

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

## Rail-Served Industrial Land, an Endangered Species?

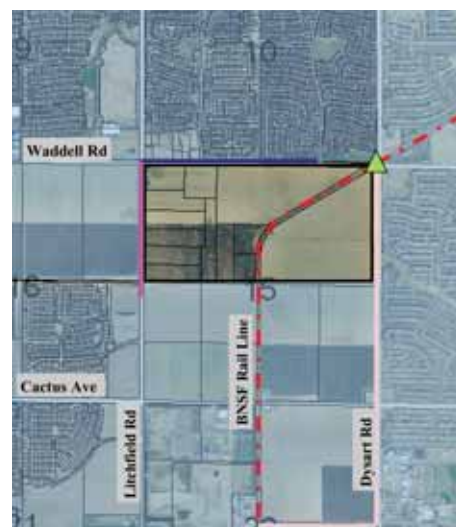
Industrial property in Arizona is getting more difficult to find. As our state continues the residential development boom, prime industrial land is becoming scarcer. While it is exciting for communities that were waiting on the fringes for residential development to come their way, the lack of industrial property could end up hurting them in the long run.

Without base jobs these communities will struggle with sustainability. Homeowners cannot live on service industry wages; they will need good base jobs. In addition, the land demand for residential homes pricing many manufacturers out of our market.

“New Mexico is now reaping some benefits from companies that originally sought to locate in Arizona, but were turned away because of escalating land prices. Rail-served properties in particular are becoming more and more scarce, I can count 10 –15 different manufacturers who are currently looking for rail-served properties in Arizona, and we are struggling to find them sites,” says David Bentler, APS’s Manager for Statewide Economic Development. On the other hand, John Hagen, CEcD, Economic Development Director for Surprise noted, “we do have a large amount of industrial rail served property, but the prices are starting to move up because of the residential push.”

One Arizona community that admittedly allowed residential zoning adjacent to industrial property in years past, is making efforts to protect new industrial properties. Peoria has the Burlington Northern Santa Fe Railroad running through their community, but very little usable industrial land. Peoria’s citizen’s commute to surrounding communities for jobs due to lack of employment opportunities locally. Their Economic Development Department, with the help of their Citizen Advisory Board has taken steps to safeguard the future of their industrial property in the northern part of town. Working with the State Land Division, Peoria has zoned over 1,000 acres of state-owned trust land as Commercial/Industrial.”

The Greater Phoenix Economic Council is working with communities in the metropolitan area to address the availability of industrial land. This issue is greater than the Valley of the Sun. Arizona may want to consider following in the footsteps of Oregon, which in 2003 recognized the need to have readily identifiable industrial land available to stay competitive in the global marketplace. They convened an Industrial Lands Advisory Commit-



Rail-served industrial property in Surprise, AZ

tee that made recommendations for “project ready” sites.

*In your opinion, what are the next steps Arizona needs to take to remain competitive? Send your replies to the Editor and they will be included in the next issue, [rbusch@scottsdaleaz.gov](mailto:rbusch@scottsdaleaz.gov).*

*[ J oyce Grossman, City of Phoenix  
& David Bentler, APS ]*

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# SPOTLIGHT: L.H. HAMILTON, AAED Board President



New President LH Hamilton (and his Harley) ride full speed ahead, blazing new

Out next president – L.H. Hamilton– was born in Pampa, Texas, which for you who don’t know your geography, is in the panhandle, east of Amarillo. He grew up on a cotton farm in east Texas until he went to college – of course – at the

University of Texas, Austin. True to his youth, he now lives in another famous urban enclave – Hereford, Arizona.

L.H.’s AAED jobs include several years on the Board, the Government Affairs, Rural and Spring and Fall Conference committees, judging the EDDE Awards, industry forums and he was New Member of the Year.

### What do you enjoy about your job?

What he enjoys about his present job is wearing so many different hats, like economic development, capital improvement programs, consolidated solid waste programs – it is hard work, but fun.

### What is your most challenging opportunity?

His most challenging opportunity is preparing the County (Cochise) for explosive growth, which is coming. In some ways, the County is ready, in others, not at all. For example, his County has been assigned a new Superior Court judge – but there is no place to put him.

