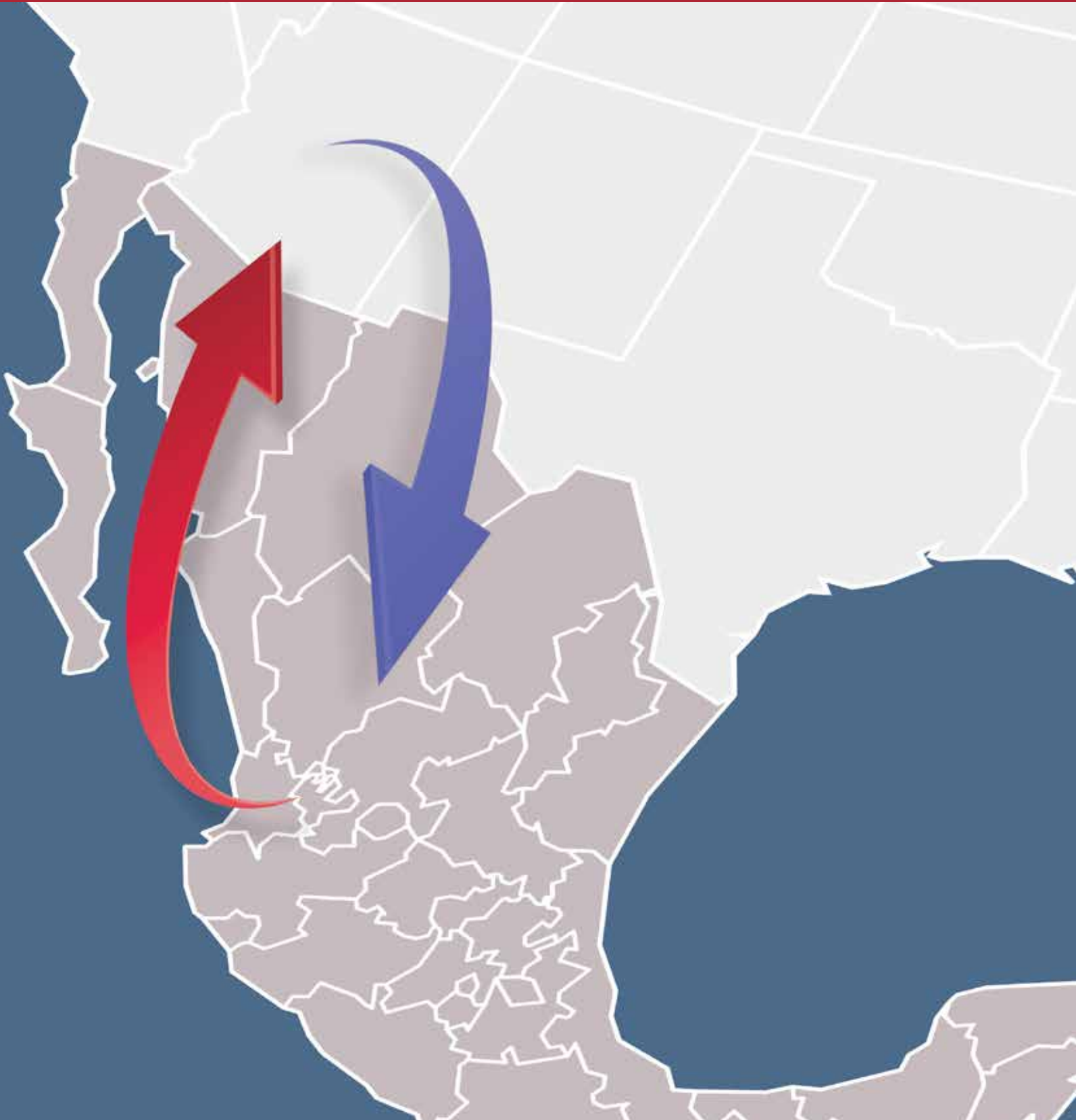


ARIZONA & MEXICO

Community Town Hall - May 25-26, 2017 - Hermosillo, Sonora



Hermosillo Community Town Hall
“Arizona & Mexico”
Hotel Lucerna, Hermosillo, Sonora, Mexico
May 25-26, 2017

PARTICIPANTS

ALEJANDRO ABDO

ANA ELENA AGUAYO: Directora de Asuntos Internacionales y Ciudades Hermanas, Desarrollo Economico Ciudad de Hermosillo

