

**CITY OF PEORIA, ARIZONA
STAFF REPORT**

RPT #: _____

Date Prepared: August 23, 2010 **Council Meeting Date:** September 21, 2010

TO: Carl Swenson, City Manager

THROUGH: Susan J. Daluddung, Deputy City Manager 

FROM: Scott Whyte, Economic Development Services Director 

SUBJECT: Progress update on the Economic Development Implementation Strategy

SUMMARY:

The Wadley Donovan Group will recap the conclusions from the previous presentations on available labor force, targeted industries, and space in the City, as well as present the action initiatives of the Economic Development Implementation Strategy. These initiatives have been reviewed and prioritized by the Economic Development Advisory Board.

This report is the third progress update from the study. We expect to bring the entire EDIS to City Council for adoption on October 19, 2010.

Economic Development Strategy Recommended Initiatives in Order of Priority

Recommended Initiatives in Order of Priority		
#	Short Name	Brief Description
1.	University Recruitment	Continue the City’s current efforts to recruit a university to the City, emphasizing one with a strong, internationally recognized engineering program.
2.	Investment Zones	<p>Create targeted investment zones within Peoria with business assistance and incentive programs aimed at attracting desirable business investment to those areas. Current areas identified for inclusion as targeted investment zones are:</p> <ul style="list-style-type: none"> • Old Town <ul style="list-style-type: none"> — Includes working with the Fire Department to implement changes in the City’s Fire Code pertaining to reuse of buildings in Old Town • Loop 303 Employment Corridor - future business development areas associated with Loop 303 • The Northern Avenue Redevelopment Corridor • Plaza Del Rio – building on existing medical/research/physician base • The Peoria Entertainment District at Arrowhead, including: <ul style="list-style-type: none"> — Identity creation and theming — Redevelopment of the sports complex parking lot(s) — Creation of a public space — Signage (electronic, digital, and way-finding) — Key intersection improvements and pedestrian connectivity — Intra-district transportation and connection with the auto dealer corridor, Rio Vista, and Skunk Creek — Increased district events — Centralized District promotion and management <p>Examples of tools to be used to promote development in Investment Zones include:</p> <ul style="list-style-type: none"> • Adoption and implementation of the Old Town Commercial Rehabilitation Program for university attraction • Establishment of Business Improvement Districts or other non-taxing special use districts for Old Town, the Entertainment District, and other Investment Zones found appropriate • Establishment of a Foreign Trade Zone or sub-zone in Peoria • Reactivation of the City’s Industrial Development Authority • Preparation of a Market Analysis of development opportunities for the key Investment Zones • Create a “Plan to Suit” Program for targeted projects by establishing and promoting a City staff working group to assist developers in planning land use and infrastructure needs for new developments; this may also include acquiring land from ASLD where applicable. Creation of a long-range development plan for the Loop 303 area that schedules phased infrastructure installation for the area and includes other planning elements to guide long-term development • Development of plans for one or more “virtual buildings” to be shovel ready. • Certification of sites in the zones as “shovel ready”, such as outlined in www.uscertifiedsites.com
3.	Health Care Strategy Development and Recruitment	Build on ongoing efforts to create and implement a targeting strategy for recruitment and servicing of a significant health care sector, including both facilities and services, in Peoria.