### Favorite success?

L.H.’s favorite success story is in developing the Bisbee/Douglas Airport. When he took over four years ago, it was a sleepy little run-down operation. Now it has several new tenants and soon will be the headquarters for the Border Patrol predator surveillance aircraft. And, it now makes money. The Airport was originally a B17 and B24 bomber training facility during WWII of around 3,000 acres, and was donated to the

County in April 1947 including all buildings, furniture and tools. L.H. would like to restore one of the large hangers, which is made of all heart redwood.

### What is a little known fact about you?

A little known fact about L.H. is that he leads a double life. By day, a mild mannered County employee, by night and weekend, he transforms into Harley biker trash, complete with bandanas and leathers. I asked him what his wife thought about all this and he said, “Hell, she has more leather than I do.”

If L.H. survives until the Spring Conference he is looking forward to a great year as President of AAED.

[ Herman Orcutt , The Orcutt/Winslow Partnership ]

## CALENDAR OF EVENTS

### MAY

No May Phoenix Membership Luncheon — cancelled because of proximity of date to Spring Conference

**May 18, 2006**  
So. AZ Membership Luncheon  
11:30 am – 1:30 p.m.  
Four Points Sheraton, Tucson  
Program: “Controlling the Arizona-Sonora Border”  
Speaker: Tony Porvasnik, Ass’t Chief, US Border Patrol

**May 22-23, 2006**  
IEDC Professional Dev. Course  
“Business Retention & Expansion”  
Hilton Phoenix Airport Hotel  
Reservations: [www.iedconline.org](http://www.iedconline.org)  
\$50 discount for AAED members

### JUNE

**June 6, 2006**  
Phoenix Membership Luncheon  
11:30 am – 1:00 pm  
Phoenix Country Club  
Program: “Marketing the Phoenix Convention Center”  
Speaker, Steve Moore, Gtr. Phoenix Convention & Visitor Bureau

**June 15, 2006**  
Northern Arizona Membership Luncheon  
11:30 am – 1:30 pm  
Thornager’s, Flagstaff  
Program: “Regional Collaboration”  
Speaker: Lori Gary, Greater Casa Grande Valley EDF  
Panel: Jonas Peterson, Mohave County ED  
Gary Marks, Prescott Valley EDF  
Dana Overson, Apache County ED  
Joan Bethell, ADOC

# Arizona's Elected Officials: A Vital Component to Arizona's Competitive Strategy

On August 1, in conjunction with the AAED luncheon, the Governmental Affairs Committee is hosting a symposium entitled Arizona's Elected Officials: A Vital Component to Arizona's Competitive Strategy. The symposium includes a variety of presenters who will address economic development from a municipal, regional, and statewide perspective. "We are encouraging all our local economic development members to invite their locally elected officials to attend," said Nick Davis Governmental Affairs Committee Member.

## PROGRAM OVERVIEW

- Knox Kimberly..... Welcome/introduction presenters  
Triadvocates
- Holly Childs..... Municipal Perspective  
City of Goodyear
- David Valenzuela..... Regional Perspective  
Greater Phoenix Economic Council
- Lisa Danka..... Statewide Perspective  
Arizona Department of Commerce
- Knox Kimberly..... Question and Answer Session
- Barry Broome..... Luncheon Speaker  
Greater Phoenix Economic Council

Be sure to mark your calendars now for this great event. More detailed information about this event will be featured in a future AAED Update and soon on the AAED web site. In the mean time, if you are you a political junkie and want to get involved with the local legislative issues, you're the ideal committee member for AAED's Governmental Affairs Committee! The Committee participates in the legislative process by educating and informing Arizona Legislators and AAED members on key economic development related issues. "Our current goals are to provide membership with a summary of legislation which may affect their community, provide educational opportunities to candidates for public office, and create venues for members to visit with Legislators," said Dave Naugle, Chair. "Our biggest accomplishments are our three major programs; legislative luncheon, legislative updates and Economic Development training."