RAMON ALEJANDRO ALVAREZ: Caseworker, Office of Congressman Ruben Gallego

ANA MARIA ARAQUE: Representacion de la Ciudad de Phoenix en el Norte de Mexico, City of Phoenix

JULIO BELLO MARQUEZ: Gerente de Operaciones/Manufactura, Applied Technical Services

ANABEL BEVAN: President/Sr. Practice Manager, Latino Familia Initiative/Banner Urgent Care

TERESA BRAVO: Coordinator of Economic Development and International Projects, Pima County

SHEILA BREEN: Chief Operating Officer, Remedy Pacific, Inc

GWEN CALHOUN: Council Member, City of Sierra Vista

LUIS FELIPE CAMOU LEON: Contrador Publico, Vice Presidente, Sector Comerico Industira y Turismo

JUAN CAMPOS: Director, Universidad Tecnológica de Hermosillo

JESUS CHAVEZ: Contador Publico, Negocios Inteligentes Practicos (NIP)

MIKE CLINE: Economic Develoment Analyst, City of Sierra Vista

SEBASTIAN COLIO CONSTANTE: Presidente, Instuto Mexicano de Contradores Publicos

ARTURO FERNANDEZ DIAZ GONZALEZ

TADEO DE LA HOYA: City Manager, City of San Luis

BRUCE L. DUSENBERRY: Manager, Horizon Moving Group, LLC

LINDA ELLIOTT-NELSON: Vice President for Learning Services, Arizona Western College

ALEJANDRA FELIX: Editor Arizona Living, TuCasaNueva Magazine

CARLOS DANIEL FERNANDEZ: Gerente Asuntos Externos, IENOVA

FAUSTINO FERNANDEZ: Board Member, Grupo GEMSO, Coparmex, Canacindra

RICARDO FERRARIS: Director, TuCasaNueva Magazine

MARTIN ALBERTO GALAVIZ LERMA: Attorney at Law & Interpreter

CATALINA GARCIA: Tax Senior, Beach Fleischman PC

HUMBERTO GARCIA: Managing Partner, BDO Mexico

ALBERTO GAXIOLA: Ing., El Rey del Fresh Garbanzo

EMILIO GAYNOR: International Director, Chicanos Por La Causa

LEVI GIBSON: CPA, Finance Director Pinal County Arizona, Pinal County Arizona

MARY GRIER: Communications and Special Projects, Soroptimist International Phoenix

SHEILA HARRIS: Consultant, Sheila D Harris Consulting Services

LUIS HEREDIA: District Director, U.S. House of Representatives

MARCO A. HURTADO: Supervisor & Sales, Color Express de Mexico SA DE CV

RUSSELL JONES: Customs Broker, R.L. Jones

KATHRYN KNECHT: Governing Board Member, Peoria School District

NORBERTO LARRINAGA: Constructora Elga

JOSE LEVER: Coordinator, Mexico City Office, Office of Global Initiatives, University of Arizona

OSCAR LÓPEZ IBARRA: Vulosa Desarrollos

FRANCISCO LUJAN: CPA, Colegio de Contadores Publicos de Sonora

MICHAEL MANDIG: Esq., Waterfall Economidis

NOELIA MOLINA: Private Office of the Deputy Flor Ayala Robles Linares

JEFF MORANDER: Executive Vice President, Ticket Sales & Strategy, Arizona Coyotes

SARAH MORE: Planning and Building Director, Town of Sahuarita

RENE MORENO: Vice President, Piper Jaffray

GERMAN MORENO: Tax Senior, Beach Fleischman PC

IVAN MORENO TORRESCANO: Member, Tapia, Robles, Cabrera y Moreno S.C.

HECTOR MARTIN NICOLA MONROY: Coordinador Ejecutivo, FIDESON

JORGE ORTEGA HUERTA: Engineer, SOLEMSA

ANDRES PACHECO: Managing Partner, Electroinsumos

JUAN FRANCISCO PADRES: Economic Development Specialist for International Trade,
City of Tucson

BARBARA PECK: Owner & Consultant, Barbara Peck Public Relations

HANK PECK: Partner, TCI Wealth Advisors

YVONNE PEREZ: Program Coordinator, International Development, Pima Community College

HECTOR PLACENCIA: Managing Director, BRH2 PLASTICS

ANTONIO PROTO: Representante de la Ciudad de Phoenix en el Norte de Mexico,
City of Phoenix

CHRISTOPHER ROGERS: Associate, Jennings, Strouss & Salmon P.L.C.

