investor might be willing to assist with infrastructure costs for phase one in return for the right to build two spec buildings and the first right of refusal on the first 60 to 80 acres. The investors would either lease or sell the buildings and land.
- Mr. Coomer met with a local consultant, Melody Reifsnyder, who made a proposal to do a funding study that would research the Town's needs for Old Home Manor as well as other community needs for grant purposes. Other funding options included general fund monies, general obligation bonds, financing, loans and grants, and public/private partnerships with investors. She would provide a list of available grants and would also include her costs for writing project grants on behalf of the town, if they were interested. Her proposed cost for the funding study to the Town would be \$4,500-\$6,000. Her hourly grant writing fee would be \$75. The subcommittee was interested in arts grants that could give the Town more character (example: hanging baskets).
- The possibility of engineering and developing three lots to start the process and not indebting the land and project to outside investors too early. There were 200 acres of land

within the park with five-acre plots. If a developer was looking at a large project, lots would need to be combined.

- Feedback from potential investors was that they would like the ability to lease the land/buildings for the following reasons:
 - land would need to be sold at fair market value;
 - water;
 - cash Flow – a long term lease provided the protection and allowed for faster development.
- Leasing and what the town would be open to doing.

The subcommittee discussed the appropriate business name for the park. Suggested names included:

- Old Home Manor Commerce Center
- Old Home Manor Business Park
- Yavapai Commerce Center
- Chino Valley Regional Business Park located at Old Home Manor

MOVED by Councilmember Corey Mendoza, seconded by Mayor Darryl Croft to forward to the Town Council the recommendation of officially naming Old Home Manor Industrial Park as Chino Valley Regional Business Park at Old Home Manor.

AYE: Chair Annie Lane, Mayor Darryl Croft, Councilmember Corey Mendoza

PASSED - Unanimously

- b)** Discussion regarding the next steps for the Old Home Manor Industrial Park. (John Coomer, Economic Development Project Manager)

Mr. Coomer and the subcommittee discussed the following next steps:

- Fine tune the development costs.
- Project scope and plot sizes (ten to twenty acres).
- Funding:
 - The cost of finishing the entrance to the park.
 - Adjusting phases in order to keep costs down.
 - Available grant opportunities (Melody Reifsnyder).
- Revise master plan as funding (possible private partnership funds or grants funds) and phases are determined or implemented. The Town may consider revising the master plan for an investor to suit their needs if the incentives for the Town are beneficial.
- Project area site cleanup: Mr. Marbury will use a co-op contract to have Asphalt Paving & Supply (AP&S) provide a cost estimate on the area clean up that would include labor, equipment, material and markup.
- Erect signs, put out on the market, meet with possible investors, obtain offers and proposals for the Town to consider, etc.

The subcommittee requested that Melody Reifsnyder provide a presentation to the Town Council at the September 25, 2018 meeting, regarding her funding study proposal, scope of work and process for the Town.

- c) Report regarding a meeting with a private citizen pertaining to the Mobile Home Tax Incentive. (Cecilia Gritman, Town Manager)

Ms. Gritman stated that nothing was needing to be discussed under this item.

6) NEW BUSINESS

- a) Presentation of Economic Development activities for the last quarter. (John Coomer, Economic Development Project Manager)

Mr. Coomer reported that he:

- Hoped to have a draft strategic plan for Economic Development by the year end.
- Met with some economic development services about future work.
- Had participated in the Arizona Association of Economic Development (AAED).
- Worked with Arizona Public Service for current job market and workforce database access through the Prescott Regional Economic Development partnership.
- Met with Peter Atonna, former Tempe city planner, who is interested in lending his expertise to the Town.
- Met with ADOT to review their criteria in relocating their yard currently off Perkinsville. There was state land at the south side of Road 5 North encompassing 15 acres that could be considered for their new site. The property was currently leased and any leasing obligations would be handled by the Arizona State Land Board. The ADOT move would be a multistep process.
- Presented Old Home Manor to NACOG and Unisource and planned a presentation to the commercial real estate community.
- Reached out to several grocery stores. IGA was interested in the area. The biggest stumbling block was that they were not in development mode outside of Phoenix. Mr. Coomer would be reaching out to Hispanic branded grocers to suit the local population.
- Met with owners of several retail properties.
- Took potential RV park developers out to OHM.
- Reached out to Arizona Grand Medical Center and YRMC about expanded health care needs in Chino Valley.
- Had been contacted by a couple franchises (food and coffee) about expansion to Chino Valley.
- Had discussions with local leaders regarding regional development and the drone and unmanned aircraft industry suiting Chino Valley because there was already an FAA approved launch site for drones for up to 600 plus miles.

He also reported that:

- The following businesses had opened: ESI Grips and YRMC PhysicianCare Primary Care.
- SW Eye Center now owned M & M Eye Institute.

- b) Presentation and discussion regarding a Greater Prescott Region Economic Partnership (GPREP) Quarterly Update. (John Coomer, Economic Development Project Manager)

Mr. Coomer reported on the following:

- GPREP had been close to disbanding, when a group of local business owners saved it and hired Ginger Johnson as its executive director. They also had a new board and officers.
- The group actively looked at involving more private industry and would work on agreements with all the neighboring communities, supporting the organization without any financial obligations until possibly the next year.
- Mr. Coomer had been asked to participate with others in reviewing job descriptions, processes and measurements of success to be able to measure the success in deliverables.
- The Town's needs would need be put into the GPREP agreement (example: grocery store, private investors, etc.) and Mr. Coomer will come to the subcommittee for input on that.

Ms. Grittmann added that this provided access to a P3 for the OHM Project funding; however, GPREP could request funding in the spring and the Town would need to consider if it was worth the investment.

Committee members discussed whether or not GPREP was the right resource to look to for support and funding. Staff should keep in touch with the group and assess that question.

- c) Presentation and discussion regarding the Greater Prescott Region Economic Partnership (GPREP) membership meeting in Chino Valley on September 27. (John Coomer, Economic Development Project Manager)

Mr. Coomer reported that:

- One of GPREP's first priorities is to showcase each member. The Town's presentation is up first on September 27, 2018 from 3:00-5:00 p.m. The Town's presentation will consist of retail updates, economic development plans, and Old Home Manor Industrial Park. The Town will provide an aerial virtual tour of the Town's economic development projects and opportunities. The day will conclude with a tour and wine tasting at Granite Creek Vineyards.
- Subcommittee members were invited to represent Chino Valley.

The subcommittee asked for an update on the OHM Industrial Park project at their next meeting in October.

7) **ADJOURNMENT**

MOVED by Chair Annie Lane, seconded by Councilmember Corey Mendoza to adjourn the meeting at 6:17 p.m.

AYE: Chair Annie Lane, Mayor Darryl Croft, Councilmember Corey Mendoza

PASSED - Unanimously

Submitted: September 11, 2018.

By: *Jami Lewis, Town Clerk*

Approved: December 6, 2018.