Economic Development Advisory Board Regular Meeting

February 9, 2022 | 8:30 a.m.

Virtual via Webex
Call in #:1-415-655-001
Code: 2599-560-3690





Commission Members

Chase Farnsworth
Ryan Nouis
Larissa Spraker
Nick Woodruff
Mike Spangenberg
Brent Menzel
Julie Trujillo
David Moss
Terry Locke
Aric Bopp
Kari Zurn
Karla Moran
Ryan Smith
Jonvieve Bryant
Cecilia Ashe

Pursuant to Resolution No. 4464 of the City of Chandler and to A.R.S. § 38-431.02, notice is hereby given to the members of the Economic Development Advisory Board and to the general public that the Economic Development Advisory Board will hold a REGULAR MEETING open to the public on Wednesday, February 9, 2022, at 8:30 a.m., virtually via Webex (Phone:1-415-655-0001/ Meeting Number:2599-560-3690). One or more Commissioners may be attending by telephone. The Chandler City Council has been invited and a quorum may attend. No action will be taken by the City Council.

Persons with disabilities may request a reasonable modification or communication aids and services by contacting the City Clerk's office at (480) 782-2181(711 via AZRS). Please make requests in advance as it affords the City time to accommodate the request.

Agendas are available in the Office of the City Clerk, 175 S. Arizona Avenue.

Economic Development Advisory Board Regular Meeting Agenda - February 9, 2022

Call to Order/Roll Call

Scheduled/Unscheduled Public Appearances

Members of the audience may address any item not on the agenda. State Statute prohibits the Board or Commission from discussing an item that is not on the agenda, but the Board or Commission does listen to your concerns and has staff follow up on any questions you raise.

Consent Agenda

Items listed on the Consent Agenda may be enacted by one motion and one vote. If a discussion is required by members of the Board or Commission, the item will be removed from the Consent Agenda for discussion and determination will be made if the item will be considered separately.

Consent Agenda

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September 2021 Economic Development Advisory Board Minutes
 Move Economic Development Advisory Board approve the meeting minutes of the September 15, 2021 regular meeting.

Briefing

- 2. Mayor and Council 21-23 Strategic Framework presented by: Mayor Kevin Hartke
- 3. West Chandler Branding Initiative Update presented by: Economic Development Team
- 4. City of Chandler Tourism Activity Update presented by: Kimberly Janes, Tourism Manager

Member Comments/Announcements

Calendar

5. The next meeting will be held in April/May of 2022.

Adjourn Page 3 of 3 Economic Development Advisory Board



Economic Development Advisory Board Economic Development

Date: 02/09/2022

To: Economic Development Advisory Board

From: Chelsey Faggiano, Economic Development Specialist

Subject: September 2021 Economic Development Advisory Board Minutes

Proposed Motion:

Move Economic Development Advisory Board approve the meeting minutes of the September 15, 2021 regular meeting.

Attachments

September 15 2021 Economic Development Advisory Board Minutes

MINUTES OF THE ECONOMIC DEVELOPMENT ADVISORY BOARD OF THE CITY OF CHANDLER, ARIZONA, WEDNESDAY, SEPTEMBER 15, 2021, HELD VIRTUALLY VIA WEBEX.

Board Present:

Ryan Nouis, Chairman Micah Miranda, Secretary Cecilia Ashe, Boardmember Chase Farnsworth, Boardmember Terry Locke, Boardmember Brent Menzel, Boardmember

Brent Menzel, Boardmembe David Moss, Boardmember Ryan Smith, Boardmember

Mike Spangenberg, Boardmember Larissa Spraker, Boardmember Julie Trujillo, Boardmember Nick Woodruff, Boardmember

Terri Kimble, Ex-Officio Joshua Wright, Ex-Officio

Board Absent: Jonvieve Bryant, Vice-Chairman

Karla Moran, Boardmember Kari Zurn, Boardmember

Angela Creedon, Boardmember

Others Present Councilmember Terry Roe

Kelly Schwab, City Attorney

Dawn Lang, Deputy City Manager and CFO Kimberly Janes, Tourism Program Manager Edyie McCall, Economic Development Manager Chelsey Faggiano, Economic Development Specialist

Ryan Kaup, Economic Development Specialist Michael Winer, Economic Development Specialist

Odette Moore, Economic Development Research Analyst

Kristen Williams, Tourism Marketing Coordinator

Ken Sain, Public Member of the Audience

1. <u>Call to Order/Roll Call</u>

Mr. Miranda called the meeting to order at 8:34 a.m.

2. <u>Approval of Minutes</u>

Mr. David Moss made a motion to approve the minutes from Wednesday, April 14, 2021. The motion was seconded by Ms. Cecelia Ashe. Minutes approved unanimously.

3. <u>Unscheduled Public Appearances</u>

None

4. <u>Scheduled Public Appearances</u> None

5. <u>Briefing Items</u>

A. City of Chandler Special Bond Election

Deputy City Manager/ Chief Financial Officer, Dawn Lang presented on the upcoming City Bond Election.

Ms. Lang stated that the last bond election held was in 2007 and the purpose of the new bond election is to seek property taxpayer authorization to issue General Obligation Bonds that will fund planned capital improvements.

She discussed the public participation process and the exploratory committees that were formed to provide guidance on the necessary projects and areas including Parks, Fire, Police, Streets and Facilities.

Ms. Lang mentioned that City Council's fiscal discipline allows us to maintain AAA bond ratings from all three rating agencies and among a small group of municipalities nationally with this distinction.

Mr. Miranda added that this is a recognition that the economic development division promotes to demonstrate that Chandler is a stable place to invest.

The bond election is scheduled to appear on the November 2nd ballot.

B. Arizona State Gift Clause

City Attorney, Ms. Kelly Schwab provided an overview of the Arizona Gift Clause including historic cases and recent State Supreme Court opinion on a project in another Phoenix-area community.