CASEY ROONEY: Economic Development Manager, City of Cottonwood

JOSE LUIS RUBIO: Doctor, Rubio Corporativo

RODRIGO TORRES CANDE: President/Founder, ARTC

GUILLERMO VALENCIA: Chairman, Nogales & Santa Cruz County Port Authority

JORGE JOSE VIDAL SALCIDO: Executive Director, TV Azteca Sonora

JORGE VILLA: Presidente, La Barra Sonorense de Abogados, Hermosillo

MARISOL VINDIOLA: Mexico Project Manager, Visit Tucson

TOMAS VIRGEN: Growth Consultant, Yuma Regional Medical Center

DYLAN WARNER: Student, Arizona State University

PATRICK WELCH: Associate, Jennings, Strouss & Salmon, PLC

JIM WILLIAMS: Co-Coordinator, Amigos Sin Muros/ No Walls Between Friends

SARA MAE WILLIAMS: School Board President, Baboquivari Unified School District, Sells

MIKE WILSON: Ret. U.S. Army

ANDREA ZATARAIN: Private Office of the Deputy Flor Ayala Robles Linares

Hermosillo Community Town Hall

Final Recommendations

May 25, 2017

Introduction

In response to a recommendation from the 108th Arizona Town Hall on Arizona and Mexico, citizens from Sonora and Arizona gathered together for a Community Town Hall in Hermosillo, Mexico. The goal: to forge relationships and create solutions for maximizing the economic potential of the region.

Participants used the Arizona Town Hall process to create the following consensus report of their discussions and recommendations for action. The discussions and reports occurred in both English and Spanish.

CREATING A STRONGER ECONOMIC MEGA-REGION

A strong mega-region helps grow and maintain a strong middle class in both Sonora and Arizona. A strong economy breaks social barriers and crosses borders providing increased wealth benefits for all. The industrial growth that has taken place has enriched both of our states-economically and culturally. Economic development helps on both sides of the border and encourages higher education with the higher standard of life.

There is already a vibrant representation of activities that have brought global attention to our area due to our alignment in key sectors. Arizona and Sonora are involved in tourism, solar energy, agriculture, aerospace, manufacturing, health care, and pharmaceuticals and we see ourselves as one region in many ways. The Arizona-Sonora corridor has strengthened our economic ties as have the governors of Arizona and Sonora.

We should and can look for more opportunities that will benefit both of our states and we should address the challenges that confront us. NAFTA should be reviewed and considered from the point of view of all three countries: Mexico, Canada and the U.S. Investment in the infrastructure that supports our region is necessary to position ourselves competitively in the global economy.

Visa issues should be resolved. We also should focus on developing the transformational processing of products to further develop our mega-economy. Intellectual and academic knowledge can expand the research and development that is needed for the future, which is arriving at an accelerated pace. Biomedical research at the University of Arizona can lead to the invention of products that could be manufactured in our mega-region. Expanding the port in Guaymas can open our mega-region to more of the world, but we need to increase the knowledge of how products can both arrive and depart from this port. Focusing on areas within our megaregion that could serve as industry and transportation hubs would help strengthen our area.

Sonora and Arizona should also look at ways to increase trade and knowledge between our states. For example, we should look at ways of increasing research and development and how best to share this information between our states. Education is a significant part of this process. Our future is dependent upon our students learning the knowledge and skills that they will need to meet the requirements of our present as well as our future. These skills include those of language proficiency in both Spanish and English and mastery of technological skills. Sonora and Arizona have an enormous potential that should give us a global advantage in the world.

We should focus on commercial trends that can help our states grow and help our residents' quality of life. Sonora and Arizona already have all the ingredients for a strong global presence and should promote our mega-region globally. We have a great promise for the future as one mega-region.

IMPACT OF GOVERNMENT POLICIES

Government policies on the border can have a significant effect on the border population, and can create anxiety. There is concern that government policies and laws have been enacted for reasons other than those of the needs of the local population. Local stakeholders should be the focus of laws that are enacted. Federal laws have divided groups that are affected negatively by the border: tribes, schoolchildren, and families. The border wall should be the beginning of discussions regarding our region, not the end of discussions.

NAFTA is a good example of a shared benefit between three countries. NAFTA has enabled our trade to grow more than a trillion dollars. There is a shared dignity between countries and we are building shared economic and cultural bridges, although there has been rhetoric that NAFTA has had a negative impact in certain areas. Increased knowledge and education is needed to better inform the general population regarding issues such as immigration and binational and global trade. Immigration reforms should be studied and appropriately brought forward. Rhetoric on immigration can have a negative effect on our region. Government policies have created the perception that there are hostilities that may not exist at our state levels. People also have perceptions of negative situations that may not exist. There should be common sense resolutions; the present and future development of our economies should not be stifled by laws that are based on inaccurate negative perceptions. It is important that we, as state residents, should be involved in sharing public messages of how we work together. One example is the investment both states have made in Puerto Penasco. Our investments with each other have the potential of influencing our governments so that they do not make inappropriate laws.