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4.	Business Assistance Program	<p>Adopt and aggressively promote programs and policies (including incentives) that provide necessary services and assistance to existing businesses in the City, and demonstrating that Peoria is a serious competitor for economic development investment.</p> <ul style="list-style-type: none"> • Virtual business assistance office that focuses on helping people understand how to use their home for a business (e.g. zoning, fire, business licenses, etc.) • Create space that can be used by small businesses (i.e. conference space, etc.)
5.	Strategic Land Assembly	<p>Strategically seek to obtain or facilitate control of critical business development parcels, in particular, those associated with Loop 303, Old Town redevelopment, and key parcels with Loop 101 frontage to provide shovel-ready sites for development.</p>
6.	Marketing Plan	<p>Create a comprehensive, multi-year marketing plan and budget for Peoria’s economic development efforts with specific attention to Old Town, the Entertainment District, Loop 303, university recruitment and health care and bioscience recruitment.</p> <p>Elements of this plan should include:</p> <ul style="list-style-type: none"> • Establishment of a Peoria economic development image and marketing identity to be used as a unifying theme in all economic development promotional efforts – creation of a Peoria ED brand • Retention of a firm specializing in economic development websites such as ED Solutions to review the economic development portion of the City’s website and recommend improvements to make it more user friendly and effective as an economic development and labor attraction tool • Review and improvement of all collateral materials used in economic development marketing and support efforts – Focus on digital materials • Creation and implementation of a work program for establishing stronger relationships and alliances with key groups including regional partners, existing businesses, commercial and industrial real estate brokers, and private sector utility and telecommunications firms • Prepare and distribute prospectuses describing development opportunities and providing relevant market-based data for these opportunities, in particular in Old Town, The Entertainment District and the Loop 303 area. Plan and conduct Investment Conferences to present and discuss development opportunities. • Recruitment strategies for targeted businesses • Multilingual capability
7.	Target Industry Advisory Groups	<p>Create advisory groups for each of Peoria’s target industries comprised of companies in the City and West Valley, MCC (and their advisory groups), ASU (where appropriate), and other appropriate groups.</p> <p>Short- and long-term targets include: healthcare services, biosciences/life sciences, financial and insurance services, professional/scientific/technical services, administrative services.</p> <p>Create a Biotech/Bio Science (or Life Sciences) Council with CORE, TGen, Banner/Sun Health Research Institute, MCC the AZ Technology Council, AZ Biomedical Collaborative, Flinn foundation, Arizona Integrated Physicians, and other appropriate groups to develop a short and long range strategy for developing a Biotech cluster linked to the Phoenix Biomedical Campus (PBC). Topics to discuss include workforce requirements, locational issues, technology transfer, and other items of shared interest.</p>

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8.	Economic Development Investment Policy & New Tools	<p>The emphasis for this policy should be on job creation</p> <ul style="list-style-type: none"> • Establish a working group, with input from legal counsel familiar with Arizona statutes and case law on incentives, to prepare broad policies and specific programs to shape future Peoria incentives. • Create a spreadsheet-driven format for evaluating costs, benefits, and return on investment of projects requesting City assistance/investment, including compliance with the Arizona Supreme Court City North decision. • Creation of a return on investment analysis tool for City investments.
9.	Business Incubator	<p>Create a business incubator or “incubator without walls” program, based upon the findings from a feasibility study conducted by a firm such as Innovative Partners Incorporated (innovativepartners.com) that specializes in such facilities. In particular, in partnership with CORE and TGen, study the need for and feasibility of a biotech or life sciences incubator. Other high-tech-related or general business incubators can also be studied.</p> <p>Needs to provide services that start-up businesses need, including financial support, equipment and supplies, administrative support, etc. – not just space</p>
10.	Permit & Approval Process Task Force	<p>Build upon the City’s ongoing development forums by creating a City/Private-Sector Task Force to identify specific problems with or weaknesses in the City’s permit & approval process and identify necessary improvements, seeking input from the development community.</p>
11.	Workforce Development	<p>Identify and implement programs designed to assure that Peoria can provide the workforce of the future that will be sought by targeted business sectors. Examples of programs include: <u>Coordinate with PUSD to:</u></p> <ul style="list-style-type: none"> • Institute biotech and other technology-related high school internship programs in the Peoria Unified School District coupled with employers in the Valley, and partnership programs within the entire K-12 system and Maricopa Community College. • Institute a strong Science, Technology, Engineering and Mathematics (STEM) program in the PUSD, working with Science Foundation Arizona. • Have the PUSD as full partners in implementation of the Economic Development Implementation Strategy. • Encourage the PUSD to set performance goals and standards that emulate the most academically recognized school districts in the nation.