Ms. Schwab went into details on how this impacts State Economic Development projects and the ability for municipalities to offer incentives.

She noted that it is still possible for Cities to support economically significant projects such as through infrastructure reimbursements.

Mr. Miranda remarked that the City of Chandler is not largely affected by the Gift Clause Opinion because it has been able to successfully land projects due to the community's attractive business climate.

C. Economic Development Update

Ryan Kaup, Economic Development Specialist, provided an update on recent business activity within Chandler. Projects highlighted included:

- ASML, expansion project for semiconductor supplier that will add on 38,000 SF to their existing building and 100 jobs;
- Bestway, a recreation product company that is relocating their headquarters to a 130,000 SF facility bringing 150 jobs;
- SCHEELS, a sporting goods company opening a 220,000 SF store at Chandler Fashion Center and expected to create 400 jobs;
- Array Technologies, a global provider of solar tracking solutions has leased 28,000 SF of office space at Chandler Viridian and is expected to create 115 jobs;
- Mechanical Keyboards, a gaming device company that recently purchased a 74,000 SF facility in West Chandler;
- Cirrus Aircraft, a Aerospace and Engineering company that leased 1,200 SF of office space to further development of the SR-Aircraft and act as one of two Cirrus Aircraft Innovation Centers;
- Cranial Technologies, a children medical device company that will be relocating to a 20,000 SF facility in West Chandler.

Mr. Kaup then gave an overview of commercial real estate trends in Chandler, including vacancy rates and construction activity for retail, office, and industrial space.

6. Action Items

None

7. <u>Advisory Boardmember Comments</u>

- a) Mr. Miranda asked Ms. Janes to provide the board with an update on a recently held Industry Roundtable meeting with Chandler hotels to discuss the current meeting market and our continued efforts to attract meetings and events to Chandler.
- b) Ms. Trujillo informed the board of an upcoming UA Eller College of Management Alumni Event on September 22nd at the Crowne Plaza Phoenix Chandler Golf Resort.
- c) Ms. Faggiano congratulated Mr. Mike Spangenberg on the expansion of State Forty Eight's headquarters in Uptown Chandler.

8. Next Meeting

Mr. Miranda announced that the next meeting date has not been determined and that City staff will follow up to inform the board.

9. <u>Adjournment</u>

Mr. Miranda adjourned the meeting at 9:58 a.m.

Respectfully Submitted,				
Ryan Nouis, Chairperson				
 Micah Miranda, Board Secretary				



Economic Development Advisory Board Economic Development

Date: 02/09/2022

To: Economic Development Advisory Board

From: Chelsey Faggiano, Economic Development Specialist

Subject: Mayor and Council 21-23 Strategic Framework presented by: Mayor Kevin Hartke