Improving the flow of traffic between both states will improve our quality of life and our economies. There needs to be a better synergy, such as vehicle permits when traveling, that will benefit Sonora and Arizona, both for tourism and for perishable product flow. The SENTRI process has the opportunity to increase traffic flow and should be promoted.

Unfortunately, statements about safety or the passage of unhelpful laws in either country can negatively affect our states. Nonetheless, the Sonora/Arizona region continues to be a safe and productive area for investment and industry.

Sonora and Arizona should take leadership and show our countries and the world how a positive, shared mega-regional model can be effectively grown and maintained. It is important that we, as residents of Sonora and Arizona, educate ourselves about these issues, and take responsibility and action to communicate important information to the public.

WORKING TOGETHER AS TRADING PARTNERS

Sonora and Arizona have a unique and positive relationship. Together, they have a common vision and have worked together in many ways to maintain and strengthen their relationship as trading partners. Incentives for industry created by state and local governments, with the support of state governors, city mayors, the sister city process, and others represent some of these activities. Universities in both states have worked together as well. The maquiladora industry has existed for over 40 years and has brought benefits to the region. Non-governmental organizations, such as the Arizona-Mexico Commission and Arizona Town Hall, have provided business and social networking to improve our relationship and trade.

However, many people do not know how much has been accomplished. Education of the general public is necessary so that they are more informed of how a strong, positive trading relationship has improved their lives. There have been inroads on reaching the public about the benefits and successes of our relationship through Chicanos por la Causa, sports organizations, Chambers of Commerce, Convention and Visitors Bureaus, and the maquiladora industry. It is important to recognize both the benefits and the challenges of trade and to work on improvements.

Communication is the key for working together in the future as is being inclusive, not exclusive. It is important for our residents to be bilingual and bicultural. Colleges and universities should do outreach to increase and improve student exchanges. We can all act as individuals to improve our communication through networking, sharing information, and taking political action through communications with our elected officials.

Our state legislatures should work together to: develop initiatives to grow trade and make the process easier for businesses to move forward; overcome barriers; and, build trust in the systems. An example could be a regional Secretary of Economy that could help achieve projects that could prove fruitful if brought forward. Non-governmental organizations should approach our state legislatures to fund these initiatives. The private sector has the potential for significant power in making positive changes and needs to be more engaged with the state legislatures to push forward positive change in trade.

It is also imperative that we invest funds to promote our two states as a mega-region. The general public needs to know the importance of trade to our region.

DEVELOPING THE ARIZONA-SONORAN MEGA-REGION FOR INTERNATIONAL COMMERCE

The prospects for development of the Arizona-Sonora mega-region as an important regional hub for international commerce are outstanding, although it will take some time. To make this happen, networking is essential for cultural, political, social and economic communication. Also, enhancements of existing ports of entry and creating a port of entry that is exclusively for commercial entry of goods would increase commercial traffic flow. We recommend that an economic development organization be created and funded that has a focus on the Arizona-Sonora mega-region. There have been other organizations of this type created between other states in Mexico and the U.S. If we are to prosper, we need to make our trading relationship stronger. Tax exemptions for purchases would help incentivize spending in each other's states. It is essential for the federal government and the Department of Homeland Security to recognize the importance of international trade in their operations, including the impact on tribal nations whose geographical boundaries cross national borders. A public campaign involving our stakeholders that covers the benefits and resources of the mega-region would help the general population recognize Sonora and Arizona's efforts towards strengthening their relationship and what each state brings to this relationship. Also, recognizing all of the areas in each of our states as an important part of the entire mega-region is important in moving forward.

SONORA AND ARIZONA – A MODEL FOR THE WORLD

Sonora and Mexico through their shared borders demonstrate a productive, innovative and symbiotic ecosystem that demonstrates achievements. These include the increasing middle class in Sonora, the modeling of positive behavior between business people, and collaborating on bilateral projects.

Although trade is important, it is essential that we also realize there are moral issues affecting us. We need to present a unified front as to why we need to work together for the betterment of all. There are state collaborations with organizations such as churches, schools, universities, and town

halls that focus on opportunities on both sides of the border and that provide educational, social, and medical services for our residents. The sister cities program is another effort that has strengthened our relationships.

