

MINUTES
Regular Meeting
San Luis Economic Development Commission
San Luis Council Chamber
1090 E. Union Street
October 1, 2025
4:00 p.m.

MEMBERS OF THE COMMISSION WILL ATTEND EITHER IN PERSON, TELEPHONE, OR VIDEO CONFERENCE COMMUNICATION.

1. **CALL TO ORDER/ROLL CALL BY THE CLERK OF THE BOARD** Vice Chair Salma Marrufo called the San Luis Economic Development Commission meeting to order at approximately 4:03 p.m.

ROLL CALL

PRESENT: Salma Pasillas, Vice Chair (joined virtually)
Oscar Franco, Commission Member
Linda Padilla, Commission Member
Mary Carmen Lopez, Commission Member (arrived at 4:09 p.m.)

OTHERS PRESENT: Armando Esparza, Director of Economic Development & Government Affairs
Yigal Duarte, Economic Development Assistant
Megan Adornetto, Project Manager & Historic Preservationist at Designing Local (joined virtually)
Anna Talarico, Project Manager & Public Art Coordinator at Designing Local (joined virtually)
Josh Lapp, Principal & Co-Founder of Designing Local (joined virtually)
Ruth Martinez Baenen, Senior Advisor at HdL Companies (joined virtually)
Lee Winkler, Economic Development Specialist at HdL Companies (joined Virtually)
Jose Antonio Maldonado, Video Production Specialist
Albert Moreno, I.T. Technician
Rogelio Martinez, Administrative Coordinator for Economic Development

ABSENT: Jesus Carrillo, Chairman
Abraham Andrade, Commission Member
Eric R. Jones, Commission Member

2. **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Armando Esparza.

3. CONSENT AGENDA.

All matters are considered to be routine by the Commission and will be enacted by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

Vice Chair Salma Marrufo.

MOTION: Vice Chair Marrufo to approve the consent agenda. Commission Member Franco called a motion to approve the consent agenda, Commission Member Padilla second it. Motion passed unanimously.

The vote was as follows:

Vice Chair Marrufo	Aye
Commission Member Franco	Aye
Commission Member Padilla	Aye

3.A. APPROVAL OF MINUTES

- Meeting Minutes from Meeting held April 16, 2025.

Vice Chair Salma Marrufo.

MOTION: Vice Chair Marrufo to approve the meeting minutes for the Regular San Luis Economic Development Commission meeting held on April 16, 2025. Commission Member Franco called a motion to approve the minutes, Commission Member Padilla second it. Motion passed unanimously.

The vote was as follows:

Vice Chair Marrufo	Aye
Commission Member Franco	Aye
Commission Member Padilla	Aye

4. DISCUSSION AND POSSIBLE ACTION ITEMS:

4.A. Discussion and possible action on any and all matters regarding the Designing Local’s “El Corazon de San Luis” Historic Preservation and Public Art Plan. (Armando Esparza, Director of Economic Development and Designing Local)

Vice Chair Marrufo opened the discussion by sharing her experience working with Mr. Esparza on this project.

Mr. Esparza highlighted the work that has been done in seeking public engagement through local events and surveys. Mr. Esparza proceeded to introduce the first draft of the Historic Preservation and Art Plan created by Designing Local. The plan encompasses two objectives: 1) what the City would like to address as public art, and 2) historic preservation. Mr. Esparza stated that an internal meeting took place and that Designing Local received feedback from Mayor and Council on what they would like to see represented and how the program will be implemented.

Representatives of Designing Local continued the presentation by addressing the overview of the plan, the goals, and expanded on the engagement report and placemaking project ideas.

Ms. Adornetto discussed the introduction of the plan highlighting the goals, project approach, Historic Resource Survey, Public Art Plan, and Creative Placemaking.

Ms. Adornetto continued by addressing the historic context of the plan that focused on three portions of San Luis history to create a narrative and discuss about what is important to San Luis, such as the border town and how the City was established first by the United States government going into agriculture, which played a fundamental part in both the City and the region highlighting binational agricultural workforce development and both the Cesar Chavez and UFW: A Legacy of Activism movements which influenced both San Luis and California.

Mr. Lapp continued the presentation with details on the engagement report. Mr. Lapp mentioned Designing Local's participation at the Arte En La Calle event, where they had boards and conducted a virtual survey to gather community input on historic preservation, community revitalization, and creative placemaking. Mr. Lapp reported that the top responses across all engagements were: murals, light installations, functional art, and interactive art.

