

Economic Development Council Meeting ♦ April 7, 2016

NACET Accelerator, Flagstaff, AZ

Members:			(Absences YTD)			Members:			(Absences YTD)		
Sharon Adams	Present	0	Art Babbott *	Absent	1	Wendy Bridges	Absent	1	Becki Christensen	Present	0
Rich Bowen	Present	1	Karalea Cox	Present	0	Paul Ferris	Present	0	Carol Curtis	Present	0
Jodie Filardo	Present	1	Linda Hatch	Present	0	Kim Johnson	Present	1	Mae Horseman	Absent	2
Susan Johnstad	Present	0	Steve North	Present	0	Steve North	Present	0	Lora Lee Nye	Present	1
Lora Lee Nye	Present	1	Julie Pastrick	Present	1	Norman Perry	Present	0	Kelly Patton	Present	0
Kelly Patton	Present	0	Norman Perry	Present	0	Casey Rooney	Present	0	Paul Ramsey	Present	0
Paul Ramsey	Present	0	Casey Rooney	Present	0	Tami Ryall	Absent	2	Richard Heath	Absent	1
Richard Heath	Absent	1	Jesse Thompson	Present	0	Steve West	Absent	2	Ed Steinback	Present	0
Ed Steinback	Present	0	Steve West	Absent	2	John Rueter	Absent	1	Paul Watson	Present	1
Paul Watson	Present	1	John Rueter	Absent	1				Jim Wurgler	Absent	2
Jim Wurgler	Absent	2							Coral Evans	Present	0
Coral Evans	Present	0									

*= Excused Absence

Guests: Chairman Lena Fowler, Coconino County Board of Supervisors
 Russ Riblett, GIS Planner (APS)
 Jennifer Hernandez, Expect More Arizona
 Annette Zinky, NACET Accelerator, Director
 Cindy Wilson, Director Coconino County Career Center
 Neil Young, Deputy Director for Coconino County

Staff: Teri Drew, Regional Director
 Julia Sawyer, Executive Assistant

1. Call to Order/Welcome/Introductions

Chairman Karalea Cox called the meeting to order at 10:10 AM, and read the Mission Statement of the EDC. She welcomed everyone and asked for introductions around the table.

2. Pledge of Allegiance

Chairman Cox asked Paul Watson to lead everyone in the Pledge of Allegiance.

3. Approval of February 4, 2016 Minutes

Chairman Cox asked for comments on the minutes for the February 4, 2016 meeting and a motion to approve. **Norman Perry made the motion to approve the February 4, 2016 meeting minutes, Lora Lee Nye seconded. Motion passed unanimously.**

4. Chair's Report

• **Executive Committee Report**

Chairman Cox reported briefly that the Executive Committee met prior to the General Council, and primarily discussed internal communication.

- **Election Committee**

Chairman Cox then deferred to Regional Director Teri Drew to inform the Council of the elections process as outlined in the EDC Bylaws. Ms. Drew stated that the Elections Committee is appointed by the Chair and will consist of one EDC member from each of the four counties represented. Elections are held in June, and the nominations are then recommended to Regional Council for final approval, and Officers are seated in August.

Chairman Cox called for volunteers to serve on the Elections Committee, and response was as follows:

- **Ed Steinbeck – Yavapai County**
- **Paul Ramsey – Apache County**
- **Julie Pastrick – Coconino County**
- **Steve North – Navajo County**

Chairman Cox asked for a motion on the four members of the Election Committee. **Supervisor Thompson moved to approve the Election Committee, seconded by Paul Ferris. Motion passed unanimously.** Chairman Cox informed the Elections Committee that they will receive instruction from Teri Drew regarding meeting date and time.

Chairman Cox then turned the meeting over to Teri Drew for the Director’s report.

5. Director’s Report

- **Program Update**

Teri Drew passed out an informational calendar showing remaining 2016 scheduled meeting dates for both the EDC and the Tourism Subcommittee. She reminded the Council that all meetings are posted on the Northern Arizona Council of Governments (NACOG) website and may be referred to there as well.

