

**SANTA CLARA CITY
ECONOMIC DEVELOPMENT COMMISSION MEETING
TUESDAY MAY 24, 2016**

THE ECONOMIC DEVELOPMENT COMMISSION OF SANTA CLARA CITY, WASHINGTON COUNTY, UTAH met for a regular meeting on Tuesday May 24, 2016 at 5:15 p.m. in the Town Hall Office Building at 2603 Santa Clara Drive, Santa Clara, Utah.

Present:	Commission Members:	Rex Oliver (Chairman), Alan Madsen (Co-chair), Lance Allred, Aron Baker, Brian Graf, Neil Walter
	City Council Representative:	Herb Basso
	Others Present:	Jeriah Threlfall, Executive Director Washington County Economic Development Council
	EDC Secretary:	Ditzie Whitehead

- 1. Call to Order:** Chairman Rex Oliver welcomed those present and called meeting to order at 5:15 p.m.
- 2. Approval of Minutes:** Rex asked for a motion to approve the Minutes of March 24, 2016 with the following correction to last sentence of Business A. 2. (Alan's comment): strike the word planner and replace with the words planning and analysis.
Motion to approve the Regular Meeting Minutes of March 24, 2016 with corrections by Aron Baker; seconded by Lance Allred; with all members present voting aye.

3. Working Agenda:

A. Business

1. Introduction of Jeriah Threlfall, Executive Director of the Washington County Economic Development Council and the role Washington County EDC can play to help direct Santa Clara City EDC moving forward.

Rex introduced Jeriah. Jeriah noted that Washington County Economic Council had changed their name to Site Select Plus a couple of years ago. Past focus had been on recruiting manufacturing and industrial businesses to the area. Jeriah provided a copy of the Site Select Plus operating document to EDC. Looking to change how things had been done in the past where they had been primarily reactionary and had advertised and promoted southern Utah area for its cheap labor, utilities, place to come to make money. Named some of the industrial-manufacturing companies that have come in and have contributed to local economy, but with economy change many of those jobs do not provide enough income to support one income families. Need to continue to bring in those businesses, but shift focus to bringing in other industries that pay higher wages and don't have to be housed in an industrial park, which gives the county the opportunity to work with Santa Clara and other cities to recruit other businesses like tech companies that just need office space not an industrial space. Change recruiting focus to emphasize jobs that provide higher wages, lower impact, and that are more office oriented than industrial.

County would like to offer help to Santa Clara City by learning what our goals and strategic plans are-what kind of businesses we are looking to bring to Santa Clara. County gets calls from many businesses and can recommend Santa Clara to businesses that may be the right fit for our area. Can help with our research on projects we are working on or interested. Alan asked who would be doing that analysis. Jeriah said it would be himself, or his assistant director or the research staff of EDC Utah- a private group contracted by the governor's economic development council.

Jeriah said he would like to continue to come to city EDC meetings and meet with other city staff to learn more about what Santa Clara wants, and to be part of the our EDC's effort. Lance commented it would be nice to share our focus with the county. Jeriah said he wants to understand how our city budget works, and find better ways to contribute to the city and help increase our revenue stream.

Lance asked Jeriah about taking care of existing businesses—what we already have; is that also a part of Site Select's role? Jeriah said retention and expansion of local business is #1 on their current strategic plan. Jeriah's organization continues to work with existing local companies and do what they can to help them with a variety of issues. They go out each month and visit with businesses they have previously brought in and see how they are doing and how the county can help them. They have also opened up a position for an Assistant Economic Director, primarily to work with the tech industry in identifying and recruiting new companies and working with the existing local tech community. Will also work on changing the way the area is marketed; focus on and actively support the area as being a great place to live and work, great place for satellite offices, and a great place for telecommuters.