Ms. Adornetto moved forward to address the results from the historic survey. The survey helped identify potential properties that were compliant with the National Registrar of Historic Places' age requirement of over 50 years old. Ms. Adornetto presented a map that highlighted historic areas/districts along Main Street and Cesar Chavez Street. Upon identifying potential historic area boundaries, it will be up to City of San Luis to label them as Local Historic Districts or National Registrar Historic Districts.

Ms. Adornetto mentioned that based on the data gathered by the survey, Designing Local highlighted some projects with higher relevance to the Historic Preservation component; these include facade improvements programs and the nomination of districts or properties for the National Register of Historic Places. Facade Improvements can include simple actions like new signage and/or painting, which stimulate economic development within the commercial districts and residential properties. National Register of Historic Places identify historically significant areas or individual properties. Properties listed under the National Register of Historic Places have less requirements afterwards, and though it does not guarantee that a building is exempt from demolition or redevelopment, registered properties and districts are eligible for historic tax credits that help finance the work of improvement/rehabilitation programs. Ms. Adornetto stated that Arizona has a tax credit program for property owners who are not income producing properties; however, owners must commit to a 15-year commitment ensuring their house is preserved.

Mr. Lapp added on the importance of understanding the difference between local historic districts versus National Register districts, and the benefits of available tax credit programs that can help with renovation costs.

Ms. Talarico joined the presentation by addressing Designing Local's recommendations for public art and placemaking based on the strategic vision for San Luis. The strategic vision was created using the desires and feedback received from the community through interactions at local events and via surveys. Ms. Talarico stated that the public art plan includes a policy document for managing, administering, and protecting public art assets that can be found in the appendix of the plan. To aid with the decision making, framework, and project directions, Ms. Talarico mentioned that the plan includes examples of public art typologies that expand on the characteristics, attributes, strategies, and approaches for leveraging different typologies and different settings.

Ms. Talarico moved forward to present the project ideas that aligned with the recommendations. Some priority project ideas include low-cost projects such as painted fire hydrants, murals, and utility box projects, which can be completed within six months. Other public art project ideas listed included art integrated into infrastructure, functional public art, interactive pop-up art, projection mapping, and three guard projects.

Ms. Talarico detailed the costs, timeframes, and requirements for selection and implementation of any of the projects mentioned above. Painted fire hydrants projects cost up to \$1,200 per fire hydrant; 3-6 months for selection and implementation; should be repainted as recommended by Fire Department. Murals projects cost between \$25,000 - \$75,000; 3-6 months for planning and implementation; can last up to 10 years if well maintained. Utility box projects cost \$750 - \$2,000; 3-6 months for selection and planning; should last 3-5 years with regular maintenance. Art integrated into infrastructure projects cost \$50,000 - \$200,000; 3-4 months for selection; 12-18 months for installation. Functional public art projects cost \$30,000 - \$100,000; 3-4 months for selection and planning; 12-18 months for installation. Interactive pop-up art projects cost \$15,000 - \$75,000+; timeframe for completion is dependent on intention of each project; can last a few days to a few months. Projection mapping projects cost \$50,000 - \$300,000 based on rental and artist fees; can last from a few days to a few weeks. Tree guard projects cost \$15,000 to \$30,000; 3-4 months for selection and planning; 6 months for fabrication and installation.

Mr. Lapp finalized the project ideas presentation by discussing the option of placemaking ideas for public art, for example, development of an arts district, development of plaza for community gathering spaces, creation of an arts space downtown, and a matching mural grant program.

Ms. Adornetto concluded Designing Local's presentation by addressing the next steps for the project. Ms. Adornetto mentioned that Designing Local received feedback from City staff to incorporate into the next draft. Ms. Adornetto stated that the 2nd draft will be sent to City Staff in early November.

Mr. Esparza thanked Designing Local for their presentation and informed Commission Members that after reviewing the 2nd draft and incorporating any needed changes, the project will be presented to Council. Mr. Esparza opened the floor for questions.

