

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

**TUESDAY, JULY 21, 2020
4:00 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

1) CALL TO ORDER

2) ROLL CALL

Present: Annie Perkins, Chair; Corey Mendoza, Councilmember

Absent: Darryl Croft, Mayor

Staff Cecilia Gritman, Town Manager; Maggie Tidaback, Economic Development Project Manager;

Present: Joshua Cook, Development Services Director

Attendees: Lorrette Brashear, Chino Valley Chamber Director

3) APPROVAL OF MINUTES

- a) Consideration and possible action to approve the March 3, 2020, special meeting minutes.

MOVED by Councilmember Corey Mendoza, seconded by Chair Annie Perkins to approve the March 3, 2020, meeting minutes.

AYE: Chair Annie Perkins, Councilmember Corey Mendoza

2 - 0 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) Update and discussion of RV Park Request for Proposal (RFP) submittal at Old Home Manor (OHM).

Maggie Tidaback reported on the following:

- Received one proposal submittal for the RV Park at OHM.
- The proposal included the following:
 - A 99-year lease with an option to purchase the 40 acre parcel.
 - There would initially be 162 RV storage spaces and 117 RV park spaces with full hookups.
 - The lease amount would be \$200 per acre, \$16,000 per month or \$192,000 annually.
 - Phased development, most likely starting with RV Storage
 - Onsite facilities included laundry, bathrooms and showers, small office, snack shack convenience store, picnic area, dump and wash station and additional recreational components added later.
 - Leasing option for the additional lot near the ball fields for public restrooms, parking, playground and dog park.
 - Additional option of leasing the adjacent 40-acre parcel as a first right of refusal option.
- After discussions with the Town Manager and other staff, it was decided that the area needed to be reevaluated. The lack of infrastructure and how to get businesses to the area needed to be discussed. The possibility of bringing infrastructure to the area of the future RV park to help entice more interest and a bigger, more sophisticated RV Park.

Committee members and staff discussed the following:

- Committee members did not want RV storage in the area.
- The option to purchase was not what the Town wanted for the future of the property.
- The option for the ball park lot was not supported by the Members because there were so many other things that could be done with the property.
- The road size was too small for large RV's and trucks.
- There was no timeline on when they would finish all phases of the park.
- Member's vision for the east side of OHM was recreational. If the RV Park became part of rodeo events, they could be self-contained and would not need water or sewer hookups but a dump station would be nice.
- Committee members did not think there would be enough of a return on the investment for the current proposers and that the investors knew it was not financially feasible.
- It could be feasible if water, sewer and electric was run to the area of equestrian center, and pull through spots were available without further infrastructure. It could be kept in-house and if the area developed further, it could evolve into something more. The shooting range was also in the same area.
- The RV Park could be run, like the shooting range, by a management company or a campground host.
- The Round's Consulting report had the cost for infrastructure and possible revenue.
- Staff would gather information and cost estimates and bring it back to the committee for review and discussion.

6) **NEW BUSINESS**

- a) Review and discussion regarding the draft Economic Development Strategic Plan.

Maggie Tidaback reported on the following:

- The plan was only a draft and staff wanted to get stake holders involved so that an action team could be created to further develop the draft plan.
- The 2018 plan was incorporated into the plan along with staff's ideas for focus areas.

Committee members and staff discussed the following:

- It was suggested that any type of graph be avoided because they tended to cause confusion for the readers. It could also create some biases, depending on who read the plan. Some members liked the graphs.
- Member liked the focus on Tourism in the area because it brought dollars to Town instead of recirculating money within the Town.
- Part of the Chamber of Commerce contract included partnering with the Town on the Tourism website.
- One idea was to have pre-approved plans on file with Development Services for a company that might need a shell building for their business at OHM. The company would bear the cost of the building but would be able to obtain, from the Town, the pre-approved plans for a shell building. It would be an expensive endeavor for the Town, but could be a future consideration if funding became available. It would be a good marketing tool to used to entice businesses.
- Staff wanted community members as part of the action team to help consider ideas and focus areas. Staff thought valuable insight could be shared by involving members of the business and citizens areas of the community.
- Committee members discussed citizens and business owners who could participate in an action committee.
- Committee members discussed the interest in OHM with the new marketing techniques.
- Members discussed the language in the plan and areas that needed clarification.
- Staff was impressed with how many goals had been met that the Committee set in 2019.

b) Update and discussion regarding July 21, 2020, Study Session Economic Development items.

Maggie Tidaback reported on the following:

- She would be presenting a boiler plate lease for OHM to the Council at the study session.
- Tom's Print Shop would be making two real estate signs for OHM that the Public Works Department would install.

Committee members and staff discussed the following:

- Discussed the road improvements that would stub utility infrastructure to OHM and how far the Council may or may not be willing to go on OHM development.
- Committee members questioned if the Town was ready to lease the property at OHM because they had not come to an agreement on what the Town would do for a lease or what developments would be in the area. Staff explained that it was important to advertise the property even before all the elements of the property were ironed out.
- Committee members thought staff might be looking at OHM as a money-making endeavor instead of what the Council's focus had been originally
- Staff clarified that when it came to the lease terms, that offering incentives, including free rent upfront, was an important aspect of bringing in that initial business. Staff stated they had never pushed a for profit agenda and had always focused on job creation. Town was currently losing 40% of their workforce to surrounding areas. Local jobs also stopped people from shopping out of Town.
- Staff explained that the first business would bring an offer that would be reviewed and decided upon by the Council. There were no offers on the table yet, but there still needed to be a lease in

place. The main focus of Town would be the number of jobs created, the terms of the lease and the longevity of the business. This would be part of the discussion with the Council at the upcoming study session. Most the lease was boiler plate language and would not change, with only one or two pages that could be negotiated. The incentives could be done on a sliding scale depending on the number of jobs that would be created.