The committee generally meets immediately after the Phoenix Monthly Luncheon at APS's Offices in Phoenix downtown. To get involved with the Committee, contact Dave Naugle at david.naugle@swgas.com or visit the AAED web page for more information: [www.aaed.com](http://www.aaed.com). [ Megan Griego, Town of Fountain Hills ]

## NEWSWORTHY

**New Faces in New Places...** Miguel Bravo has joined the Community & Economic Development staff of Arizona Public Service. He moves from AZ Department of Commerce. Rebecca Robinson has moved to the Town of Gilbert ED Department from the Greater Casa Grande Valley ED Foundation. The Greater Yuma ED Corporation has promoted Chris Camacho to Interim President/CEO.

**More New Faces...** Michele Pino has joined Arizona Land Advisors, moving from the ASU Research Park. Len Goeller has joined the ED staff of the Pascua Yaqui Tribe. Thomas Harrison is the new AAED representative from M. A. Mortenson Company, replacing Rob Warneca.

"Regional Collaboration: Strength-

ening Northern Arizona" is the topic for the Northern Arizona Membership Luncheon to be held in Flagstaff on Thursday, June 15. The speaker will be AAED Board member Lori Gary, Executive Director of the Greater Casa Grande Valley ED Foundation. Her presentation will be followed by a panel discussion featuring Jonas Peterson, Mohave County ED, Gary Marks, Prescott Valley ED Foundation, and Dana Overson, ED for Apache County. The luncheon begins at 11:30 a.m. at Thornager's Kilted Kat Restaurant

The May 18 Southern Arizona Luncheon addresses a topic of vital interest to the entire State, Border Security. Tony Porvaznik, Assistant Chief of the U. S. Border Patrol, will review current initiatives of that

agency, and the successes and failures it has experienced. All members are encouraged to attend the luncheon, beginning at 11:30 a.m. at the Sheraton Four Points in Tucson.

Steve Moore, President & CEO of the Greater Phoenix Convention & Visitors Bureau, will brief AAED members on what the newly-expanded Phoenix Convention Center means to Arizona's economic development efforts at the June 6 Phoenix luncheon, set for 11:30 a.m. at the Phoenix Country Club.

May 12 is the entry deadline for the 2006 IEDC Excellence in Economic Development Awards. For further information, check the IEDC website, [www.iedconline.org](http://www.iedconline.org).

[ Jahn Bowers ]

## AZ GLOBAL NETWORK: Ready for International Action

On March 1, 2006, the Arizona Global Network (AGN) task force made up of representatives across the state, such as Greater Phoenix Economic Council (GPEC), Greater Flagstaff Economic Council (GFEC), Tucson Regional Economic Opportunities (TREO), the Arizona Department of Commerce (ADOC), universities, and other economic development partners was created to attract foreign investment. While this public-private partnership is in its infancy, it is already positioning itself to provide comprehensive input into Arizona's need to 'go global'. David Drennon, with the Arizona Department of Commerce, provided the following insight into AGN:

### *What are the main objectives of AGN?*

This public-private economic development partnership is designed to

secure statewide foreign investment, which will result in the creation of more new high-wage jobs and the further diversification of Arizona's economy.

### *Has this sort of partnership been previously attempted?*

Collaborating with economic development partners statewide, the Arizona Department of Commerce takes a wholly integrated approach to create jobs, expand the tax base, increase per capita income and promote a globally competitive business environment. The AGN builds on the strengths and partnerships that already exist.

### *Why is it timely for AGN to exist now?*

Arizona's capacity to attract, invest and utilize capital, as well as globally compete in innovation is cur-

rently not sufficient as compared to markets of comparable size and industry growth throughout the U.S.

### *What does AGN task force envision as its next steps?*

The AGN is designed to address international competitiveness issues and increase the state's existing international economic activity. The Arizona Department of Commerce has committed substantial resources to implement the foreign direct investment strategy and is working to expand participation among rural communities and other interested economic development partners across the state.

[ Amy Malloy, City of Apache Junction ]

## Santa Cruz County Workforce Development Evolves to Commerce and Economic Development

When you're the smallest county in Arizona and positioned directly on the U.S. – Mexico border, necessity becomes the mother of invention, or rather, evolution.

At the beginning of fiscal year 2005, the Santa Cruz County Board of Supervisors under the leadership of county manager, Greg Lucero reorganized and expanded Santa Cruz County Workforce Development to Santa Cruz County Commerce and Economic Development (SCCED). The department continues to be directed by Nils Urman.