Ms. Drew then referred to the Economic Development Administration (EDA) Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Grant. The EDA introduced the POWER grant availability in March, a \$16 million nationwide opportunity, as well as a \$4.5 million carryover from last year. The grant is targeted for coal-dependent communities that are affected by the changes in the coal economies. The Grant offers to promote regional growth, diversification, new job creation, and re-employment opportunities of displaced workers in the many coal-dependent areas in the NACOG Economic Development District (EDD). Eligibility for the POWER Grant involves a direct impact in the community from coal-related layoffs and/or displacement, and the community must be in a partnership with an economic development organization, education, or local governments. The community must also be included in a Comprehensive Economic Development Strategy. There is also a match requirement. Because the NACOG EDD is designated as a “Distressed District”, the match is expected to be 20% and could vary by community. Ms. Drew commented that, while the POWER Grant is controlled by the Federal Government, the Seattle Region of the EDA is also expected to be allotted \$850,000 of the funding for the Region, stretching from Guam to Alaska. The NACOG EDD now has two applications for funding; the Apache County Technical Assistance Feasibility Study, which was approved last fall; and Coconino County has begun the process to apply for the POWER Grant for Public Works assistance with the pending closure of the Navajo Generating Station and Peabody Coal Mine in Coconino County. The Coconino Public Works application being considered today. Ms. Drew offered the website www.grants.gov for any communities interested in applying for this grant. She then asked for questions regarding the grant information. There was discussion regarding the economic impact in Page, Arizona and the work being done to plan and apply for the funding. The Navajo Generating Station is now holding 100 jobs as “vacant” which are not being filled. Carol Curtis responded that Coconino County is currently in the pre-application portion of the process, which will be discussed further via a presentation by Chairman Lena Fowler of the Coconino County Board of Supervisors.

Assessment Considerations

Teri Drew moved on to assessments. She explained to the new members of the Council that NACOG is designated an Economic Development District (EDD) through the United States Department of Commerce. In order for NACOG to maintain this designation, we must be able to demonstrate that we collect local match. This is collected through an assessment process in the NACOG region. The EDC has the responsibility to set those assessments for any given program or assessment year. Ms. Drew informed the Council that the Executive Committee voted to recommend to the Regional Council that the NACOG EDD keep the same assessments as last year, and she circulated handouts outlining the assessments as recommended. She reminded the Council that, about 5 years ago, changes to the assessment process were approved by the EDC and Regional Council to set a minimum of \$500 for all communities per year or \$0.09 per capita, based on the 2010 census data. Chairman Cox affirmed that the Executive Committee recommended keeping the current assessment schedule for Fiscal Year (FY) 2017. She then called for a motion. **Paul Ferris moved to recommend to Regional Council to keep the current assessment schedule for FY 2017, Norman Perry seconded.** Chairman Cox called for discussion before the vote. Discussion followed regarding the need to look at new numbers regarding the municipalities that have increased in population as well as those who have decreased in population. The mid-decade populations have changed since the 2010 census. Chairman Cox mentioned that the Executive Committee has also entertained the possibility of adding assessments of EDD partners also. Other comments were made that the mid-decade census is not fully utilized by all communities, but the point was taken that population numbers should be considered at more frequent intervals than 10 years to avoid losing money. With no further discussion, **Chairman Cox called for a vote, and the motion passed unanimously.**

- **Tourism Update**

Ms. Drew updated the Council concerning the decision to cancel the Spring Forum, due to the lack of registration. She thanked the sponsors for their support for the effort, and noted that none of the funds donated were accessed, but had all been returned to the donors. She also thanked the Tourism Committee for their work, and announced that they will be invited to the June or August EDC meeting to present their Tourism Toolbox and their technical assistance website. Chairman Cox reminded the Council that there is a need for members on the Tourism Committee and encouraged EDC members to volunteer to be a part of that Committee. She shared that it is the consensus of the Executive Committee that the Chairman of the Tourism Subcommittee should be an EDC member in order for a good communication flow to be initiated. Some discussion followed regarding the value of the forum and the great agenda that had been organized. Chairman Cox asked that EDC members wishing to be on the Tourism Committee contact Teri Drew or herself. Ms. Drew added a personal thanks to Becki Christensen for the work and effort she put into the Tourism Forum and her participation on the Tourism Sub-Committee. Some discussion followed regarding the scheduling of the next Forum to be able to better plan ahead for participants. Chairman Cox asked for further comments, and it was noted again that the Forum Agenda looked great and would have been an awesome event.