Attachments

21-23 Strategic Framework



Economic Development Advisory Board Economic Development

Date: 02/09/2022

To: Economic Development Advisory Board

From: Chelsey Faggiano, Economic Development Specialist

Subject: West Chandler Branding Initiative Update presented by: Economic

Development Team

Attachments

West Chandler Branding and Tourism Update

Economic Development Advisory Board Meeting

February 9, 2022





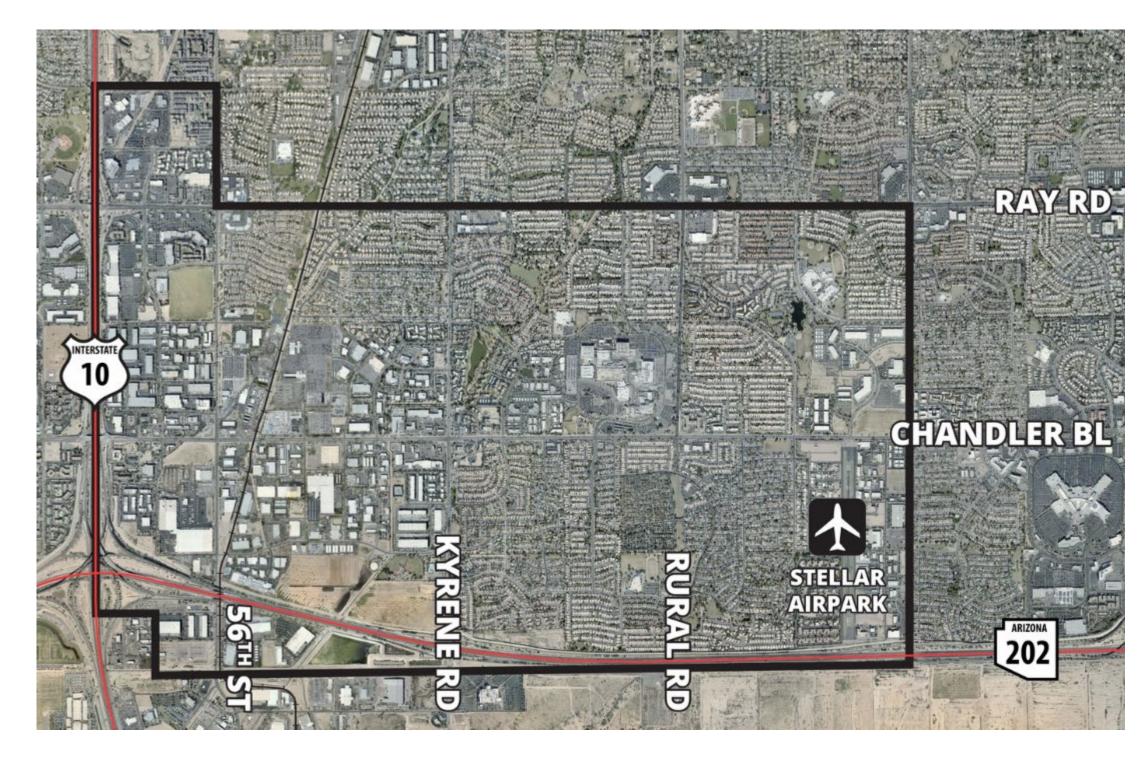






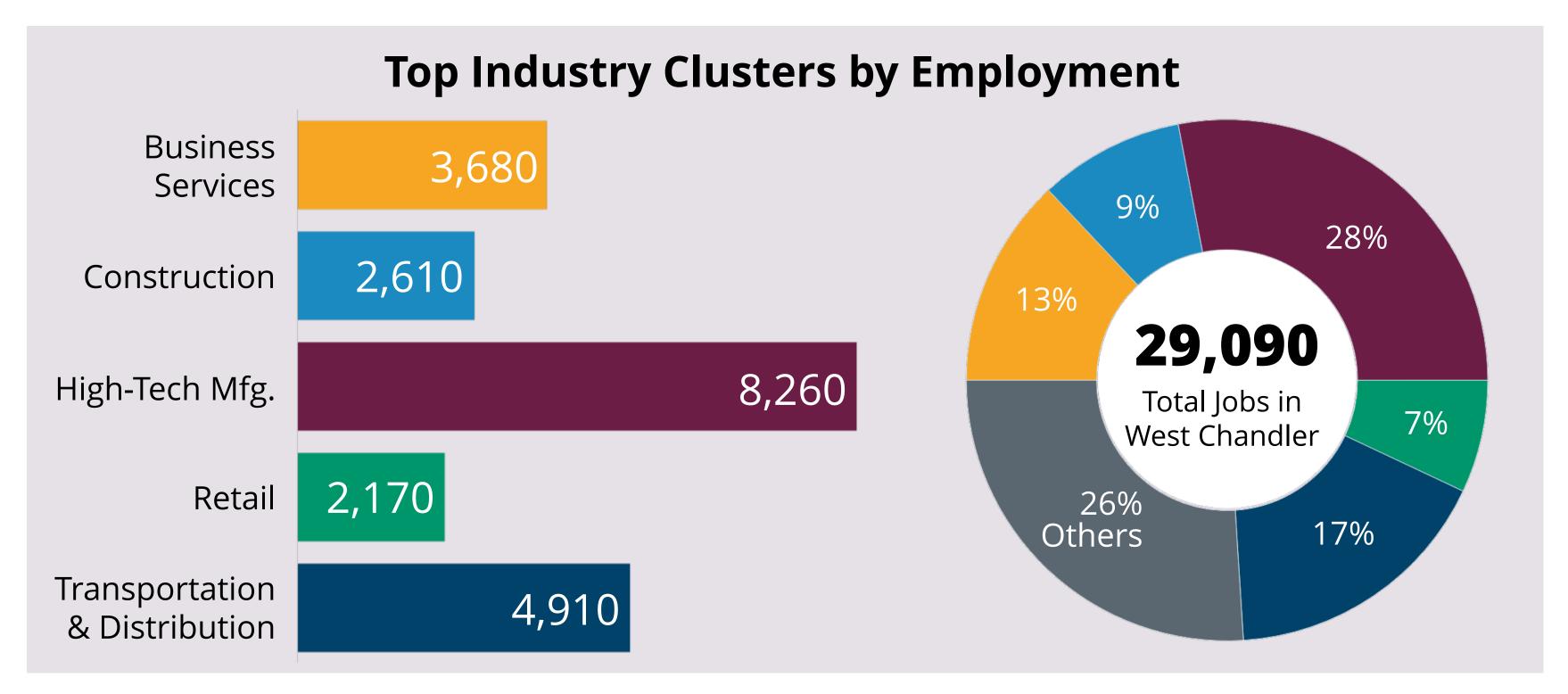
West Chandler

- 7 square miles
- Employment corridor
 - 636 businesses
 - 29,090 jobs
- 9,685 housing units
- 23,183 residents



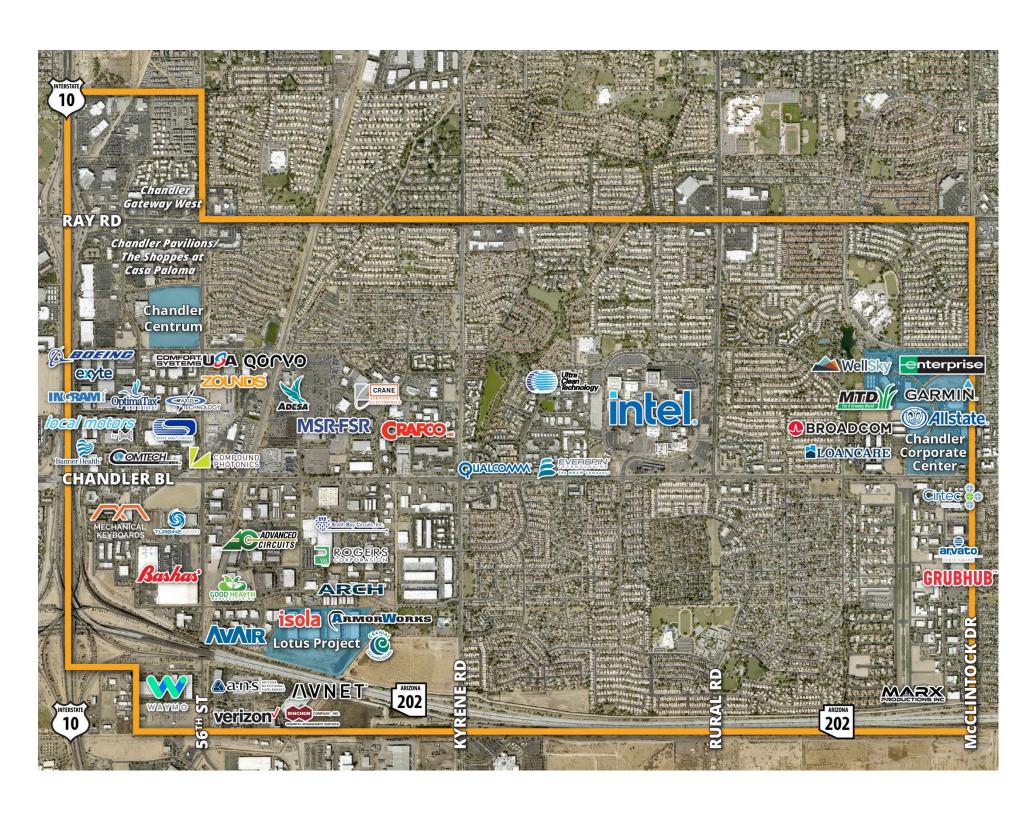
Data Sources: Maricopa Association of Governments Employer Database (2019), ESRI Business Analyst (2021)

