



CITY COUNCIL STUDY SESSION MEETING

STUDY SESSION MINUTES

TUESDAY, FEBRUARY 8, 2022, 1:30 PM

201 S. Cortez Street
Prescott, AZ 86303
Council Chambers

Phil Goode, Mayor

Cathey Rusing, Mayor Pro Tem

Brandon Montoya, Councilman

Eric Moore, Councilman

Jessica Hall, Councilwoman

Steve Sischka, Councilman

Clark Tenney, Councilman

MINUTES OF THE STUDY SESSION OF THE PRESCOTT CITY COUNCIL STUDY SESSION
HELD ON FEBRUARY 8, 2022, IN THE 201 S. CORTEZ STREET PRESCOTT, AZ 86303
COUNCIL CHAMBERS.

1. CALL TO ORDER

Mayor Goode called the meeting to order at 1:31 p.m.

2. ROLL CALL

Phil Goode	Mayor
Cathey Rusing	Mayor Pro Tem
Jessica Hall	Councilwoman
Brandon Montoya	Councilman
Eric Moore	Councilman
Steve Sischka	Councilman
Clark Tenney	Councilman

3. DISCUSSION

A. Presentation and Update Regarding the Center for the Future.

President & Director of the Prescott Regional Opportunity Foundation Dr. Jon Haass provided a presentation to Council regarding the Center for the Future. Innovation Center Project

Exciting Innovation Center:

- * 501(c)(3) established August 2020
 - * Major Project – incubator/accelerator/attractor
 - * Prescott Chamber of Commerce Foundation Agreement – fiscal sponsor
-

Board of Directors:

- * Jon Haass
- * Jim Robb
- * Rosa Sosa – cybersecurity specialist with NASA working remotely here in Prescott
- * Mike McCormack – CEO of CPTech
- * Veronica Sas – nonprofit, finance, legal expertise

Every year hundreds of trained young people leave this area, the goal is to keep them by seeking companies that can provide stable and well-paying jobs. Innovation centers are proven economic drivers successfully established in small regional communities like Durango, CO.

2021 Accomplishments:

- * Initial funding and startup
- * Legal, accounting, lease agreements
- * Marina Street facilities established
- * Four companies joined Center
- * Awarded \$60,000 USDA Rural Development Grant (began training and mentor Center)
- * Announce \$120,000 USDA RISE Grant – four-year grant which was officially received Feb. 1, 2022

Current Space:

- * 3500 square feet with option for expansion of additional 2000 square feet in Fall of 2022 for Phase II

Current Companies:

- * SimpleWan
- * Cyber Warfare
- * NewCo
- * GSIS
- * Cyber Core International
- * SEG
- * Kingston Business Solutions.
- * Plan for Cyber Warfare Range in Q3

Phase III:

- * New Location - Route 89 and Deep Well
- * 15,000-30,000 square feet building
- * Will bring in additional companies

Seeking City Support:

- * Additional Funding to match federal grants - \$150k
- * Update Lease Agreement with City
- * Continued support through prescottbiz.com, etc for attraction of candidate companies and managed growth
- * Strengthen partnership with the city

Mayor Goode commented that he has always supported this concept and feels it is an opportunity to grow this section of revenue for the city and surrounding parts of the Airport. Need to continue to support the development of this program within the city.

Mayor Pro Tem Rusing thanked Dr. Haass for his work on this. She asked if the startups are applying for funding separately, and asked for clarification about contributions from the city and if there is any way that if the startups are bought out the city would get a portion of that.

Dr. Haass responded that some of them have been working in their respective industries and applying for funding from various organizations as well. This is the model for these types of systems, there are a variety of ways that this can be accomplished to leverage growth.

Councilman Montoya thanked Dr. Haass for his presentation and asked what kind of enhanced oversight the Board has and can contributions be in-kind services.

Dr. Haass responded that thresholds require multiple signatures and money is being tracked very closely. Have a firm working on accounting who are very experienced in nonprofits. Contributions can be in-kind but much of that has already been earmarked.

Councilman Sischka commented that one of his goals has been to “youthify” Prescott and surrounding area which the Center for the Future is helping to do. He asked if there is any effort to have surrounding communities have skin in the game.

Dr. Haass responded that he has met with Town of Prescott Valley management and will be presenting to their Town Council for support as well. This is a regional endeavor.

Member of the public Ralph Hess addressed Council and commented on the request for \$150,000 of funding and amended lease the Center is asking for, he cautioned that municipalities must comply with Gift Clause in economic agreements which must present specific deliverables that will be beneficial to the public. Their presentation does not meet any of this criteria so that needs to be addressed and give specific findings on Council’s future decisions.

Member of the public Howard Mechanic addressed Council and expressed his concerns regarding the gift clause as well. Need specific promises, supports economic development in the area so this is a good

idea. He asked if the public will be able to see the bookkeeping for the organization. What is the program for companies that become successful? Also asked if Council is aware that the Center for the Future is actually a for profit LLC that registered with the AZ Corporation Commission in August 2020.

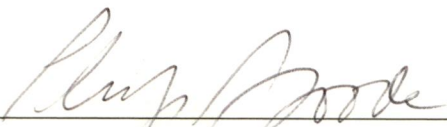
This item was for presentation only, no formal action was taken.

B. Discussion Regarding Partnerships with the Prescott Unified School District (PUSD).

This Item was pulled from the Agenda at the request of PUSD.

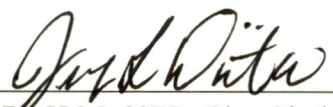
4. ADJOURNMENT

There being no further business to discuss, Mayor Goode adjourned the meeting at 2:06 p.m.



PHILIP R. GOODE, Mayor

ATTEST:

 *for:*

SARAH M. SIEP, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council Study Session of the City of Prescott, Arizona held on February 8, 2022. I further certify the meeting was duly called and held and that a quorum was present.

Dated this 25th day of February, 2022.



 *for:*

Sarah M. Siep, City Clerk