Commission Member Lopez addressed information about private properties in San Luis that serve as ideal locations for business development projects but have remained vacant for many years and asked if Designing Local had information on any regulations, programs, or incentives that could be used to encourage property owners to perform renovations to their properties. Mr. Lapp responded by suggesting a follow-up meeting with Economic Development to discuss any applicable regulations that deal with acquisition of property by the municipality in Arizona. Furthermore, Mr. Lapp agreed with Commission Member Lopez that there are several vacant buildings on Main Street and the potential these have for revitalization and placemaking projects. Mr. Lapp mentioned that these comments will be taken into consideration for the 2nd draft and will meet with Economic Development to discuss any incentives from the City that could be used to support property owners. Mr. Esparza stated that the goal for the Historic Preservation Plan is to develop a "tool kit" to assist property owners or tenants who manage an "income producing property" that resides within a designated historic district, to apply for federal incentives, such as historic tax credits, should they require additional funding to make improvements on said type of property.

Commission Member Franco commented on the concept of functional art infrastructures, for example benches or areas where people gather, and inquired about any potential challenges that the

City or department must consider before implementing the project. Ms. Adornetto replied by stating that the question is supported in the appendix from the draft public art policy document. Ms. Talarico mentioned that the public art policy document provides step-by-step best practice guide for what needs to be discussed between the City and the artists so that compliance and responsibilities are met and the project is successful. Ms. Talarico mentioned that another challenge that is addressed in the plan is funding, which includes initial, maintenance, and sustainability funding.

Commission Member Padilla asked what comes next after the presentation of the 2nd draft in November. Mr. Esparza responded by stating that as soon as the 2nd draft is received, the document will be reviewed internally between City Administration and Staff, then it will be taken to Council for review and approval. Mr. Esparza mentioned that once adopted, the first work will involve implementation of public art since framework has been discussed with the City of San Luis Parks department. Mr. Esparza added that initial funding will be sourced from three avenues, first, the City via budget approval from Council; second, private businesses who would like to support public art developments; and third, through grants. Mr. Esparza stated that the program is expected to be launched at the start of the next fiscal year in July. Mr. Esparza also noted that the Historic Preservation Plan will require additional work due to discussions with both Development Services and the State about the processes and requirements for the designation of land as historic. Mr. Esparza concluded by reassuring that the information gathered from the Cultural Resource Survey was a first step for developing a tool kit for incentivizing redevelopment.

MOTION: Commission Member Franco called a motion to recommend the Historic Preservation and Public Art Plan for City Council recommendation and approval, after Commission and Staff updates are incorporated. Commission Member Lopez second it. Motion passed unanimously.

The vote was as follows:

Vice Chair Marrufo	(lost connection)
Commission Member Franco	Aye
Commission Member Padilla	Aye
Commission Member Lopez	Aye

4.B. Discussion on any and all matters regarding the development of a Small Business and Economic Development Program through the San Luis Business Incubator. (Armando Esparza, Director of Economic Development and Ruth Martinez, HdL Companies)

Mr. Esparza introduced HdL Companies and the project to analyze the San Luis Business Incubator program and identify other ways that the program can support small businesses, strengthen the program, and evaluate the current lease rates and align them to the current market rates.

Ms. Martinez began the presentation by stating that the Business Incubator program is unique for its designation as an industrial use incubator, and how HdL Companies' goal will be to evaluate the program, its processes and supporting services, and leasing rates, to make sure the program follows the best practices for supporting the community.

Ms. Martinez opened the floor for feedback and questions from Commission Members and Staff on how HdL Companies can better address concerns or if there are priorities that the program should be addressing.

Mr. Esparza introduced Rogelio Martinez who will provide a presentation on the San Luis Business Incubator program.

Mr. Martinez' presentation provided information about the start date for the program, types of operations that are allowed, building layout and measurements, in-house services, on-site staff, current and past tenants, evaluation for potential candidates for tenancy, and listed the organizations that provide support and collaborations to the program. Mr. Martinez opened the floor for questions.

Commission Member Franco asked about the current number of employees currently operating under the current tenants of the program. Mr. Martinez responded by stating that approximately between 25 – 35 employees, with a construction company being the main employer from the current tenants.

Commission Member Franco replied by expressing his liking for the Business Incubator program and how the program is at full capacity and that the project is offering employment to 25 – 25 residents, and how he would like to see more incubators in the community. Mr. Martinez noted that in comparison with other incubator programs in Arizona, the “suites” for the San Luis Business Incubator are larger in size, and how this has been key in the tenancy recruitment process as applicants have seen both the benefits and the struggles for leasing in San Luis.

