



UPDATE

The Arizona Association for Economic Development is the leading advocate for responsible economic development for all of Arizona.

The Valley Grows Up

[Amy Malloy, Westcor]

It is happening all over. Burgeoning cities at the edge of the Valley and large cities in the core are all looking to create or increase the intensity of high-rise and vertical development. Three different communities, Avondale, Tempe, and Phoenix were interviewed to learn how they plan to grow up.

Phoenix, John Chan:



While Phoenix has long had high-rise development, what have been some of the recent difficulties in trying to “grow up”? (i.e. who opposes it—developers, residents, politicians?)

High-rise development in downtown Phoenix’s business district is regarded favorably by downtown residents and visitors alike. Downtown Phoenix represents the best example of dense commercial development and urban living in the Valley. High-rise development is essential to that equation.

The biggest hurdles to high-rises are logistic. As the downtown core has increased in density, remaining parcels have become smaller and more difficult to fit the large buildings that current land prices and returns on investment require. Finding feasible parking solutions on these new high-rises has been especially difficult since the parcels are often odd-shaped and too small to accommodate adequate drive aisles.

How do you feel about high-rise, high-density, development? Do you think it should all be concentrated at one location?

Yes. Locating high-rises within a defined downtown area is vital to good planning and efficiency. The tall office buildings accommodate office workers who either drive or take public transportation to work. Both require significant public investments in infrastructure as roads must be large enough to handle large traffic volumes and busses. Where workers drive, parking garages are necessary to

efficiently park cars. A downtown core with easy freeway access, close proximity to the airport, multiple public transit options, and parking garages creates a highly efficient business district.

High-density development also gives people the option to live, work, and recreate all in close proximity. This is the essence of urban living and the perfect antidote to sprawl.

What sort of benefits do you see, if any, of high-rise development?

High-rise development maximizes the highest and best uses of limited property, which is necessary to create high density, great views, and a thriving downtown.

Avondale, Claudia Whitehead:



It has been mentioned that Avondale is looking at high-rise development along the freeway corridor. As the community embarks in high-rise development, what have been some of the recent difficulties in trying to “grow up”? (i.e. who opposes it--developers, residents, politicians?)

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In Avondale, the City Council and residents are enthusiastic about the opportunities for higher density mixed-use projects to develop along the undeveloped portion of Avondale's I-10 freeway corridor. They envision this area for employment, hotel, retail and restaurant. There are differing opinions among the development community as to whether the market demand along this corridor is ready for the kind of development that Avondale envisions for the area.

How do you feel about high-rise, high-density, development? Do you think it should all be concentrated at one location?

I am not so sure about "high-rise" development in Avondale in the near future, but believe in the mid-rise, higher density mixed-use development.

I believe the higher density; mixed-use developments bring a sense of energy, synergy and connectivity to an area. I believe that higher-density development is better in concentrated areas. As a City grows, this type of development could expand into several locations depending on the maturity of its employment corridors.

What sort of benefits do you see, if any, of high-rise development?

I have to copy what I said above - I believe the higher density; mixed-use developments bring a sense of energy, synergy and connectivity to an area.

Tempe, Sheri Wakefield-Saenz



As Tempe embarks in high-rise development, what have been some of the recent difficulties in trying to "grow up"? (i.e. who opposes it-- developers, residents, politicians?)

Tempe is experiencing an unprecedented amount of development right now, with 43 large projects in the system at this time. About 38 of those are in the Mill Avenue District and Tempe Town Lake areas. Get a list of those projects at www.tempe.gov/business and click on the development report.

Because Tempe is an urban environment, the challenges of growing upward have been less than one might imagine. We constantly examine the balance of our tallest buildings with the surrounding community. Public meetings are held to listen to the concerns of citizens and even 3D models showing how these buildings will integrate into the community are created.

How do you feel about high-rise, high-density, development? Do you think it should all be concentrated at one location?

These are issues that our City Council decides. The policy now is to concentrate our high-rise development in a tent pole, meaning that the Mill Avenue District and Tempe Town Lake areas offer the tallest buildings, with the height settling down as you get further from that area.

What sort of benefits do you see, if any, of high-rise development?

Tempe is landlocked. Because we can no longer spread out, we have to grow up. We call this effort, Upwardly Urban. While the City of Tempe is home to 165,000 residents, it employs about 175,000 workers. The city also provides tourism activities for more than 2.5 million people each year in the Mill Avenue District and Town Lake area alone. High rise buildings in our city's core allow more businesses to locate in our community, such as SmithBarney, KPMG, SunCor and others. It also allows more people to live in our city's center, creating a 24/7 environment which is economically successful and sustainable.



Have a story idea for the UPDATE?

We want to hear from you!
Write the editor at rbusch@scottsdaleaz.gov.



NEWSWORTHY

[John Bowers, AAED]

Barbara Pizzarello of The Beck Group, an AAED Partner, will be joining Nick Davis as AAED representatives of that company. She replaces Art Perkins as an AAED member. Paul Esparza, Community Development Director of the Town of Pinetop-Lakeside, is that community's new representative in AAED, filling the spot formerly held by Paul Esswein. Sheral James has returned as an AAED member, representing J. E. Dunn Construction Co.

