

INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF GILA, ARIZONA

P.O. Box 127

Claypool, AZ 85532

Cliff Potts, President
Stanley Gibson, Secretary/Treasurer
Gerald Kohlbeck, Member
Timothy Grier, Member
Mac Feezor, Member

Fred Barcón, Vice President
William Byrne, Member
Timothy Humphrey, Member
Robert Pastor, Member

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Industrial Development Authority of the County of Gila, Arizona, Board of Directors, and to the general public, that the Board of Directors will hold a meeting open to the public on Wednesday, June 18, 2014 at 10:00 a.m. at the Gila County Courthouse, 1400 E. Ash Street, Globe, Arizona and Gila County Supervisors' Conference Room, 610 E. Highway 260, Payson, Arizona. Members of the Board of Directors will attend the meeting in person, via I-TV, or be present telephonically. The following Agenda lists the matters to be discussed, considered, or decided at the meeting:

- I. CALL TO ORDER
- II. ROLL CALL: Present: Stan Gibson, Bill Byrne, Tim Humphrey, Fred Barcon, Gerry Kohlbeck, Absent: Bob Pastor, Tim Grier.
- III. Approval of the minutes of the Planning Meeting of the Board on January 23, 2014; the Regular Meeting of the Board on March 5, 2014; and the Special Meeting of the Board on March 14, 2014. Motion to approve made by Stan Gibson, seconded by Gerry Kohlbeck. All in favor.
- IV. Treasure's Report for second quarter, 2014. Motion made by Mac Feezor, seconded by Stan Gibson. All in favor.
- V. INFORMATION/DISCUSSION/ACTION as determined regarding a status update on the IDA website: Mac Feezor. Tourism website is stubbed out and active. Gila County IDA.net. Got all the information off Historic Gila County—all of the pictures and information have been slurped out. Overall site, pictures, links. Divided Northern and Southern Gila County. Example: Restaurants link to restaurants, can be to a non-sponsored link. Some pages are stubbed out with directions, etc. Each restaurant can pay \$500 to get their page up and running. The IDA can sell website links to restaurants, shops, etc.

Cost for hosting and domain registration \$225 per year. Domain name for \$20 per year. Maintained through a third party. Third party costs: depends on how much we can maintain; it could be very little.

Two websites: Tourism and IDA business front. The tourism website is well underway. The business site is being done now.

Cliff goes over the pricing to date for the website costs to date. Invoice to date: \$984. It's just a start for where we want to go from here.

Mac showed a video presentation of the new website. Mac will price out the building a website for the businesses. How much will it cost the IDA to create the website for each business? Mac: It will take about an hour to generate a basic page, about \$50- \$100 on the technical side.

Stan: Make sure the Chamber is involved. They are also working on a site.

Mac: It can be cross-linked. It increases the popularity of the overall sites, it increases traffic.

Fred: Mentions having Sandy sell the website advertising.

Cliff: We're pretty close to having a working website. What is it going to cost to get it to the next step. Both websites up and functioning with up-to-date information.

Mac: Information with permission, first. Then provide a sample of what they can upgrade to for X amount of dollars. What other information would you like to see? Need to add content.

Stan: Need to sit down and talk to Ellen and the other Chamber, before moving forward.

Cliff: Agrees with Stan, need to talk to Chambers and Town of Payson to cross-reference. Sandy to work with Mac, go to Chambers and find out what the next step is. How much will it cost to finish up with real content and going to the Chambers, etc.

Mac: Normal fee is \$50 per hour for web guys. It might be \$3,000 to finish. Gerados is an example we're using. We didn't charge him. We need to ask a Mexican restaurant for a menu and throw together a sample page for \$500. It's a standard 10% to maintain. \$50 annual maintenance fee for the restaurants.

Gerry: Would like to see a separate line on the financial records to see if the advertising is paying off.

Cliff: If its \$3,000 to finish up the website; is this something we would like to pursue. Is everyone on board with proceeding with the direction we're going?

Mac: We have to show sponsored pages to market. Do we have an agreement with Monster Media? We can talk to the Chambers, they may want to off-load the website and we can maintain it.

Stan asked for specific dates to meet with the Chambers. Sandy will go to the Chambers and the EDC. Hayden-Winkelman, Young, Tonto Basin. Tim Humphrey is now a Chamber member. He offered to meet with the Chamber. Mac will get with Dragon Flight Marketing to provide Tim with contact information.

Motion for the \$3,000. Motion made by Fred Barcon to budget \$3,000 for the marketing of the website, seconded by Mac Feezor.

Question: Tim: At the end of the \$3,000, we will have something that we can be publicized?

Mac: Yes, all the links will be in place. If the Chambers give us permission to link with our/their sites, we will do that. Realtors, services, etc. How do we want to handle that? Commercial website and tourism up and running. We'll have to go and visit those restaurants. Would like to have live pages, websites for both Northern and Southern.

Mac: Sandy has to have complete marketing package to present. Mac will get with the guy to get the marketing package together.

Reword the motion: authorize \$3,000 to compete the websites (tourism, business) and to authorize marketing of the website. Seconded by Tim Humphrey, all in favor.

VI. INFORMATION/DISCUSSION/ACTION as determined regarding the proposal to encourage the County to hire an economic development director: Cliff Potts.

The presentation to the BoS seemed to be favorable. Cliff met with Don McDaniel. He said if they were to hire an economic director, they would assemble a governing board for the economic director- not the IDA.