Employment Base



Data Source: MAG Employer Database

Major Employers



Top Employers Include:

- Intel
- Verizon
- Avnet
- Basha's
- Arizona Nutritional Supplements
- Rogers Corporation
- Allstate

Development Stats

Type	Existing Space	12 Mo. Deliveries (SF)	Under Construction (SF)
Retail	2.4M	0	0
Office	1.6M	0	0
Industrial	9.4M	292K	0

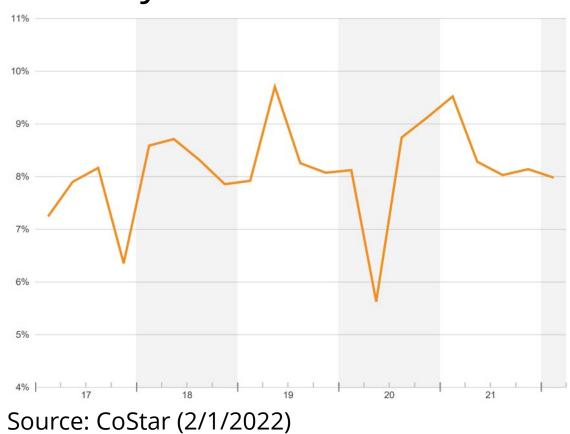


Source: CoStar (2/1/2022)

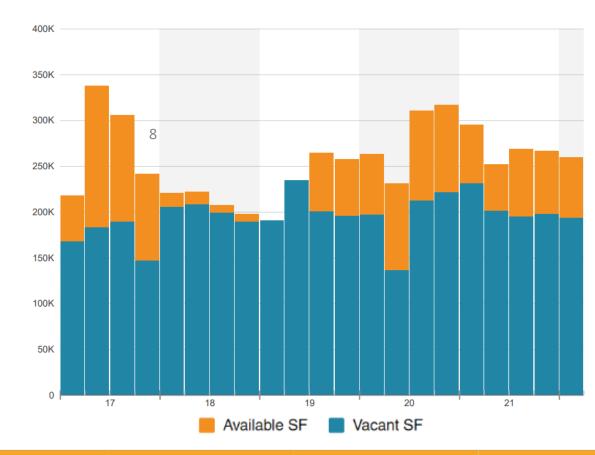
Retail Real Estate Stats

Metric	Current Rate	5-Year Average
Market Rent Per Square Foot	\$19.81	\$18.50
Vacancy Rate	8.0%	8.1%
Sales Price Per Square Foot	\$208	\$188

Vacancy Rate



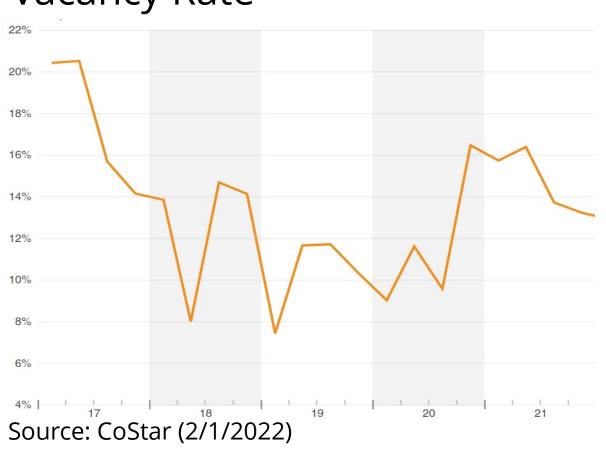
Vacant & Available SF



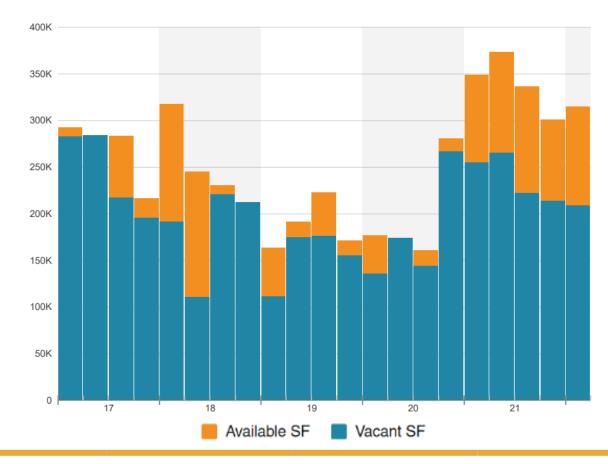
Office Real Estate Stats

Metric	Current Rate	5-Year Average
Market Rent Per Square Foot	\$25.54	\$23.97
Vacancy Rate	12.6%	13.4%
Sales Price Per Square Foot	\$218	\$201