Commission Member Franco added that having the opportunity for a three-year agreement with the City to operate under the Business Incubator program is beneficial to help an aspiring entrepreneur built a company.

Mr. Martinez noted that the City is currently working with Local First Arizona's Fuerza Local Business Accelerator Program to help selected local business owners to fix attributes or parts about their business in which they have questions or would like to take to the next level. Mr. Martinez mentioned that one example is the development of a business plan and how to utilize it as a model for understanding where the business stands, what a business wants to accomplish, and the resources available for each business owner to take advantage of.

Mr. Esparza concluded the item by emphasizing that the goal for this project is to evaluate the current rates the program is operating with and how to bring them to the current market rates, and the program financials so that it may be revenue neutral and self-sustainable. Mr. Esparza mentioned that the second part will focus on the program and services that come from the incubator to benefit all business owners in the community.

Mr. Esparza opened the floor to feedback from Commission Members on suggestions for business owner needs and how the City can better serve the entrepreneurial community.

Commission Member Lopez mentioned and thanked Economic Development staff for allowing the Small Business Development Center to use the Business Incubator's conference room to allow for meeting with community business owners. Commission Member Lopez suggested promotion and lease of the conference room for public use. Mr. Esparza confirmed that it has been noted and that it falls within the new structure this project will consider for use of the conference room by outside organizations.

Commission Member Padilla suggested more online marketing of the program and its services and the reduction of the sizes for the suites to create more spaces and make leases more affordable for new applicants. Mr. Esparza agreed and mentioned that a future community kitchen project is under

evaluation for possible expansion of the incubator program, not expansion of the building, but expansion of the program's concept elsewhere.

Mr. Martinez added that another opportunity available to current tenants is the option to sublease to qualifying companies if they are not fully utilizing the space within their "suite".

Mr. Esparza concluded this item by encouraging Commission Members to reach out to HdL Companies for additional feedback or suggestions for the report.

Commission Member Lopez inquired about the current condition for the lease agreements. Mr. Martinez responded by stating that the program started with a 6-year lease with rates starting at \$0.39 per square foot and increasing each year until reaching a maximum of \$0.75 per square foot on the sixth year. Mr. Martinez concluded by stating that the new lease options are for either an annual lease with a fix rate of \$0.79 per square foot or a three-year lease with rates starting at \$0.44 per square foot and reaching a maximum of \$0.79 per square foot when entering the final year of the lease agreement.

4.C. Discussion and possible action on any and all matters regarding updates from the Economic Development Director, followed by discussion among San Luis Economic Development Commission (SLEDC) members. (Armando Esparza, Director of Economic Development)

Mr. Esparza commented on the two projects that were presented before this item and invited Commission Members to schedule time and connect with Ruth Martinez. Mr. Esparza also stated that he will keep Commission Members updated on the Historic Preservation Plan and next steps to follow.

Mr. Esparza addressed the Public Art Policy and how it will be working. Mr. Esparza mentioned that based on conversations with City Administration and Staff, formalizing the Public Art Program will be the easiest policy action taken based on what has already been done. Mr. Esparza provided a preview of the presentation that will be presented to Council once the plan is adopted and work on the policy continues. Mr. Esparza stated that based on the conversations, the governance of this project will remain within the Economic Development Commission, meaning that the Commission will have a role in what the public wants to see when it comes to art. For example, once funding is obtained, a subcommittee will be created within the Commission to review the art, put together the proposals within the allocated funding, research proposed sites, and review the plan to highlight where the community wants to see art, what types of art, and compare it to the available budget to be able to perform a "call for art".

Mr. Esparza presented the framework of the Public Art Plan, which was reviewed with several City departments. Mr. Esparza stated that after Council approves the ordinance, Economic Development will begin work with the departments and subcommittee, manage an on-call list of artists to coordinate with any artist who wants to work with the city, and perform an application process to be reviewed and approved by the Commission or City Council. After that, Economic Development will seek out funding and perform an annual call for proposals, provide sites, provide information on available funding, and review submitted proposals from the list of on-call artists. After proposals are received, both the Commission and subcommittee will review the proposals, compare them to the Public Art Plan and how it will align with maintenance schedules, locations, and what the community wants to see. Then, the proposals will go to City Council for recommendation and funding allocation. Finally, the contract and development agreement will be signed by the City and the artist or business that will be providing the work for the art. Mr. Esparza added that after a

couple of months of work, Economic Development will perform a commemorative event to unveil the art.