Aron spoke of company or group in the Provo area that helps direct upstart companies to find right resources, right people and provide guidance needed to get new businesses off the ground and as a result have sprung some pretty important companies in the Provo area. Because of the success in Provo it is being called the Silicon Valley of Utah. Aron said in our area many of our talented, younger, educated people must leave southern Utah because the right jobs are not here. Jeriah said he is open to supporting something like that but haven't found a way they fit directly in to that right now, but would not be opposed to it. Jeriah said there is currently an initiative between DSU and a private partner trying to start an entrepreneurial center and they have asked county for help. Jeriah said county is helping them to fund raise. Helping tech community as a whole with marketing of the area.

Alan noted that our area already has a lot more going on here in the tech industry than may be apparent. Jeriah agreed and said Site Select would like to do more to bring that awareness to the area and support the private sector.

Lance pointed out that many people sacrifice to be in this area and that there is a talented labor pool here that can support the tech industry; that labor pool needs to be promoted to employers. Jeriah agreed and said part of their focus is to advertise the area as place where talented labor exists and a great place for business to succeed. Jeriah said county wants to be involved at local level. Jeriah would like to continue to be involved in our EDC meetings and also offered help with research on EDC initiatives. Rex

told him we would like to keep Site Select involved and would send Jeriah our meeting agendas and appreciated his support and input to the EDC. Jeriah's email: jeriah.threlfall@dixie.edu

Herb commented he was glad to have the county's help and support. Herb also said he liked the move toward resort development like Paradise Village at Zions on the heights and other proposed short term rental developments. They provide more tax dollars in the way of transient room tax.

Neil said Ivins and other cities in the county were turning away from the short term-vacation rental use and was glad to see Santa Clara being more open to such development. Will create more tax base.

Herb said he liked PVZ because it is clean looking, doesn't feel like a commercial district, good mix of owners, low impact.

Neil said Ivins wanted to keep available land open for commercial use.

Lance said there are reasons communities are opposed to short term rentals, whether vacation rentals or apartments. Challenges come with rentals. Commented on neighbors' concerns as rentals are proposed next to their residential neighborhoods. Rentals change overtime. Riff raff often comes along with rentals.

Alan said rentals are market driven/market sensitive. If the market doesn't support the rental development it can turn in to low income housing. Should have an analysis to make sure the market is strong and good for rental developments. Herb said so far sales are strong in PVZ.

2. Update on the Development of EDC Mission Statement

Rex stated that Lance and Alan had both submitted a draft mission statement, which were forwarded to EDC members via email from Rex. Herb previously submitted some ideas to be included in the mission statement. Lance and Alan's statement from Rex's email as follows:

From Lance Allred: To cultivate a fertile environment for business and industry, while maintaining the integrity of a rich historical community. To advocate small business. To identify and provide liaison for economic and growth opportunities. To give voice to the needs of progress.

And this from Alan Madsen: To promote a healthy, rational environment for organic economic development in Santa Clara with particular attention to maintaining and encouraging the values and quality of life historically found here.

Neil said he liked the direction of Alan's statement, being simple and concise and it speaks to the history of the area. Neil offered the following wording for the mission statement: "Promote an environment friendly to economic development with particular attention to maintaining and encouraging the values and quality of life historically found

here.” Neil felt that a statement that is reflective of the historical nature of our community would be beneficial and appropriate.

Lance thought statement was beautiful but asked how historical nature of the area attracts business to the area.

Neil said more dollars are being spent in downtown St. George to maintain the historical dynamics creating a cultural esthetic and unique identity for downtown St. George. St. George doesn't look like every other town and downtown St. George is an important piece of that strategy in bringing people and business to the city.

Herb added that history is part of why people travel. Santa Clara has enough history intermixed with some cottage industry downtown to keep downtown area alive. Visitors to the area may first be drawn in by the look of a home or structure a business is located in and then stay and shop or dine.

Neil said # 1 source of people relocating here is people that are moving home, people want to move to Santa Clara because they are originally from here and have a connection to the community. Natural increase is the #1 growth driver for the state of Utah. Local youth leave area for their education, receive experience in the world and then when they are ready to settle they want to return home to live and work. They usually come back with a family, creating the growth increase. Mission statement focus on connections to community whether it is because of family relationships here, visiting here on vacation, or going to school here that has drawn people to settle here. Connection to community is reflective of why people have chosen to be here. Natural increase is about 70%, net migration is about 30%.