Former AAED Board member Kristie Hedlund is Publisher of a new publication, Phoenix Woman magazine, scheduled to hit area newsstands in November.

Rural Economic Development Initiative (REDI) grants have been awarded to three Arizona communities. Bullhead City and its ED Authority received \$15,000 for a feasibility study to assess the potential for a regional industrial park and incubator; the City of Payson was granted \$6,840 for a workforce study; and the City of Williams received \$1,160 to publish copies of a new business directory.

The AAED Board of Directors recently entered into a reciprocal membership agreement with the Arizona Planning Association. Patricia King, APA Executive Director, will be the AAED representative from that association, and a number of joint activities are being planned for members of our two associations.

AAED Patron Partner Faithful + Gould is teaming with the Alliance for Construction Excellence and the Del Webb School of Construction at ASU to present an International Conference on Public-Private Partnerships and the Private Finance Initiative October 26-27 at the Arizona Biltmore Resort. Mike Apostolos invites AAED members who want more information on this great opportunity to hear and network with local and global professionals to check the conference website, www.pppffi.org.

Watch for details!

AAED LAUNCHES NEW *Business Development* Job Posting Category

[Myra Getsch, AAED]

AAED's website at www.aed.com has been the pre-eminent place to search for Economic Development related jobs throughout the State of Arizona for several years. "Job Postings" is the area online that receives the heaviest traffic with over 11,000 hits in the past four months.

Effective immediately, AAED is now offering a separate Business Development category under Job Postings to our Provider members.

The fee to post is only \$50 per listing. Just email your job posting as a separate attachment to myra@aed.com. We leave the listing online until the position has been filled.

The Alliance for Construction Excellence and Faithful+Gould present:

An International Conference:

Public-Private Partnerships and the Private Finance Initiative

October 26 - 27, 2006
The Biltmore Resort ■ Phoenix, Arizona

Join international professionals for two days of interactive presentations on Public-Private Partnerships and the Private Finance Initiative (PPP/PFI). Network with your peers while learning the latest application of the PPP/PFI process from industry leaders. Don't miss this chance to discover what works, who is successfully implementing the process and how you can use PPP/PFI to gain a competitive advantage.

Topics include:

- US Market Overview - Thomas Sweeney (East R. Young)
- A Legal Perspective - David Gross (Global Cities)
- Technical Risk Management in PPP Concessions - Steve Gray (Faithful+Gould)
- The Added Value of Bond Enhancement: The Chicago Skyway Project - Frank Larson (Financial Security Associates)
- Privatization: The Key Ingredient to PPP - Jeff Jackson (Shaw)
- The Role of Private Equity in Infrastructure - Carlos Jimenez (Gale)
- Mindset: The Key Issue - Robert John Adams
- Electrical Due Diligence—How Does it all Stack Up? - Jeff Peterson (TRW)
- Business Case to Financial Close - The Complete Process - Vincent Corp. (Faithful+Gould)

For more information or to register online visit <http://construction.asu.edu/ace>.

President's Message

[L.H. Hamilton, Cochise County]



Monsoon season is now officially over. If your part of Arizona is like my part, one would think we live in a tropical paradise. Everything is green and the desert vistas are truly magnificent.

And so it is with AAED. My sincere thanks to all of our Committees. I have been receiving minutes and updates from all our Committee Chairs and you folks are doing a fantastic job. The organization could not ask for a better group. All members who are not involved in committee or event work are really encouraged to participate. It is never too late, there's always room for new participants and ideas!

My inability to attend the Governor's Rural Development Conference or Golf Classic due to personal reasons has really made a huge dent in my ability to network and visit with all of you face to face. However, I want to personally thank each of you who have taken the time to call, email and send cards. It has made this time much more bearable.

As promised, the search for a new Executive Director is moving forward fast. The search committee will be paring down the list of candidates next month and hope to hold personal interviews not later than October 20th. We have garnered an excellent group of candidates and the search committee, composed of the Executive Committee plus Mike Ortega, City Manager of Douglas and David Beutler of APS, has made a strong commitment to move both diligently and swiftly through the process. If you have comments or suggestions on the qualities and skills you would like to see in our new Executive Director, give any of us a call. Your opinions and input will be of value in assisting us in making this all important choice.

Thanks again for all of your extraordinary work and support on behalf of AAED!

CALENDAR OF EVENTS

OCTOBER

October 10, 2006

AAED Tribal Showcase, Salt River Pima-Maricopa Indian Community
8:00 am – 12:00 Noon
Showroom Lounge, Casino Arizona
At McKellips, 101 & McKellips

October 12, 2006

Hosted Mixer at Concert
Architectural Interiors
5017 E. Washington, Ste.107
5:00 – 7:00 pm

NOVEMBER

November 7, 2006

Phoenix Membership Luncheon
11:30 am – 1:00 pm
Phoenix Country Club
Program: Downtown Phoenix
Development
Speaker: Mike Ebert,
RED Development

November 16, 2006

Southern Arizona Luncheon
11:30 am – 1:30 pm
Sheraton Four Points Hotel
Program: The Arizona Science
Foundation
Speaker: Steve Lynn,
Unisource Corp.