Vacancy Rate



Vacant & Available SF



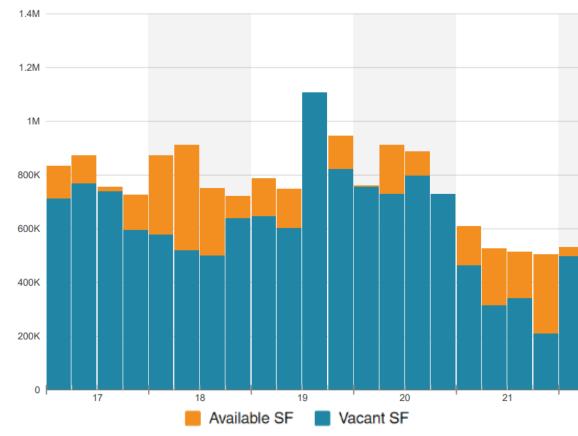
Industrial Real Estate Stats

Metric	Current Rate	5-Year Average
Market Rent Per Square Foot	\$11.15	\$9.31
Vacancy Rate	5.3%	7.0%
Sales Price Per Square Foot	\$166	\$129

Vacancy Rate

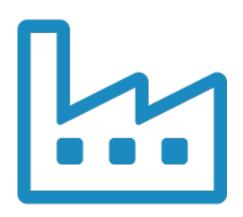


Vacant & Available SF



10

Area Strengths/Opportunities



Industry Base: Many employers are in manufacturing and other production-related industries less impacted by the economic downturn.

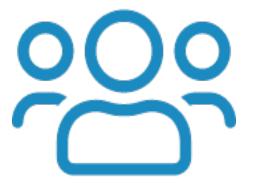


Real Estate: Mostly built out with few vacant parcels. Ability to focus efforts on identifying and repositioning underperforming properties.

Area Strengths/Opportunities



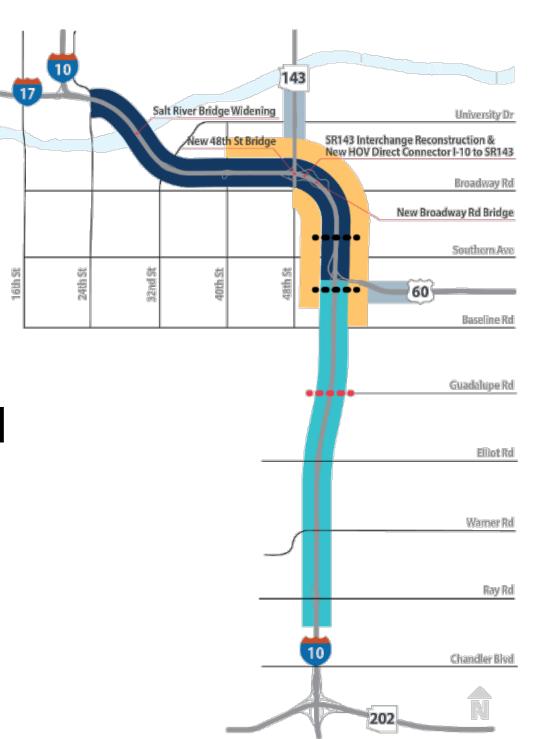
Freeway Access & Visibility: More than 3.5 miles of frontage on Loop 202 and 2 miles of frontage on Interstate 10.



Workforce: 1.2 million workers within a 30-minute drive with 36% possessing a bachelor's or advanced degree. Shorter commutes from West Valley with completion of Loop 202 South Mountain Freeway.

I-10 Broadway Curve Project

- Multi-year road improvement project.
- Impacts to Chandler will primarily be the Ray Rd. on and off ramps with completion tentatively scheduled by the end of the year.
- Will continue to educate businesses about ADOT resources for construction updates (e.g., mobile app and resource page).
- Full project completion by end of 2024.



West Chandler Marketing

13

Traffic Counts

High traffic counts and visibility attract retail uses and employers looking for a prominent location along Interstate 10.

- 157,194 vehicles per day between Ray Rd. and Warner Rd.
- 154,822 vehicles per day between Chandler Bl. and Ray Rd.



Will monitor impact of I-10 Broadway Curve Project on traffic along I-10.



Community Outreach



• In Fall 2020, reached out to key West Chandler stakeholders, including representatives from major employers, retail, hospitality, education, real estate, and neighborhoods.



• Held virtual meeting to discuss the area, benefits of place branding, and ideas for displaying the West Chandler brand.



 Followed up via survey, which revealed that stakeholders believe signage would be most impactful to promote West Chandler and distinguish the area from Tempe and Phoenix.



 Based on feedback, staff sought City Council approval to design and install signage.

Place Branding Update

- West Chandler signs have been installed at seven locations within the area with two more planned.
- Will continue to promote installation of the signage through City marketing channels.
- Won Arizona Sign Association's 2021
 Monument Sign Design award.



Goals for Place Branding

Promote economic growth while encouraging pride in the community by:

- 1. Connecting the places we live, eat, shop and work.
- 2. Highlighting the area's unique assets and character.
- 3. Championing growth and revitalization.





Marketing Action Plan

- **A)** Work to maintain an attractive and viable employment corridor, providing the City with needed tax base and jobs. Planned activities include:
 - 1. Continue to educate real estate brokers and developers with biannual area updates (Spring/Fall).
 - 2. Host annual ACA/GPEC Employment Corridor bus tours (Spring/Fall).
 - 3. Meet monthly with top area employers as part of Economic Development's overall Business Retention & Expansion efforts.

Marketing Action Plan

- **B)** Develop a brand identity that helps position the area to attract new employers in targeted industries. Planned activities include:
 - 1. Craft messaging focused on West Chandler's advantages for businesses looking to start, expand or relocate.
 - 2. Execute a digital marketing campaign targeting c-level decision makers to raise awareness of opportunities in West Chandler.
 - 3. Promote success stories from existing businesses in key industries.