Aron: we need to be conscious of upcoming generations who can work from anywhere because of their millennial generation job skills, they can work on their computers-can work from anywhere.

Alan said he would focus area promotion more on what is current rather than historical.

Was noted that St. George building restrictions for downtown district makes economic development difficult, we do not want to be as restrictive or exclusive; need to be flexible to allow planning to happen-need plan (mission statement) that doesn't box us in when market driven opportunity comes along.

Rex said it has been Santa Clara's desire to keep the Santa Clara Drive corridor as pristine as we possibly can in matching the historic nature of our town. But do not need to impose the same restrictions in other areas where economic development can be promoted in the future.

Brian felt mission statement should not only say what we are going to do or want to do, but how we are going to do those things.

Rex reiterated EDC is only recommending commission. Herb added that EDC needs to work with other commissions, for example the Planning Commission is the land use authority and those issues often coincide with EDC issues.

Lance said we need to be careful to not name specific uses in EDC statement. Mission statement can be a guide for strategies and tactics, and roles and goals of the things we want to accomplish.

Brian thought statement might include following language: our mission is to maintain current businesses and facilitate bringing in new businesses by promoting an environment friendly to economic development.

Rex motioned to combine mission statements as follows:

To promote an environment friendly to economic development with particular attention to maintaining and encouraging the values and quality of life historically found here.

Augment in the future as needed to add specific objectives and plans. Herb had offered a list of such objectives in past EDC Meetings and thought when the EDC meets again each member can come back with one or two objectives they might want to include as bullet points under the main mission statement.

Rex made a motion to accept statement; Lance second motion; with all members voting aye.

Need to present statement to City Council. Should include supporting statements. Lance asked why we are here, what do we want to accomplish, that is what council wants to know—what EDC is interested in doing.

3. Discussion of an Additional EDC Member (moved from item 4 on agenda)

Would like to have an additional member on the EDC to make sure we do not have an issue with a quorum. Rex noted we need to have Doug Clove's name taken off the website and do not list members as alternates on the website.

Lance would like to ask Nick Frei to join the commission as someone from here and that has been in business here many years.

Alan said he knows someone that is the former CEO of the Fox station in Denver that is a finance person that he thought could provide a good balance to the commission.

Neil thought it would be good for the commission to have a balance of people that are from here and people that have come here that can represent an external perspective.

Rex said we need to consider what strengths the new member can bring to the commission. Herb said need people who think of the broad future as far as planning and financing.

Lance appreciates diversity of the current commission, but thought in terms of balance we need to have someone who represents our roots, our history, what we are doing now, what we have done, and how to strengthen and reinforce what we are and protect what we are. Neil said he represents a lot of those things with his roots deeply imbedded here.

Alternates have same authority as every other member. Rex asked Alan to talk to the person he thought might be a good fit for commission to see if he would be interested in serving on EDC.

4. Brian Graf: Update of Research Regarding Annexation Update (moved from item 3. On the agenda)

Brian is still working on the research of the proposed annexation area and will bring back more information to the commission next meeting. Initially, need to identify who the property owners are in the proposed annex area and notify property owners that are within in 300' of the proposed annex area to send notice of what we plan to do and a map of what the new area is going to be. Vast majority of the proposed annexation area is BLM property, some SITLA owned as well.

Herb and Rex noted we were most interested in the southern corridor area, if we don't act on acquiring it someone else will. When the corridor does come in the value of the land around it and how it relates to our economic development is huge.

Rex said we can annex the land, but do not have to develop it right away, but do need to have a 20 year plan in place to justify the annexation. Alan & Rex said right now we just need to advise the authority of our intention to annex the area to reserve it; it doesn't mean we will get it if another entity comes forth with a strong argument that they had a plan for the area. They would also have opportunity to file an intention of annexation.

Herb said that is why it is a good plan to move forward.

Rex: we need to prepare to make a recommendation to the City Council for the intent to annex and have as much research done beforehand so that we are prepared to answer council's questions and concerns.

