

# MADERA CITY COUNCIL LATE DISTRIBUTION ITEM AGENDA 4/3/19

DATE:

4/2/19

TO:

Mayor and Council

FROM:

Claudia Mendoza, Interim City Clerk

SUBJECT:

Late Distribution – Regular Meeting Agenda 4/3/19, Item E-1 Madera County EDC 2019/20 Annual Basic Service Level Budget

Attached are letters of support received from:

- Greater Madera County Industrial Association
- Newman Development Group of Madera, LLC
- Florestone Products Co., Inc.
- ASCR, LLC
- Colliers International

Please feel free to contact the City Clerk's Office if you should have any questions regarding this matter.

Thank you.

C: City Manager
Community Development Director
Bobby Kahn, Executive Director of Madera County EDC



March 25, 2019

Council Member Foley Gallegos City of Madera 205 West 4<sup>th</sup> Street Madera, CA 93637

Dear Council Member Foley Gallegos,

I am contacting you on behalf of the Greater Madera County Industrial Association (GMCIA). Our organization has approximately 20 members, all local manufacturers. The GMCIA holds regular monthly meetings to discuss key issues impacting our businesses. We also support the local schools with investment of our time and money.

Our members want to express our full support and appreciation for the Madera County Economic Development Commission (MCEDC). Not only do they act as the administrative arm for GMCIA, doing financials, setting agendas and securing informative speakers for our meetings, they are the organization our members depend on when in need of assistance. We turn to MCEDC to assist us as a group and individually. When we need support on a federal, state or local issue it is MCEDC that provides us with the timely help that is critical to our businesses.

Our membership whole heartily feel that MCEDC is the most valuable asset the city and the county has when dealing with business related issues.

GMCIA and its members strongly recommend your full support of MCEDC.

Respectfully submitted,

Ron Flores President

2425 W. Cleveland Ave., #101

Madera, CA 93637

559.675-7768

www.maderaindustry.org



March 27, 2019

Via Electronic Mail

Mayor and Council Members City of Madera 205 W. 4th St. Madera, CA 93637

Attn: Mayor Medellin, Council Member Foley Gallegos, Council Member Rodriquez, Council Member Montes, Council Member Garcia, Council Member Holley Council Member Robinson

RE: Letter of Support for the Madera County Economic Development Commission

Dear Mayor and Council Members:

The Newman Development Group of Madera, LLC owns an approximate 300,000 SF shopping center located on approximately 28 acres of property at the Madera Fairgrounds. The project generates hundreds of thousands of dollars in property taxes, hundreds of jobs and significant sales tax revenue benefiting the community.

When commencing the project with the Madera Fairgrounds, the EDC played a vital role in creating a bridge to the City of Madera. Bobby Kahn and his team were always available and willing to do what they could to help us overcome challenges getting the project off the ground. Even now, the EDC helps connect us with prospective businesses considering Madera. Most recently, the EDC connected us with a restauranteur to backfill a large vacant space. We are proud to say that the project again 100% occupied and believe the EDC helps us and Madera County stay open for business.

Please consider this letter of support for the Madera County Economic Development Commission. Should you have any questions regarding this information or our support, please do not hesitate to contact me at (415) 923-0824 or via email at <a href="mailto:george@newmandevelopment.com">george@newmandevelopment.com</a>.

Sincerely,

Newman Development Group of Madera, LLC

George Akel, Managing Member

My

cc: Lois Leonard - Madera EDC via electronic mail



March 28, 2019

Mayor & Council Members City of Madera 205 West 4<sup>th</sup> St. Madera, CA, 9363

Mr. Mayor & City Council Members

Florestone Products Co. is a manufacturing company located in the Madera Airport Industrial Park. We employ more than 80 people who live in and support the Madera community.

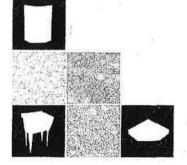
The Madera Economic Development Commission was a major factor in Florestone's decision to relocate to Madera. The MEDC also played an important role between the City of Madera and Florestone when we added 60,000 sq. ft. of building to our existing facility. This addition allowed Florestone to increase our number of employees significantly.

The MEDC plays an important role in the Madera community by assisting, retaining and attracting industry to the County of Madera.

Carol Deaver

Carol Deaver

Florestone Products Co. Owner



### ASCR, LLC

RECEIVED
OFFICE OF THE CITY CLERK

APR 0 1 2019

BY

March 30, 2019

Mayor and Council Members City of Madera, 205 W. 4th St. Madera, CA 93637

Re: Performance of EDC

Honorable Mayor and Council Members:

I would like to commend the leadership and staff of the Madera County Economic Development Commission, which most recently has greatly facilitated the leasing of my industrial property in the Airport Industrial Park to an exciting start-up company, Castellucci Industries. This Company will soon be converting recycled rubber, plastic, and binders into environmentally superior products to replace common commodities including utility poles, railroad ties, and marina piers.

I credit Mr. Bobby Kahn and his staff with persuading CEO Mark Castellucci that Madera is the best place to locate his business and with helping to guide him with City Staff through the approval process, so he could sign our lease and begin moving in within two weeks of his first contact with EDC. His efforts were similar to my first dealings with the EDC under Mr. Kahn in 2002 when I began my own process to purchase land from the City and build an 11,000 square foot Industrial Building as the future home for U.S. Rack, Inc. When I recently sold U.S. Rack to T-Rex Automotive all of the company equipment and assets were consolidated in Corona, CA, and my empty industrial building was then refurbished and became available to lease. However, it was not my real estate agent who found the future tenant; it was the critical contacts between the EDC and the governor's office that brought Castellucci Industries to Madera.