- Members thought the real estate sign included a conceptual drawing of what would be onsite. Staff explained that it was a generic real estate sign with a generic building, which was common for commercial real estate signs. It was not meant as a representative of the future OHM buildings. The sign was also separate from the conceptual drawings that could be available at Development Services. Members understood, but thought having available plans might be beyond where the Town should be going and thought Town would be better off with a partner developer that had a plan for the area.
- Members thought it was important for staff to have a workable lease and an understanding of what the Council was willing to do for the first business. Staff needed the best ammunition and direction on appropriate incentives to go out and attract someone to lease the area. Any incentives or agreements would need to be reviewed by the Town Attorney. Staff thought that incentives should be focused on jobs, wages and length of time in Town and other items that benefited the Town as a whole.
- Staff explained that the biggest hurdle was the lack of infrastructure in the area of OHM. Staff explained the gas line project was stalled because it was in a flood zone and engineers were determining how to get the gas to the business park. Plans for the utilities were budgeted and the plans were at about 80%.
- Committee members discussed other possible developments in Town.
- The Chamber thought goals for Town development included:
 - RV Park because there were a lot of people that came in looking for a short-term stay.
 - New businesses and new housing were growing areas because land was available. The problem for potential businesses was that appropriate infrastructure was not available.
- The Town would be facing competing with the airport infrastructure. Staff explained that advantages that Town had over Prescott was that they were closer to Interstate 40 and Drake provided transloading that could transport material all over the nation. Drive time to Town from Phoenix was now shorter than it was to drive to Prescott and Prescott Valley.
- Members thought that the Town was not ready for staff to hold monthly committee meetings and the involvement of citizens would begin to focus on individual wants instead of what was best for the Town. It was suggested that one category per meeting could be addressed by the Committee so the Members did not get burned out.
- A member brought up a possible non-motorized BMX track and was concerned there was no incentive for it. Staff explained that it was recreational and was good for the area. Members explained that they would need to put their group together, similar to the equestrian center, and they may end up with a concierge agreement. There had been a track in the area previously. They could contact staff to help them work through the project. They would need to come in with a strong narrative or study to show the cost and the economic and social benefits to the Town. Retail space and food ideas that would work for the area were discussed. A business like this would also support an RV Park.
- Staff was able to find out that fiber was available in the OHM area.

c) Update and discussion regarding Economic Development progress report.

Maggie Tidaback reported on the following:

Current and future projects that staff has been involved in on an economic development level and project management level:

- OHM gas line
- Integrated water Masterplan
- Rodeo Road Improvement Project
- Municipal Signs – signs were in and needed only landscaping elements.
- Tourism – members were supportive but thought it was not the right focus at the moment and the Chamber was currently overwhelmed with projects. Town staff would do the upfront work and bring in the Chamber staff in the future.
- Interdepartmental coordination and working with project management on large projects. Members questioned if the Economic staff could help with Code Enforcement, but staff thought that the Town advocate on business should not cross over to enforcement because it created awkward situations.
- Partnering with brokers on development areas. Local brokers have helped to bring out of town businesses that were also supplying jobs. Staff's past business relationships have aided in marketing Town.
- Created a relationship with Rocks Media, who owned Prescott Women's Magazine. They were doing an Economic
- Development magazine for Town at no cost. It was paid for by advertisements. It was a toolbelt for staff when traveling and promoting Town. It would be completed within months. The magazine would include Economic Development and a history of Town and would be updated every couple of years.
- CP Technologies ended up picking Prescott as their business site. It would help feed the Town with people living and shopping in the area. It was a positive thing for the entire tri-city area.
- Staff called ADOT regarding the traffic and accidents on Road 2 North and asked if the speed limit could be slower. ADOT said they would conduct another traffic study. Traffic had increased and ADOT was being stricter about any commercial business traffic in the area.
- Staff would start planning monthly meetings and, they could tackle sections of the strategic plan.
- There was an influx of people coming to the area from out of town. The Chamber's relocation packet distribution had tripled.
- There were many uninhabitable commercial buildings that were not up to code and could not be used. The Chamber did not own their land and the land they were located on had been for sale for some time. With the growth of Town, it had become a larger issue for the Chamber. They were on a month-to-month rent and only had 30 days to vacate the property if it were to sell. They had found a one acre new location near the post office. The goal was to have the tourism and the chamber in separate store fronts.
- Members discussed what could be done about slum properties and properties not up to code.

7) **ADJOURNMENT**

MOVED by Chair Annie Perkins, seconded by Councilmember Corey Mendoza to adjourn the meeting at 5:31 p.m.

AYE: Chair Annie Perkins, Councilmember Corey Mendoza

2 - 0 PASSED - Unanimously

Submitted: August 13, 2020.

By: *Erin Deskins, Deputy Town Clerk*

Approved: August 18, 2020.