Teri Drew concluded her report.

6. Membership Considerations

Chairman Cox then turned the meeting over to Carol Curtis, the Chairman of the Membership Committee, expressing gratitude to the time and effort the Membership Committee puts into the recommendation process. Chairman Curtis acknowledged the Chair and introduced the other members of the Membership Committee; Linda Hatch, Paul Watson, Ed Steinback, and Wendy Bridges. She then explained the application reviewing process involved in recommending applicants for membership and

current members for renewal. Chairman Curtis began with the applications being recommended for membership renewal:

- Renewals

Supervisor Art Babbott – Supervisor Babbott has come with a letter of recommendation from Supervisor Liz Archuleta of the Coconino County Board of Supervisors. Chairman Curtis and the Membership Committee submitted their recommendation for the EDC membership renewal of Supervisor Art Babbott for the Coconino County Elected Official seat.

Chairman Cox asked for a motion. **Jodie Filardo moved to recommend the renewal of Supervisor Art Babbott to Regional Council for approval, Coral Evans seconded the motion.** Chairman Cox called for a vote, **the motion passed unanimously.**

Steve North – Chairman Curtis then moved on to recommend the renewal application of Steve North, currently a Public Sector EDC member for Navajo County. **Paul Watson made the motion to recommend Steve North to the Regional Council for renewal of the Public Sector Navajo County Seat on the EDC; Paul Ramsey seconded.** Chairman Cox called for a vote. **Motion passed unanimously.**

Sharon Adams – Chairman Curtis asked the Council for permission to table the renewal application of Sharon Adams for a Private Sector seat in Navajo County, pending further documentation. Chairman Cox confirmed that there was no need for a vote to table the renewal application of Sharon Adams, so **the application was Tabled pending further documentation.**

- New Member

Evelyn Racette – Chairman Curtis noted that the one new membership application that was reviewed by the Membership Committee for Evelyn Racette of Navajo County has been **withdrawn from consideration.** Chairman Curtis stated that the EDC is seeking other applications to fill that vacancy. With that, she asked for comments, and hearing none, turned the floor back over to the Chair. Chairman Cox thanked Chairman Curtis and the Membership Committee for making the process so much easier.

7. AZ Zoom Prospector Presentation

Chairman Cox asked Kelly Patton to introduce the first presenter. Ms. Patton shared the bio of Russ Riblett, the Vice President of Sales for GIS Planning, Inc., who has over 20 years of experience with the Geographic Information Systems (GIS) in the Economic Development arena. He is sharing a presentation on The Arizona Zoom Prospector Tool, which deals with property, data and GIS data.

Mr. Riblett spoke about the statewide partnership between GIS Planning, Inc. and Arizona Public Services (APS), and demonstrated the components of the online tool. The first component Available Property, another one is Data, the third component is GIS Data. The fourth component is Business Search. GIS Planning, Inc. has partnered with a national data vendor that provides them with existing businesses on the ground nationwide on a quarterly basis. Using the Zoom Prospector Tool, they can view analysis on businesses that are on the ground and near specific properties around the state.

He then demonstrated the data analysis tool. He described the detail available with the program, such as looking for available property and drilling down to communities within a certain income range. Available reports are Labor Force Demographics, Consumer Spending, Wages, Business, Talent Pool and Housing. He provided brief detail of each of these analytic reporting tools. The report can be modified according to the detail required.

Mr. Riblett commented about some of the data available within the Northern Arizona Region, including Native American data. There were some questions regarding the frequency of data updating and from what sources the data is received. Mr. Riblett answered that the data is updated twice a year, utilizing a source called Applied Geographics, an aggregator of data, and in partnership with APS. The Zoom Prospector Tool also picks up on online spending, and includes wage and salary data.

Business data information from “Info USA” is also mapped and updated quarterly. Business analysis is also available. Mr. Riblett introduced a new report now available called Talent Pool, which shows what degrees are coming out of the universities in the area and can be broken down by sector.