Mr. Esparza discussed that the three factors that will be primarily considered are the community feedback that was provided in the plan, the technical considerations (infrastructure, maintenance schedule, locations, etc.) and how everything aligns with the allocated funding. Mr. Esparza noted that after approval of the plan, the three funding sources for the Public Art Fund will be the Annual Budget (Council), Grants (Economic Development), and Public-Private Partnerships (Public Relations and Economic Development). Mr. Esparza reaffirmed that public art is the easiest and most natural next step to take once the plan is approved because staff had the least feedback on that part of the plan, and more feedback on the Historic Preservation part. Mr. Esparza opened the floor for questions.

Commission Member Lopez asked if there are any plans for fundraisers or activities in the community aimed to collect funds for this project. Mr. Esparza responded that fundraisers will not be an initial source of funding but rather direct relationships that the Economic Development department has. Mr. Esparza mentioned that he already spoke with a couple of property owners and developers to request if they would like to participate in this program. Mr. Esparza affirmed that this project is aimed at being sustainable and not just a one-time process but rather a recurrent project that if it cannot take place this year, it could be worked on in the following years.

Commission Member Franco commented that this project looks solid and that most of the stages have already been planned. Commission Member Franco also noted that he agrees that focusing first on art more than a larger infrastructure project is a wise decision because it will show citizens a functional project where the City demonstrated properly how any collected resources went directly to the community.

Mr. Esparza mentioned the “Percent for the Arts” program used by larger municipalities, where any infrastructure project that is in the construction phase, 1% of the cost for public art is allocated within the project. Mr. Esparza noted that this may be something City of San Luis explores in the future as an additional funding mechanism.

Commission Member Padilla recognized Mr. Esparza for the detailed information in the presentation about the projects that were presented, and mentioned her excitement in learning about the funding plan and how it states the search for grant opportunities and the creation of partnerships, which she hopes will make the community feel more involved and develop a sense of pride not only for admiring the art but also to take into consideration the people who worked towards it.

Mr. Esparza commented that the next steps for next year will be the creation of the subcommittee and working together with the Parks and Recreation department as they already have established relationships with local artists. Mr. Esparza mentioned that Commission Member Andrade will also play a key part as he is also familiar with local artists.

Mr. Esparza presented information about a business retention and expansion program implemented by the Economic Development department where the goal is to visit as many registered businesses in person as possible throughout following year to track their current situation and status and understand how the City can help their business and be a partner to help them grow. Mr. Esparza mentioned information about a Customer Relationship Management (CRM) system that is being used to access prebuild data on existing business licenses and how staff are updating the information. Mr. Esparza said that this program aims to formalize the methods the department is

currently managing when reaching out to business and to help track the metrics that can be used to measure the success from businesses, and the needs or assistance a business requires such as workforce development, access to capital, and more.

Mr. Esparza concluded by stating that general information included with this item will be provided in the agenda item. Mr. Esparza offered an invitation to Commission Members who would like to join Economic Development Staff when holding the meetings with businesses. Mr. Esparza mentioned that a draft report will be provided to the community to present information about the business retention and expansion program and what to expect in the coming months.

Mr. Esparza opened the floor for open discussion.

Commission Member Lopez shared her experience when she first approached business owners in our community and recognized the work that the Economic Department has done to establish the relationships with the local business owners and invited Commission Members to be part of this program and join in visiting local businesses. Mr. Esparza added that this program seeks to strengthen that relationship and be more frequent in reaching out to businesses.

5. ADJOURNMENT

MOTION: Commission Member Franco, Commission Member Padilla, and Commission Member Lopez to adjourn the meeting at 5:29p.m. Motion passed unanimously.

The vote was as follows:

Commission Member Franco	Aye
Commission Member Padilla	Aye
Commission Member Lopez	Aye

APPROVED:

Jesus Carrillo, Chairman

ATTEST:

Yigal Duarte, Economic Development Assistant

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the San Luis Economic Development Commission meeting of the City of San Luis, Arizona, held on October 16, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Yigal Duarte, Economic Development Assistant