"Nils' skill set coupled with his community involve-

ment and ability to secure outside funding made Workforce Development the right department to grow with Nils the best person to lead the effort," Lucero offers. Besides his work with SCCCED, Urman is also president of the Nogales Community Development Corporation and site coordinator for Seeds of Change, the local Weed and Seed program.

While many view workforce development and economic development separately, Urman believes integrating the two is "just plain common sense". "If economic development is about creating jobs and adding wealth in the community then workforce development

*continued on page 5*

# New Members

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## Unemployment Rate (Sea. Adj.)

	Mar '06	Feb '06	Mar '05
United States	4.7%	4.8%	5.1%
Arizona	4.1%	4.4%	4.6%
Flagstaff-Metro	4.5%	5.1%	5.3%
Phoenix-Metro	3.5%	3.9%	4.2%
Prescott-Metro	3.4%	3.7%	4.1%
Tucson-Metro	3.9%	4.4%	4.5%
Yuma-Metro	14.7%	15.7%	16.0%

Courtesy of <http://www.workforce.az.gov/>

*Have a story idea* for the UPDATE? We want to hear from you! Write the editor at [rbusch@scottsdaleaz.gov](mailto:rbusch@scottsdaleaz.gov).

### “Santa Cruz County Workforce” *continued from page 4*

must be a key component in that process,” Urman explains.

“As we see it, we have a range of customers — individuals, businesses, funders and investors — and our responsibility is to make sure there is value added at every level and that all of our customers are successful,” Urman adds.

In an era of dwindling resources, SCCCED runs lean and mean by leveraging resources through innovative partnerships that bridge the gaps. “In a small community like ours with an emergent economic development department, we have the advantage of moving quickly

without organizational inertia,” Urman advances. Beyond workforce development our primary challenges include Business Expansion and Retention, continuing education, worker housing, administration of the Santa Cruz County Enterprise Zone, and support of other economic development activities in the region including the Greater Nogales/Santa Cruz County Port Authority.

Article contributed by Elaine Mariolle, Programs Manager, Santa Cruz County Commerce and Economic Development.

# LATEST DIRT

**Chandler** - Animal rights activists oppose Covance: The global drug development company with more than \$1 billion in annual revenue announced in October it wants to build a 400,000-square-foot clinical testing facility in Chandler by 2008. The company bought a 38-acre parcel on Price Road, between Germann and Queen Creek roads, last summer for \$8 million. The lab will be used to test new drug components on animals, such as mice, hamsters, primates and dogs.

Covance's plan has drawn critics who charge the company abuses its test animals and will bring deadly diseases to Chandler. Company officials have stated animal testing is a scientific and regulatory requirement in drug development and that no animals are abused.

Chandler's decision on whether to welcome drug-testing company Covance could affect the city's ability to attract other bioscience companies, and if Chandler denies rezoning for Covance it could send a negative message to the bioscience community.

**Goodyear** - Goodyear chooses site to build baseball stadium. Goodyear has added a big slugger to the team vying for major-league baseball.

City officials, who have been working for years on landing a spring training facility, have announced that the team behind San Diego's baseball-inspired downtown renaissance is on board to bring the major leagues to

Goodyear. The Goodyear team includes JMI Sports, the development firm for the San Diego Padres.

In a unanimous vote Monday night, the Goodyear City Council chose a 240-acre parcel for the proposed 10,000-seat spring-training stadium. The proposed facility is expected to cost roughly \$65 million, said John Ruggieri, managing director for Goodyear-based Rose Properties Southwest LLC. Rose is the developer working with JMI Sports and HOK Sport to craft the Goodyear proposal. Goodyear officials want the development to be more than just a baseball stadium. They envision a "mixed-use stadium village" designed for year-round use.

**Phoenix** - Work begins on Sheraton downtown: Phoenix's city and business elite officially broke ground on a new \$350 million, publicly financed Sheraton hotel Tuesday morning and repeatedly emphasized how crucial the project is to downtown revitalization and the Valley's overall tourism market.

The 1,000-room Sheraton Phoenix Downtown is slated to open in fall 2008 on the northwestern corner of Third and Van Buren streets.

When complete, the property will stand 31 stories, feature meeting and ballroom space, a full-service restaurant and an outdoor pool area.

*[Amara Boesch, Adolfsen & Peterson Construction]*

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