

MINUTES OF THE WORK SESSION OF THE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD MAY 19, 2011 AT 6:30 P.M. IN THE TOWN COUNCIL CHAMBERS.

Mayor Smith called the Work Session to order at 6:31 p.m. Roll call was taken as follows:

<u>ROLL CALL:</u>	<u>Present</u>	<u>Absent</u>		<u>Present</u>	<u>Absent</u>
Mayor Luke Smith	<u>X</u>	_____	Stephanie Irwin	<u>X</u>	_____
Vice Mayor Rich Crockett	<u>X</u>	_____	Kim Webb	<u>X</u>	_____
Norris Dodd	<u>X</u>	_____	Leslee Wessel	<u>X</u>	_____
Dennis Hughes	<u>X</u>	_____			
Council Elect Dara Vanesian	<u>X</u>	_____			

STAFF PRESENT:

Kelly Udall, Town Manager; W. Kent Foree, Town Attorney; Lu Anne Frost, Town Clerk; Mary French-Jones, Grant Coordinator; Paul Esparza, Community Development Director; and Woody Eldredge, Chief of Police.

REPORT ON THE BUXTON COMMUNITY ID REPORT UPDATE BY PAUL ESPARZA:

Paul Esparza stated this request to the Council to update the Buxton report is supported by Goal Number One in the Strategic Management Plan to strengthen and diversify the Town’s economy, and said Action Plan Number One directs pursuing and identifying opportunities for commercial venture. He said that is exactly what this update would do. He stated in January 2006, Main Street commissioned the first report, and said it was an opportunity to identify retail opportunities in the Town. He said the original report identified twenty retail matches. He said they looked at several locations within the Town. He said at that time the preferred site was the Maverick Center, and said they were able to develop the report based on that site. He said they also identified two other sites, and said any one of those would have worked with the demographics. He said there was a subsequent report in May 2008 that identified five retailers for the location of Porter Mountain Road and White Mountain Blvd. He said they have a history with Buxton and know their findings work. He said, in his pursuit of getting a proposal from Buxton, he also contacted two other companies. He said there is a company out of Idaho by the name of ROIC (Return on Invested Capital), and a company called The Retail Coach out of Mississippi. He said they are both very similar to Buxton, but said Buxton offers additional services. He said they were in a good position with Buxton as a repeat customer, and said they got a better price. He said Buxton has advanced since they originally started and now use a web-based engine called SCOUT. He said they would have access to the data through this web-based engine, and said they would be able to download data and generate reports. He said, in the past, they have only received hard copies. He said they would be looking at demographics, which is the breakdown of population, households, income levels, and median and disposable income. He said Buxton has the largest repository of household level data of anyone in the United States, and said it is very comprehensive. He said they would take the demographics and compare them

with psychographics, which he said looks at lifestyle segmentation profiles. He said individuals fall into one of the lifestyle segments. He said, by tracking the use of credit cards, they could determine what the retail trade area looks like. He said Buxton would develop a retail trade map that would show the area around Pinetop-Lakeside to identify the retail matches. He said Buxton would identify twenty retailers, and said it could include retail, restaurant, or entertainment concepts. He said it would refresh the original report, which he said is five years old. He said many of the companies, identified in the original report, are not in the expansion mode any longer, and said much of that information is no longer current. He said this report would provide good matches for the Town, and said they would also provide the Town with a retail-matching model that would allow him to go to any point in the trade area and identify a location suitable for a particular business based on psychographics or demographics. He said they would be able to look at the amount of money consumers are spending outside of Town. He said the Retail Gap Analysis looks at potential sales versus actual sales. He said if they had the ability to identify a certain retailer they could minimize the “leakage,” and said many dollars are leaving Pinetop-Lakeside. He said the report would also show people coming from outside of the trade area to shop. He said those numbers would be useful in determining which retailers would match the community. Vice Mayor Crockett asked if these are larger corporations, restaurants, and retailers, or do they include smaller companies that might want to relocate. He said he is interested in what kind of retailers they could attract to fill vacancies rather than building additional facilities. Mr. Esparza stated the report would give them the ability to look at different concepts, and said there is a large database. He said it would give them the ability to find smaller tenants. Vice Mayor Crockett stated, if approved, they would expect it to be completed in a specific time. Mr. Esparza stated the contract is for 12 months. He said they would create the retail-matching model within 60 days, but said it could possibly be done in as early as 45 days. He said it would provide an opportunity to attend the International Council of Shopping Centers (ICSC) conference, and said it is a good opportunity for the Town to visit with retailers. He said with the web-based program they could generate the actual reports they would give to the site selectors. He said the reports would give a score on how good the match is, such as 95% out of 100% that it is a solid match. He said it is important to have these reports for recruitment efforts. He said Buxton has had great success. Councilmember Irwin asked when they would hold the next ICSC convention. Mr. Esparza stated there is one this month in Las Vegas, and said they would hold one in San Diego in September. He said they should have the information in advance to set up appointments with retailers. He stated it is a one-year commitment, and said they want to maximize as many matches as they can. He said they would be able to create additional reports throughout the year, and said it is a good investment. Vice Mayor Crockett confirmed they could print out and take the reports to retailers. Mr. Esparza stated they could also send them electronically. Councilmember Dodd asked if they could do them on the spot. Mr. Esparza confirmed. Councilmember Hughes asked if functionality would be available after the one-year period. Mr. Esparza stated it is a one-year contract, and said they would have to renew it to continue access. He said it is critical to maximize the use. Councilmember Hughes asked if the annual charge would be less. Mr. Esparza stated the fee is \$1,250 per month. Councilmember Dodd asked who would take the lead. Mr. Esparza stated he would, and said he enjoys working on economic development. Councilmember Wessel asked about their success rate. Mr. Esparza stated it is contained in their report, and read, “Buxton’s municipal clients have utilized this powerful information to develop retail strategies that have resulted in the recruitment of more than 35 million square feet of retail space, resulting in more than \$5 billion