Marketing Action Plan

- **C)** Strengthen the area's image among residents, workers, and visitors. Planned activities include:
 - 1. Publish informative content weekly to dedicated social media platforms (LinkedIn, Twitter).
 - 2. Publish quarterly blog posts with trending business news.
 - 3. Identify community ambassadors to help elevate key messaging.

Enhanced Marketing Activities

- Partnership opportunities with Chandler Chamber, ICSC, etc.
- West Chandler landing page on chandleraz.gov & visitchandler.com
- Digital billboard on I-10
- Print ads in local newspapers: Wrangler, SanTan Sun,
 Chandler Arizonan and Community Impact
- Geo-targeted ads and boosted social media posts
- Editorial in CityScope Newsletter mailed to Chandler residents
- West Chandler Wednesday gift card giveaways to encourage residents to patronize businesses within the West Chandler area



chandleraz.gov/westchandler

West Chandler: Where Opportunities Meet

Home | Business | Economic Development | Employment Corridors | West Chandler: Where Opportunities Meet

West Chandler is all about access. Bound by Interstate 10 and Loop 202, West Chandler offers quick connections, whether you're coming to the area or heading to places throughout our region and beyond. Step inside and you'll find attractive neighborhoods, homegrown shops and restaurants, your favorite national chains, great schools, and a diverse mix of companies providing quality jobs. No matter what you're looking for, West Chandler places you at the crossroads of opportunity.



Dedicated landing page on Chandleraz.gov. Since Nov. 1, 2021 this page has received a **total of 392 pageviews** with an **average time of 3:49** on page.



The City's western border, Interstate 10, provides businesses visibility from 155,000 vehicles per day.

Initiate a Project

westchandler.com

WEST CHANDLER

If you're looking for easy access to everything, be sure to include a visit to West Chandler. Located a short drive from Phoenix Sky Harbor International Airport with direct access from exits along Interstate 10 and the Loop 202 SanTan freeways, West Chandler is all about access.

When you visit West Chandler, you will find a variety of hotels, activities for the whole family and some of the best shopping and dining in the community.

Whether you are searching for gifts or treating yourself, West Chandler offers many independent shops, name-brand retailers and restaurants and cuisines to satisfy every taste from a quick and casual bite to a fine-dining occasion for that special celebration. Located along Ray Road and east of Interstate 10, you'll find more than one-million square feet of retail space at one Chandler's premiere shopping districts, The Shoppes at Casa Paloma and Chandler Pavilions. In addition to great shopping and dining, visitors will find family fun centers, events, and seasonal pop-up stores in this area.

And if you are extending your travels, staying in West Chandler gives you easy access to major sporting events, concerts, and regional attractions in Phoenix and beyond.

No matter what you're looking for, West Chandler places you at the crossroads of opportunity.

WEST
CHANDLER
BRANDING
PRESS RELEASE

WEST CHANDLER ANNOUNCEMEN BY MAYOR KEVIN HARTKE Dedicated URL that points to a landing page on visitchandler.com. Since Nov. 1, 2021 this page has received a **total of 329 pageviews** with an **average time of 4:45** on page.

Digital Billboard



Billboard ad was displayed along the I-10 from Nov. 29 – Jan. 9. The ad received a total of **36,501 spots** delivered with **over 4 million** delivered impressions.

Print Ads



Make a stop in West Chandler



- LOCAL BITES
- HOMEGROWN SHOPS
- FAMILY FUN & ENTERTAINMENT



westchandler.com



Print ads ran from Nov. – Jan. to encourage making a stop in West Chandler. Ads were placed in the following publications:

- Wrangler News
- The SanTan Sun
- The Chandler Arizonan
- Community Impact Newspaper

CityScope

An article was placed in the Dec./Jan. CityScope publication. This is a monthly insert in the City utility bills which are sent by mail and digitally. Current distribution:

- 17,265 paperless customers
- 67,682 printed customers



Dec. 2021 - Jan. 2022 chandleraz.gov



The estimated population for the City of Chandler as of Nov. 1, 2021, is 281,044 (+204 from last month).

Reminders ..

The City of Chandler will close City offices for a week this holiday season, from Dec. 27-31. Some limited services will be available Dec. 28-30. For complete facility and service impacts, visit

City administrative offices will be closed:

- Monday, Dec. 27, through Friday, Dec. 31, 2021 for the
- Christmas, Winter Break and New Year's Day holidays.
 Monday, Jan. 17, 2022, for Martin Luther King, Jr./Civil Rights Day

There will be no changes to trash or recycling collection.
The Recycling-Solid Waste Collection Center will be closed Dec. 25, 27, 31 and Jan. 1, 2022.

Please enjoy the Six Month Event Calendar and Quick Look phone directory included with your water bill this month.

Merry Christmas, Happy Hanukkah & Happy Holidays from Mayor Kevin Hartke



During this season of hope and joy, I want to thank our neighbors, businesses and City employees for coming together to support one another through the trials and tribulations of these past two years. Chandler's unwavering spirit continues to inspire me and we have proved that together, we are stronger.

As I reflect on 2021, there is so much to celebrate. In collaboration with our residents and businesses, we have taken action on a number of items this year that lay the groundwork for the future of Chandler. We welcomed new businesses, cut the ribbon on the Field of Honor Veterans Memorial and started new traditions celebrating our diverse community.

I look forward to a new year filled with exciting opportunities, growth and innovation around every corner. On behalf of City Council, I wish you all a happy holidays, Chandler!



New branding initiative for West Chandler

During the 2020 Chandler State of the City Address, Mayor Kevin Hartke announced that the City would launch a branding initiative for its West Chandler employment corridor. This area is a significant economic driver for Chandler and is home to more than 630 businesses employing a total of more than 29,000 workers.