As a business owner and former vice-president of the Greater Madera County Industrial Association (GMCIA), I have seen how challenging it is for our City to attract commercial activity. It is well known that our City's financial demographics, coupled with a low inventory of updated commercial facilities, make it very difficult to convince hard-nosed business executives that Madera is the best place to locate. What has made this far harder, however, is an inevitable comparison with our southerly neighbor. For generations Fresno has stunted the growth of Madera, because our City lies within its powerful sphere of commercial influence. Like a commercial black hole, Fresno has drawn much potential business to itself from surrounding communities. Fortunately, in coming years as Madera adds more infrastructure and roof tops this influence will slowly fade.

The Madera EDC has done yeoman's work for many years, but its work has not always been understood. This was demonstrated a few years ago with Madera County's much ballyhooed attempt to pull back from the EDC and bring all commercial recruiting efforts directly into the offices of the County Administrator and Planning, an experiment that proved to be spectacularly unsuccessful.

I urge all of Madera's elected leaders to continue to support the EDC under the leadership of Mr. Kahn. As the economy improves and Madera adds more development, his decades-long efforts to cultivate critical contacts with development professionals across the State and Nation will continue to increasingly bear fruit.

Sincerely,

Christopher Green General Manager

CF: City Manager, Acting City Clerk

51 EAST LOOP MADERA, CA 93637 Buk Wagner Sr. Vice President BRE #01296746 7485 N. Palm Avenue, #110 Fresno, CA 93711 www.colliers.com/fresno MAIN +1 559 221 1271 FAX +1 559 222 8744



April 1, 2019

City of Madera, Mayor City of Madera, Council Members 205 West Fourth Street Madera, CA 93637

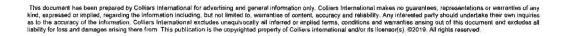
#### Mayor/Council Members:

This letter is in response to a Business Journal article we read March 23, 2019 titled "EDC Executive Director Feels Heat Over Budget" (copy attached hereto). Colliers has been practicing commercial real estate in the central valley for 50+ years, and has dealt with Madera County and City on several occasions.

From a Commercial Brokers perspective Bobby Kahn has been a valuable asset in bringing prospective business to Madera. He is knowledgeable not only of Madera, but of competing markets, competing business's potentially coming, land/building lease rates and sales values, and all other issues critical to successful commercial and industrial development. This resource allows us to call the Madera County Economic Development Commission (MCEDC) anytime for information to assemble a quick custom marketing package for potential businesses. In all occasions the information obtained from MCEDC has been accurate and timely.

Based on the above mentioned we would like to express our support and request that the City of Madera continue to fund the Madera County Economic Development Commission. Without their help and support it will unequivocally handicap our ability to bring new business and jobs the City and County of Madera.

Mr. Kahn has always served as the "go to" person whenever any agent or Broker need information regarding Madera City or County. He is a valuable resource to the Brokerage community throughout the San Joaquin Valley.





We would be happy to discuss other dealings with MCEDC. Should you have any questions or concerns please don't hesitate to call.

**Buk Wagner SIOR Colliers International** 

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**Additional Support:** HENA Name Printed: BOBBY Name Printed: 4-1-19 Date: Date: MCCARDELL CIZZO Name Printed: Name Printed: Date: 4-Date: 4-1-19 Name Printed: Name Printed Date: By: By: Name Printed: Name Printed: Date: Date: By: Name Printed: Share RICHMOGN Name Printed Date: 4-1-2019 Date:



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## EDC executive director feels heat over budget

March 23, 2019 | Charles Doud

The Madera County Economic Development Commission and its executive director Bobby Kahn were on the hot seat at the Madera City Council meeting Wednesday night.

Madera City Council Member Jose Rodriguez raised the question of whether the city was getting anything for the \$177,538 Kahn wants from the city next fiscal year to keep the doors open at the EDC offices on Cleveland Avenue. That money represents an increase of \$2,402 over the present fiscal year budget.

The EDC also gets money from Madera County, \$213,992.25, and Chowchilla, \$34,415.94.

Kahn said the money spent on the EDC should not be looked at as an expense, but as an investment

"We have to look at the bigger picture," he said. "We have to look at the jobs and taxes that come into the community."

He said Target had been scheduled to build a store in Madera a few years ago, but that when the recession hit, those plans were put on hold.

A Target store was built in Atwater pre-recession, and one in Fresno, but none in Madera

Rodriguez said small projects that have come into the city were welcome, but none had the effect of providing a shot of economic growth for the community.

"The thing that frustrates me, year after year," Rodriguez said, is what our strategy is. Year after year we put these dollars into economic development; but we don't seem to be getting anything for it. We reach a point where we have to say 'What's the plan? Where is all that new business going to come from?"

Council Member Santos Garcia said he had many questions he wanted to ask about the EDC and its plans, but would like to table the matter until he returned from a business trip next week.

After more discussion, the council decided to table the matter until April 3.

In past years, the EDC budget has passed with few, if any, challenges. But the city of Madera is in a financial pinch, and almost no budgetary increase goes unchallenged.

Keywords: government business organizations



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