in annual sales taking place in markets where it was not occurring prior to engagement of Buxton.” He said they have worked with over 500 municipalities in 42 states, and said they are the premier recruiting service.

ITEM NO. 14, CURRENT EVENTS BY TOWN MANAGER:

Kelly Udall stated the Parks and Recreation Department has many activities scheduled. He said they would hold the King of the Mountain Disc Golf Tournament on May 21 at Mountain Meadow, and said it would bring over 100 participants. He said U.S. Fish & Wildlife would hold a Wetland Workshop on May 24-25. He said on May 18-30, in conjunction with the Show Low Parks and Recreation Department, they would host the ASA Men’s Slow Pitch Softball Tournament with 30 teams in the 2 communities. He said they would celebrate National Trails Day on June 4 at Woodland Lake Park, Ramada Number Two. He said they would hold the Girls’ ASA Fast Pitch Softball Tournament on June 4-5 with 15+ teams. He said they would hold the AKC Dog Agility Competition at Mountain Meadow Recreation Complex on June 4-5.

Mr. Udall stated Show Low would be hosting the League of Arizona Cities and Towns on May 31, at 6:00 p.m. in the Show Low City Council Chambers. He stated they would provide a Legislative Update and a refresher on Open Meeting Law and Conflict of Interest. He said they invited all of the communities in the region. He stated on Wednesday, June 8, from 6:00 to 8:30 p.m. the Town is hosting a free Social Media Tools Workshop, conducted by Kimber Lanning, Executive Director of Local First Arizona. He said they sent the information out through an e-blast to businesses, and said it was in the business newsletter. He said they have recently sent out mailers to targeted areas in Town encouraging property owners to take advantage of a grant to help clean up their yards and become compliant with the Forest Health Ordinance. He said Mr. Esparza reported they have received a 75% response rate. He said the information panels and comment forms are on display for the Environmental Assessment on Woodland Park. He said they would continue to receive comments through June 6. He said they held a public scoping meeting on May 18, and said there were 35 participants who made comments. Councilmember Dodd asked if they could put the posters and comment form on the Town’s website. Mr. Udall confirmed. He said they received \$14,000 in an LSTA grant for the Library to complete the third phase of the Library self-check program. He said the RAC Grant Committee would be meeting on June 9, and said the Town submitted a grant to resurface the 1.1-mile asphalt trail around Woodland Lake. He said it would include a crack seal on the trail, and said it would replace wood planking on both of the pedestrian bridges, and would purchase AB base for shoulder reinforcement of the trail. He said they would hold the next budget meeting on Monday, May 23 at 6:00 p.m.

The Work Session adjourned at 6:56 p.m.

Dated this 26th day of May 2011.

PINETOP-LAKESIDE TOWN COUNCIL

/s/ Lu Anne Frost, Town Clerk