He also spoke briefly about the national availability of the website and the layers that are available to drill in to, including a “compare feature”, which allows the user to compare local data with other areas. There is a national application called ZoomProspector.com, just being launched and ties into the statewide database. They are trying to integrate on a national scale and direct users to their partners through it. There followed some brief discussion about the availability of data in individual communities and throughout the NACOG Region. Ms. Kelly Patton offered to put members on the emailing list with updates and information. Mr. Riblett shared the website www.gisplanning.com and encouraged interested parties to explore the tools available. Chairman Cox thanked Mr. Riblett for his presentation.

8. Proposition 1-2-3 Presentation

Chairman Cox turned the agenda to introduce Jennifer Hernandez before Coconino County Chairman Lena Fowler, who was delayed in arriving. Jennifer Hernandez of Expect More Arizona presented information about Proposition 123, regarding the educational outcomes of Arizona. She explained that Expect More Arizona is supportive of the Proposition, which is a “settlement” of the lawsuit brought by the Arizona School Board, AEA and other education organizations against the State of Arizona in 2010. Ms. Hernandez gave a brief synopsis of the Proposition, and handed out an informational flyer. She opened the floor to questions and comments regarding the proposition, which is an agreement to draw more money from the state land trust to settle the inflation-funding lawsuit. She stated it is not a long-term solution, but a “booster shot” to get some much needed funding into the school systems in Arizona. If the proposition does not pass, the state may be set back 10 years. Much discussion followed regarding pros and cons of the proposed settlement. The sentiment expressed was that doing nothing is not an option. Ms. Hernandez suggested that voters follow up after voting “yes” with a letter to legislators as to why they voted. She said that broad support of the proposition will send a strong message that more needs to be done in the state.

Chairman Cox asked for any more questions, having none, she thanked Ms. Hernandez for the presentation and discussion. Ms. Hernandez will make the slide presentation available to everyone through Teri Drew to share. She also passed out some information on Expect More Arizona, and her business cards.

Chairman Cox suggested a brief recess for lunch, with two more presentations to come. The meeting was recessed.

9. Coconino County Power Grant Application Consideration

Chairman Cox introduced Chairman Lena Fowler of the Coconino County Board of Supervisors. Chairman Fowler presented a proposed EDA POWER Grant application proposal in her district. She

spoke about the pending closure of the coal-fired plants in Coconino County, a rural county with many challenges. The Navajo Generating Station (NGS) is slated for partial closure within 3 years, affecting 123 jobs. The Peabody Coal Mine is already downsizing, affecting another 100 jobs. She spoke about the size of Coconino County and the economic impact these closures and downsizings present to the businesses and residents. NGS and Peabody Coal have had a positive economic impact throughout the whole region. They are working with Navajo County, Cain County in Utah, the City of Page, Fredonia and the Navajo Nation, too.

Chairman Fowler spoke about her research in seeking out grants that are available for the region to help in providing alternatives to power production. One was the POWER Grant referred to earlier in Teri Drew's report. The County has started the process of combing through available grants to try and help the county with the upcoming changes to be able to help themselves. She spoke about training opportunities available to the workforce soon to be displaced, and the need to obtain the grant money available. The County is looking to start a school for culinary and hospitality training in Page. They are looking to put a curriculum together to train in the field of marine technicians, and other re-training opportunities for the displaced workers. She asked the EDC for their approval of the EDD Assistance Application in the amount of \$300,000, which will be supplemented with other sources of support they have already received. She reiterated the challenges that face communities when businesses close and jobs are lost, and she noted how difficult it is to lose employers in her district and the impact of job loss.

Chairman Fowler thanked her colleagues for their support in this initiative they are taking on in Coconino County. Teri Drew reminded the Economic Development Council of their responsibility to approve applications for recommendation to the Regional Council, before it can go to the EDA for funding. She reiterated that our District is a perfect fit for the POWER grant. She called on Neil Young, the Deputy Manager for Coconino County, to explain what the request is that Coconino County is asking for. Mr. Young shared that Coconino County is applying for \$300,000 in conjunction with in-kind matching in the amount of \$60,000 and another \$100,000 in other match. Others elaborated on the job force plan and the kinds of industries to focus on relative to the industries in place in the area, and commented on building an economic strategic plan as a long-term goal and add new business sectors to the region based on what is happening there. Discussion followed regarding the starting process being beneficial to the entire region, with comments on the impact of the job losses pending, and the need for a unified effort from across the EDD to support these communities.