Lunch Charity

SELECTED FOR DECEMBER

We're proud that AAED has selected The Foundation For Burns And Trauma to sponsor as this year's charity. The foundation's primary mission is "to assist burn victims and their families in becoming burn survivors through rehabilitation, treatment and research..." Please take a few minutes to visit their website at www.azburn.org to learn more about this worthy cause. One look, and you'll see that this charity deserves both your time and contributions.

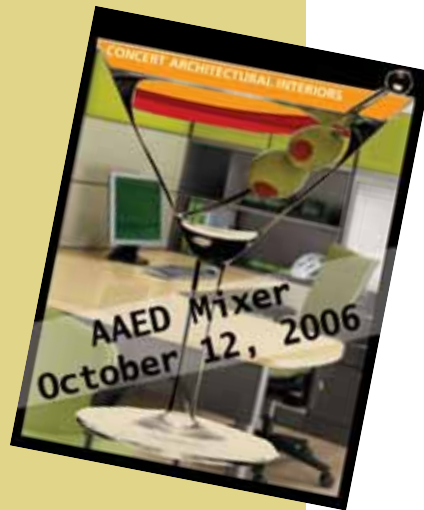


Are you interested in hosting a mixer?

It's a great way to showcase your company, and it doesn't cost much at all! Contact Tina Reed (tina.reed@bartonmalow.com) for details.

FOOD, Fun and Networking at the OCTOBER MIXER

Please join us for food, fun and networking as Concert Architectural Interiors hosts this month's mixer on October 12, 2006 from 5:00 – 7:00 p.m. Concert Architectural Interiors was formed in 1998 and provides Arizona clients with sustainable workspace solutions. On the 12th, they invite AAED members to join them in their office/showroom for catered food and beverages, contests and prizes. Their address is 5017 E. Washington Street, Suite 107, Phoenix, Arizona 85034. We look forward to seeing you there and thank Concert Architectural Interiors for graciously hosting this month's mixer!



New Members



Ron Hecht, Architect, Associate in the Firm
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Patricia King, Executive Director
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AAED Member Donated Fun

[Julie Miles, AAED]

David Bentler of APS donated 40 tickets and they were all claimed within 20 minutes of sending out the announcement. Maybe you could say AAED brings good luck with them wherever they go, as the DBacks won. The Diamondbacks won against the Washington Nationals 4-2.



AAED 11th Annual Golf Classic

We are proud to announce that this year's 11th Annual fund raising Golf Classic was a complete success. With palm trees and leis, margaritas and tequila shots, bobcats wandering the greens, and of course the Butthead Covers sponsored by Cox Communications, there was never a dull moment. We would like to thank all of the tournament sponsors as well as each and every person who came out to the Sanctuary at Westworld to support AAED. This year, we were able to raise more than \$14,700! We hope to see you all again at next year's golf tournament.



EVEN THOUGH THIS FOURSOME IS WEARING BEACHCOMBER HATS, THEY WERE LUCKY ENOUGH TO STAY OUT OF THE SAND.



GET A GRIP AND HAVE FUN AT NEXT YEAR'S AAED GOLF TOURNEY.



GOLFING HAZARDS

HAVING CARTS OF FUN!



BORN TO GOLF, FORCED TO WORK!



"TEE"TH UP!

SUN, TURF, AND SAND!



THIS FUN GROUP SHOWS OFF THEIR CRAZY GOLF CLUB COVERS.



SPOTLIGHT: Dick Mulligan

[J oyce Grossman, City of Phoenix]

Dick Mulligan began his role as Economic Development Director for the City of Chandler in January 2006. Born in Illinois, Dick spent his formative years growing up in Wisconsin. He received his BS in Political Science from UW-Oshkosh and his Masters in Public Policy from ASU.

What do you enjoy most about your role with the City of Chandler?

I have a passion for public service and enjoy being able to make a difference. It is a rewarding career position.

What is your most memorable success while serving in this capacity?

While working as the Director of Community and Economic Development in Tennessee I helped develop a rural health care initiative and strategy for a regional med/tech center. The knowledge and experience I gained through that process proved beneficial when I moved to Mesa. When A.T. Still University of Health Sciences was looking to relocate, I was better able to understand their needs and challenges. A.T. Still is now located at Recker and Baseline and working on the next phase of developing a health and technology parl. What's next? Bioscience firms in Chandler!

Who is your role model?

My father. His experience encompasses time spent in economic development, head of the local Chamber of Commerce, congressional staff person and page editor for the local newspaper. This exposed me to the ins and outs of economic development and public policy issues.

Who was your mentor?

In a previous role with the City of Chandler, I worked with former city managers Dan Brown and John Pinch who was the City Manager at the time. They helped shape me as a professional, which is something I came to appreciate more fully later in my career.



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AAED Update

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AAED Update provides news and views of the Arizona Association for Economic Development and its members.