Herb mentioned RV/vacation resort that developer planning was at the edge of Ivins, but had told Herb he would rather be in Santa Clara (Jon Graf owner). He would like to annex to Santa Clara. Maybe something to pursue in future.

Rex: Referenced the proposed development in South Hills for 3 story vacation rental condos (Split Rock is the developer). Many residents are opposed the project because of proximity to existing single family residential neighborhood and the fit within the more historic part of Santa Clara. Rex said this strengthens EDC's argument of why we need to continue to pursue the annexation area. We need the area outside of the historic district for new development. Gives strength and credibility to annexation proposal.

Lance expressed concern about trucks hauling dirt through town and the dust it is causing through downtown. Herb explained that we cannot make dirt haulers take

another longer route as long as they are in compliance with local and state law. We can also be more informed of new development areas by watching the website for City Council and Planning Commission Meeting agendas and Public Hearings that address new development. Was mentioned that as far as HWY 91 project, Sunroc had provided the City with a business card that included a hotline number to call if we are seeing any problems related to their work on HWY 91.

5. Closing Remarks, Reports, Discussion from Commission Members

Rex asked for commission's commentary and suggestions of what we need to pursue at the next meeting; what commission would like to include as agenda items at next meeting.

Brian said he will continue to do research regarding what the City Council will need to do to pursue the annexation of southern corridor land. Rex said we need to provide a step by step process much like what is provided by the Utah State Code guidelines. Rex suggested printing the state guideline out for City Council and ask them how EDC can help Council make annexation happen. City Council needs to know EDC's commitment to the annexation.

Herb said we need to continue to develop the supportive text of the mission statement and bring back recommendations for an additional EDC member.

Lance suggested that the EDC members share ideas and thoughts via email in preparation for the next meeting as they individually come up with strategies and tactics. **Rex** agreed and encouraged open communication, if members have ideas put it in a text or email and copy it everyone on commission.

Aron reiterated the need to continue to establish and support the 20 year plan and annexation process. We need to establish and have everyone's support, the Mayor and Council and others, as the annexation is a wonderful resource for city and its future. Need to overcome the attitude of why we can't do this and realize that services can be provided within 20 years if we have a plan to do it. The corridor is important to us, the circulation it will provide to the city and county is extremely valuable and will make it faster and easier to get around with the continual growth of the area. Herb added EDC needs to be the catalyst to move forward.

Lance said we need to stay in contact with Jeriah Threlfall, make him think of us first and have a voice for Santa Clara.

Neil said we need to be deliberate about what we are asking for, realize the development of the western corridor will bring greater growth. We need to be willing to grow the community relative to what it is today by 50% a year to be able to justify those dynamics. Need to communicate to the community why we want that kind of growth. Santa Clara businesses are currently at a disadvantage today because of traffic and population and have to work harder to get people to their businesses. We need to be able to articulate why that type of dynamic is beneficial to the people in the community and consistent with the things they value.

Rex said if approached carefully and methodically the annexation separates new development and structure and businesses of a larger city from the historic, quieter portion of our town.

Lance is supportive of the investigation of the feasibility of the annexation and the 20 year or more perspective, but there are a lot of other things to accomplish closer at hand. We need to identify a specific tactic associated to a goal or strategy we haven't even identified. We need to get back to our mission statement and determine the components that build to accomplish our mission statement and how we are going to get there; that fills in the 20 year or 50 or 100 year period. While we are deciding what development we want in the future, we also need spend an equal amount of time dealing with the here and now and prioritize those things we choose to deal with.

Alan and Neil talked about fiber optics in HWY 91, need to make use of that resource, it is a huge advantage for incoming business.

Rex said we need to find out who owns existing commercial properties that can be developed and what their intentions for their properties are. Neil is a good source to identify those owners. Neil said the properties near Harmons in the lava bed area are all for sale right now.

Closing Remarks: Rex encouraged commission to continue to share their thoughts through email.

Adjournment: Alan motioned to adjourn meeting at 7:21 p.m. Seconded by Brian

Ditzie Whitehead—EDC Secretary

Date Approved