



# MAYOR'S ADVISORY COMMITTEE ON ECONOMIC DEVELOPMENT MINUTES

Mayor's Advisory Committee  
General Session  
Wednesday, January 21, 2009  
7:30 a.m.

Downstairs Conference Room, City Hall  
201 S. Cortez St.  
PRESCOTT, ARIZONA  
(928) 777-1100

Present: William Arnold, Jan Bryan, Dr. Charles Grantham, Mike Johnsen, Kim Kapin, David Maurer, Ty Myers, City Manager Steve Norwood, Councilwoman Mary Ann Suttles, Mayor Jack Wilson  
Staff Present: Wendy Bridges

Absent: Tim Barnett, Jane Bristol, Dan Carrell, Dr. Dan Garvey, Arnold Gray, Dr. James Horton, Councilman Bob Luzius, Supervisor Thomas Thurman

I. Call to Order

Meeting called to order at 7:35 a.m., by Chair Charlie Grantham.

II. Approval of Minutes: 12/18/08

Mike Johnsen made a Motion to Approve the Minutes. Councilwoman Suttles seconded the Motion. **Motion carried.**

III. Agenda Items

A. Welcome Bill Arnold, Vice-Chair: Charlie Grantham formally introduced Dr. Bill Arnold to the committee as the new vice chair. Mr. Arnold reminded the group of the upcoming 2050 Visioning Committee's public charrette at Prescott High School on February 22, 2009, from 1-5 p.m.

B. Embry-Riddle Update: Charlie Grantham indicated that Dr. Norval Pohl's health has improved dramatically and he plans to re-join this committee.

C. Introduction by Jan Bryan of Guest Speaker: James Lincoln, President and CEO of Illuminated Funds Group. Ms. Bryan indicated that an SEC disclosure is not necessary at this time. Mr. Lincoln has many years of experience as an investment advisor, beginning in the early 80's with laddering funds, and on to real estate in the 90's. Eventually, his work evolved into small venture capital, in the \$500,000-\$2 million range. Illuminated Funds Group went public in October 2008.

An Arizona Ventures Executive Summary was provided to the group. Arizona Ventures Fund is dedicated to economic growth in Northern Arizona. The goals of the fund

include furthering economic development in Northern Arizona, incorporating job creation and job retention. The fund can choose investments where the communities will benefit. Mayor Wilson stated Yavapai College has a volunteer database filled with retirees from Fortune 500 companies.

Mr. Lincoln described the fund will look for regional projects and focus on the social return, whereas most funds focus strictly on the financial return.

In response to Mayor Wilson's inquiry about timelines, Mr. Lincoln stated that raising funds right now is difficult, due to the credit market. However, typical fund-raising with a lead investor takes about 12 months time. Mr. Lincoln indicated a typical investment would be in the \$800,000-\$1 million range.

Councilwoman Suttles asked whether there is a need to be familiar with the area. At present time, Mr. Lincoln is gauging regional interest to determine if there is an interest in this fund.

Jan Bryan stated another unique part of this fund is that the investors can be part of the mentoring process as well as working with the business. In addition, there could be hybrid options, like affordable housing. Mr. Lincoln brought up the example of a call center choosing not to locate in a community where there is no affordable housing. Mayor Wilson stated that Prescott missed having a large call center locate here due to lack of internet redundancy and affordable housing.

Dave Maurer asked what the next step would be assuming the funding is in place. Mayor Wilson indicated the Focused Future II Plan has information on targeted businesses.

When asked by Mr. Maurer whether the project would be compelled to locate in Flagstaff, if for example, 80% of the investors come from that community. Mr. Lincoln admitted in that sort of situation, it would be difficult to go elsewhere. Dr. Grantham noted that Flagstaff has 8-10 companies in an incubator right now.

Mr. Lincoln indicated the ideal investor would be banks, law and accounting firms, county pension funds and legacy planning, as well as educational institutions or government entities with endowments.

D. Economic Development/Business License Update: This item has been postponed until the next meeting.

E. February Presentation will be The Morrison Institute's "Our Demographic Destiny".

#### IV. Adjourn

Meeting adjourned at 8:21 a.m. The next meeting is on February 18, 2009.

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Date

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**DR. CHARLES GRANTHAM**, Chairman

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**WENDY A. BRIDGES**  
Recording Secretary