The City's Economic Development Division is leading a couple of projects aimed at strengthening West Chandler's image and sense of place. You may have noticed that new signage has been installed near major intersections throughout the area.

In addition, a marketing campaign has been launched to promote the West Chandler area highlighting business success stories, development projects and why the area is a great place to invest. You can learn more about this branding initiative and the West Chandler employment corridor at westchandler.com or by scanning the QR code.



27th Annual Multicultural Festival on Jan. 15
Join the City of Chandler Diversity, Equity & Inclusion Division
for the 27th Annual Multicultural Festival on Saturday, Jan. 15.
This event promotes the cultural diversity within our
community through music, dance, art, storytelling, food and
more. From 11 a.m. to 6 p.m., come enjoy cultural
performances, kids' activities, unique vendors and delicious
food. Also, back by popular demand is the Asian Village, where
a wide range of Asian cultures will be showcased. It will be
fun for the whole family — so don't miss this special Chandler
tradition!

In addition, the Chandler International Film Festival is
scheduled for Jan. 18–23, 2022. This year, film viewings will

In addition, the Chandler International Film Festival is scheduled for Jan. 18–23, 2022. This year, film viewings will take place at LOOK Dine-in Cinemas in Downtown Chandler and the award ceremony will be held at the Chandler Community Center on Sunday, Jan. 23. Details will be available



Marketing in Action

Social Media Giveaways



Three gift card giveaways were held on Visit Chandler's Instagram. The giveaway was to encourage residents to patronize businesses within the West Chandler area.

- Over 890 entries
- 8,200+ accounts reached
- Featured 16 different businesses in West Chandler

West Chandler Marketing 28



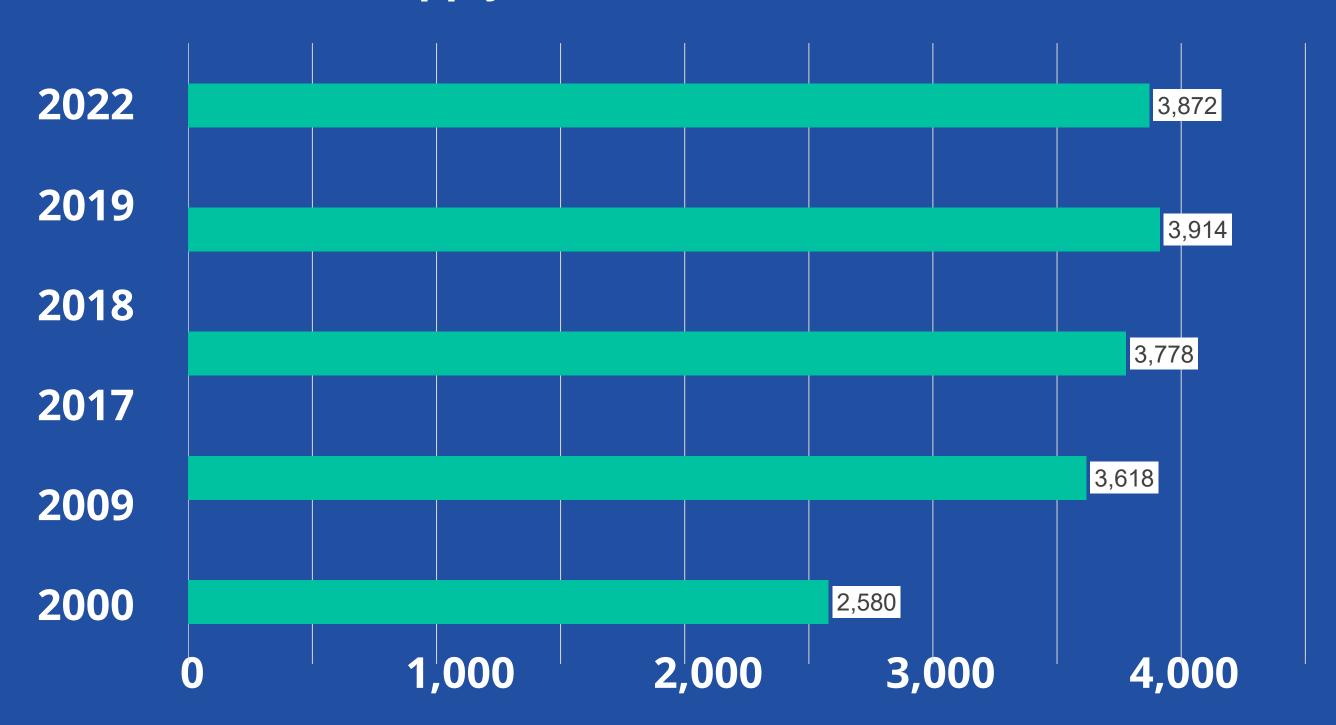


EDAB February 9, 2022



HOTEL/MOTEL GROWTH IN CHANDLER

Chandler, AZ Hotel Supply



TOURISM INDUSTRY STATS

	December 2021	CY2021	CY2020	CY2019
OCCUPANCY	68.3%	65.3%	49.2%	68.7%
ADR	\$111.57	\$101.36	\$100.49	\$110.56
RevPAR	\$76.26	\$66.15	\$49.40	\$75.94
SUPPLY	-2.5%	2.5%	8.7%	3.3%
DEMAND	46.9%	36.0%	-22.2%	9.7%

FISCAL YEAR-TO-DATE

- Held more than 200 one-on-one appointments with meeting and event planners to promote Chandler as a small meetings destination.
- 2021 Expedia Summer campaign netted 5,900 rooms booked across 30 hotels.
- Visit Chandler was recognized as a reader's choice award recipient for Smart Meetings 2021 Platinum Choice CVB awards.
- VisitChandler.com website traffic in 2021 has nearly doubled than 2020 and 54.8% higher than 2019.