Chairman Cox called for a motion to send a recommendation to approve the EDD Application for Coconino County to Regional Council. **Paul Ramsey made the motion, Julie Pastrick seconded. The motion passed unanimously.** Chairman Cox thanked Chairman Fowler and her colleagues for their presentation. Chairman Fowler expressed her gratitude for their support.

10. NACET Presentation

Chairman Cox turned the floor over to Annette Zinky, President and CEO of the Northern Arizona Center for Entrepreneurship and Technology (NACET). Ms. Zinky gave a brief description of NACET, a non-profit organization that focuses on economic development through entrepreneurship programs. NACET serves the Northern Arizona region, and the facility being used for this EDC meeting is the home base for NACET operations. NACET also hosts the Small Business Development Center in partnership with the Greater Flagstaff Chamber of Commerce.

Ms. Zinky described how NACET started and what it has become. NACET was organized in 2001 and started out as a virtual incubation program that assisted company start-ups with financing. NACOG assisted with securing EDA funds for the City of Flagstaff to build the original building in 2008 as well as

the new Accelerator building which opened in December 2015. Now NACET has a dedicated building for a business “incubator”, which is on site with the Business Accelerator and the Small Business Development Center. They also operate two incubators in other cities, and offer virtual programs. One of the virtual programs was in partnership with the western Navajo Nation, as well as a program start with Gateway Community College in Phoenix.

The difference between the Incubator and the Accelerator is that start-up takes place in the Incubator, and the Accelerator is for growing the business.

Ms. Zinky stated that virtually anyone who comes in can be connected with resources they need, whether they are thinking about starting a business, non-profit or are already in business, or trying to sell a business. NACET offers assistance to all stages of business development through the different programs they operate. NACET work with several partners, including the Coconino County Career Center, helping people with some of the resources available there, whether it be job training grants and other facilitative groups connected with the Career Center, Chamber of Commerce, and the Economic Collaborative of Northern Arizona (ECoNA).The NACET facility is also used for seminars, and Ms. Zinky stated that they anticipate possibly 2 events per week starting in May.

Ms. Zinky described the main mission of NACET is based on the coaching and accountability of starting a business. They help to accelerate the various stages of business with access to professional consultants and mentors. The NACET network is connected to resources all over Northern Arizona, including training programs, workshops, CEO peer groups, etc. All of this is coupled with the business space available on site at the Accelerator and Incubator buildings, for as long as it takes, depending on the type of company being started. NACET also partners with educators.

Ms. Zinky shared the secret to the success; the program is centered around one-on-one coaching, with 5 different programs, each program with a program director, who sit down daily with the entrepreneurs. There are mentors assigned specific to each company, advisors to assist with specific specialty areas according to the need. There are groups to connect with, such as the Women’s Innovation Network, with over 80 members in Northern Arizona. Ms. Zinky described many other opportunities available through the NACET program. She also spoke of her own experience as an entrepreneur that, had NACET been available to her, she would have been able to achieve her success much faster and would have been much less expensive. She described the “pay it forward” mentality and that the many volunteer mentors share same business efforts. She said that there is a campaign going to make Arizona the most generous state to entrepreneurs.

Ms. Zinky noted that signing up to be a client of the Small Business Development Center is free, and is a partnership with NACET, Coconino County, the City of Page and the Small Business Association (SBA). NACET has worked with over 80 businesses since the opening of the Incubator building, and 75 statewide through the Accelerator building. Use of the facilities at NACET are available for a fee. Ms. Zinky reminded the Council that NACET can help anyone, and concluded her presentation by offering a tour. Some questions followed regarding costs.

Chairman Cox thanked Ms. Zinky for her presentation, and reminded the Council that tours of the Accelerator Building and the Incubator Building will be conducted following adjournment for interested members.

11. Member Comments

Chairman Cox asked for member comments, there were none.

12. Public Comments

Chairman Cox called for comments from the public, there were none.

13. Adjournment

Chairman Cox called for a motion to adjourn. **Norman Perry moved to adjourn the meeting, Paul Ferris seconded the motion. The meeting was adjourned at 12:51 PM.**