The economic summit with Alan Urban through the County Manager's office. When Cliff mentioned the IDA as governing board to the economic director. Brent Billingsley said that wouldn't fit with the plans they have in place. He said he would gladly show Northern Gila County how to emulate the success of the City of Globe. The economic development director would have no place with the IDA, according to Brent Billingsley. Cliff met with Star Valley Town Council likes the idea of the IDA being involved, and liked the idea of having elected officials involved.

All the attendees at the economic summit were members speaking alone, not for the entity. It was intended to be an informal introductory meeting. Regarding the process of economic development in Gila County.

Fred: What was Brent offering to present to the Rim County?

Cliff: He believes the function of the SGCEDC and the City of Globe is a good working model, and he offered to share that with the Rim Country.

Fred: Met with Mr. Billingsley said the City of Globe is a major contributor to both the Chamber and the EDC.

Cliff: Is that the prevailing attitude (economic summit) of the other entities? It was apparent that the IDA would not be in favor as an advisory board.

Gerry: The Globe City Council would have more to say than the City Manager, it would be worth going to them directly.

Cliff: He did say that he was not speaking for the City of Globe. He was there to represent the EDC.

Fred: Feels the IDA Board committed to this early on. The IDA is a state-mandated entity. There may be some people that are under the impression that the IDA isn't to be involved with economic development. The state mandates that we should be. Marcanti supports the concept of the IDA as an advisory board 100%.

Bill Byrne: Spoke to Supervisor Pastor he seemed to be on board with having the IDA take the lead as the advisory board. Having met with other entities, what is your feeling?

Cliff: Has spoken to Rim Country, Payson Mayor, etc. they seem to be in favor. There was only one person in clear opposition, Brent Billingsley, City of Globe.

Fred: Spoke to someone??? Who is in support.

Stan: Move forward despite what Billingsley says.

Tim: Juan Salgado mentioned deals that he could hand to us. Without the website, they're not going to come to us. If we can reach out and get support from Phoenix IDA to show that they're interested in working with us. We need to show them (Gila County) they have a need.

VII. INFORMATION/DISCUSSION/ACTION as determined regarding the need for a Workforce Feasibility Study for Gila County: Cliff Potts and Fred Barcon.

Fred: Was contacted by William Beal's investment group to build an apartment complex, 200-250 apartments. He asked about the IDA having everything in place, provided the name of our bond attorney, and referred him to Brent Billingsley. William Beal requested a workforce feasibility study. Brent asked the EDC to prepare the survey. The survey produced by the EDC was not the information that the investment group needed. The Workforce Study is a living document that is updated. Since the study the EDC provided did not meet the requirements, we researched what might be available. Gerry reminded Fred of APS' involvement in funding this type of study. When Fred contacted the person in charge, he discovered that APS pulled out of many community programs.

Cliff: This is a broad issue. If communities should have a workforce study on file, we shouldn't just limit it to Globe-Miami. Is this universally required? My involvement has always been project specific, a document to take to lenders to prove they have a viable project. A lot of questions that we don't have the answers to, if we had an economic director involved we'd have the answers.

Fred: Mr. Beal said this is one of the things that is asked for when the investment group considers a project in a rural area. Marcanti said he wants his district to be prepared. He offered \$5,000 toward the goal of obtaining the workforce study.

Stan: Asked for the specific location.

Fred: The investment group is very interested in making the project a reality. He mentioned several projects that will be happening in Globe-Miami over the next several years. With the smelter renovation, there isn't any place for the 2,500-3,000 new employees that will come in for the smelter renovation. If ASARCO renovation happens, that will bring in several jobs. Because of the union negotiations, news has not been released.

Mac: The project would bring a bond deal to the IDA. That's the reason we exist.

Gerry: I'd like to see the county and cities contribute for the study.

Fred: Mentioned that Brian will be looking for grant funds for the studies for all the communities to be included.

Mac: It's a seed that has to be developed for all of these communities. Like to know more about grant monies to expand the survey.

Cliff: What do you all think to approve the invoice of \$11,000 plus expenditures along with Supervisor's Marcanti's \$5,000.

Motion made by Fred Barcon, seconded by Tim Humphrey.

To approve the engagement of Griffin Consulting cost not to exceed \$14,000 with contribution of \$5,000 from the County and possible other grants, contributions.

VIII. INFORMATION/DISCUSSION/ACTION as determined regarding an update on the IDA task list: Cliff Potts.

ASARCO letter, written and sent.

Gerry: Construction loan to contractors?

Cliff: The statute for the IDA states no single family residents. Our mission statement is to promote economic development in the county.

Tim: Bonding. What if we had individuals interested in providing funds for loans through the IDA.

Cliff: We'd have to check with legal counsel. It would be a good sideline investment.

Tim: Knows some investors that would be interesting in carrying notes on single family homes. Maybe the IDA can carry be the conduit for a fee.

Cliff: The laws that are in effect due to the ability to repay the loans, normal underwriting standards. The barrower can unwind the loan because there is no way to prove the ability to repay. From his end of the business, you'd have to have experts involved. The consequences of mistakes are terrible.

Fred: Contact USDA about loan programs. Maybe we can put the two together.

Cliff: There is a gap for exactly what Tim is talking about. You have to get a licensed loan originator to handle the transaction and documentation required. It may be worth checking into. Check with Pat Ray and loan services to update the Board. Flesh out and see what might be feasible.

IX. CURRENT EVENTS

X. CALL TO THE PUBLIC

XI. ADJOURNMENT

Meeting adjourned at 11:40 a.m.