VISIT ARIZONA INITIATIVE

MARKETING GRANT

- Funding Source: American Rescue Plan (ARPA)
- Eligible entities: DMOs and regional partnerships.
- Competitive grant.
- Only one Visit Arizona Marketing Grant awarded per entity, per application period.
- AOT awarded applications based on geographic location, demonstrated financial need, scope of work merit regarding the tourism industry, and alignment with AOT's Statewide Strategic Recovery Plan.

ELIGIBLE EXPENSES

- Print Placements
- Broadcast Placements
- Outdoor Placements
- Digital Media Placements
- Website Development/Enhancement
- Printed Material
- Audio-Visual (Film, Video, Photography)
- Event Sponsorship (Event Sponsorship funding is capped at 25% of total award)

STRATEGY

Support Chandler hotels by broadcasting messaging that encourages consumers and meeting professionals to choose Chandler for their vacation or next meeting.









Digital Campaign

Videos

Blog & Social Media Posts Direct Business Outreach

MEETINGS OUTREACH

- Develop a branded, digital campaign, Meet in Chandler with new creative
- Email blasts, via marketing partnerships
- Robust digital campaign to include banner display ads and retargeting
- Editorial-style, blog articles with Chandler content on key platforms
- Develop a small, printed rack card to be used by hotels with select information
- Video series specific to hosting meetings and events in Chandler
- "Bring it Home" campaign

	Digital Ads	Email Blasts	Retargeting Ads	Blogs Social Media Opportunities
Cvent Meeting Professionals		√		
Helms Briscoe Meeting Professionals		√		
Conference Direct Meeting Professionals		✓		
Connect Meeting Professionals		✓		
Chandler Businesses	✓			
Geo-Targeted Meeting Professionals		✓	✓	

BUSINESS TRAVELER OUTREACH

- Video creation
- Expand summer Expedia campaign
- Digital campaign targeting business travelers
- Work with Chandler hotels to "Google My Business"
- Outreach to Chandler businesses

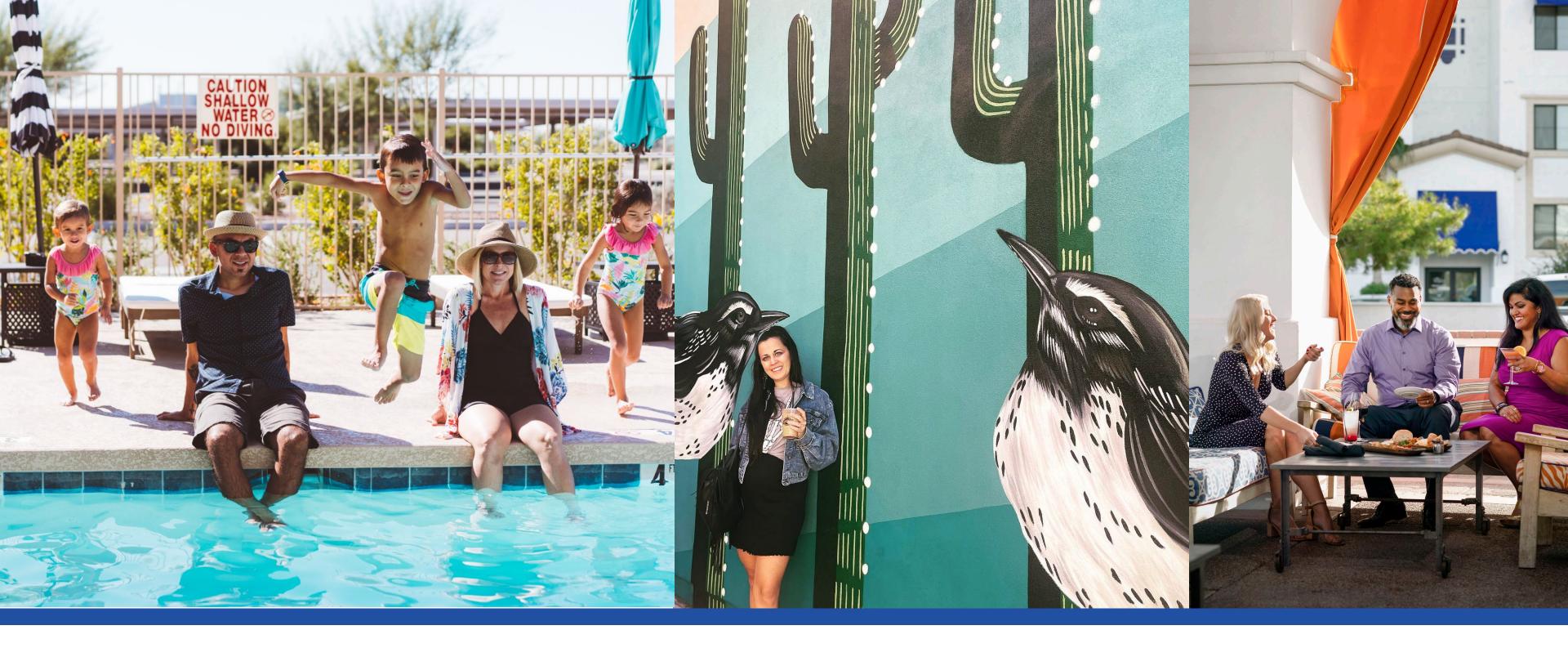
	Digital Ads	Retargeting Ads	Social Media Advertising
Business Travelers	✓	✓	✓
Business Travelers Remote Workers	✓		
Business Traveler By trade, target for Chandler development			
Geo-Targeted Chandler Businesses	✓	✓	✓

NEW 360/3D IMMERSIVE EXPERIENCE

- Showcase the community from sky and ground
- Incorporates image galleries, video, text boxes, etc.
- Virtual site visits

EXAMPLE: Discover Durham







QUESTIONS