Barriers to collaboration continue to exist that we need to address. We cannot always expect our governments to solve these issues. Non-governmental organizations, such as those named above, can help us move forward. We need to own our challenges and work together to supersede them. Much of what we do in our collaborations can be viewed as best practices and should be publicized as activities that other areas wishing to achieve the same can replicate.

ACTIONS

At the conclusion of the Town Hall, participants committed to actions they would take as a result of the discussions. Each participant completed a card beginning with either the statement “I will...” or, in Spanish, “Voy a...” Participants retained the cards with their individual commitments. Some of those that were shared are listed below.

PERSONAL COMMITMENTS BY ACTION CATEGORY

I. I WILL TAKE ACTION TO HELP INFORM OTHERS ON THE ISSUES OF ARIZONA-SONORA ECONOMY

- Be more involved in AZTH and promote the good things of my state. Help others to increase commerce between Sonora and Arizona.
- Promote Arizona-Sonora video with friends, co-workers and family.
- Write an opinion piece or letter to the editor on this experience and outcome.
- Share the insights discussed today to advocate on the importance of awareness of Sonora/Arizona collaboration.
- Talk about the positives (safety-ease) of the trip to Hermosillo.
- Share the great things about Mexico with fellow Arizonans.
- Help educate the community on both sides of the border on the benefits of “tri-national” trade and the barriers that exist in doing so.
- Share ideas generated here on social media and in person.
- Share with my company and associations the information gathered today.
- Spread the word with my peers about how enriching it is to participate.

II. I WILL TAKE ACTION TO HELP DEVELOP AND PROMOTE BI-NATIONAL SOLUTIONS

- Organize another Community Town Hall in Mexico in 2018; I will form an Arizona-Sonora working group to support the bi-lateral relationship.
- Encourage increased interaction and development of relationship with sister city Cananea.
- Bring Arizonans to Mexico.
- Communicate and promote positive relationship building between the two countries.
- Begin the conversation with my Tribal Nation about economic development opportunities with communities located across the 75 miles stretch of international border we share with Mexico.

- Work with border cities and communities to create more trust and respect by creating murals depicting friends across borders: www.nowallsbetweenfriends.com
- Simply follow up on the ideas that have been discussed.
- Systematically identify and eliminate the barriers to creating cross border business in our community.
- I will take what I have learned here to heart. I will become an agent of change and support for our movement.
- I will learn more about the AZ-Sonora networks and follow their actions to share with influencers, watch for legislative actions affecting AZ-Sonora relations, look for and circulate good, factual information on AZ-Son relations.
- Continue to build and foster relationships that will support both sides of the border.
- Continue to search for facts and help create data and information to benefit the region.
- Present to SALE and Sun Corridor leaders the Megaregion template concept and ask for support to reach out to Sonora counterparts.
- Deepen my knowledge of the resources available in Sonora to effectively advocate to my clients and other constituencies with whom I work with.
- Help create a chapter of LAI in Hermosillo to foster and create sound land economic policies and procedures for implementation.”
- Also keep promoting all the efforts that all the organizations are doing right now and follow up on the MOU’s already signed between organizations on both States.
- Foster a more harmonic, regional system of innovation.
- Will help out clients and future investors to realize how easy and efficient two countries can work. So many organizations available to help anyone out to be successful and grow.
- To start information exchange on real estate development and create a better legal framework for foreigners and domestic investors/developers.
- Being more active in cross border opportunities.

III. I WILL TAKE ACTION TO HELP INFORM AND PROMOTE LEGISLATIVE REMEDIES

- Continue to work for human rights for undocumented migrants in the United States.
- Write a letter to my federal elected representative summarizing this experience and recommending they read our report.
- Continue educating elected officials within my sphere of influence.
- Serve in legislature and act on the recommendations.
- Communicate recommendations to State legislators, Congressional representatives, and other policymakers.
- I will work on creating a formal and legal template of the Megaregion Sonora-Arizona; hopefully approved by both state authorities.
- I will send emails to my State and federal legislators asking them to support the creation of an economic development agency for the megaregion.

IV. I WILL TAKE ACTION TO BECOME MORE INVOLVED WITH ARIZONA TOWN HALL

- Get more involved in the Arizona Town Hall and Arizona-Mexico Commissions as it relates to the discussions at hand. Take what I have learned and share in my community.
- Talk about the efficiency of the Town Hall method used.
- Become more active in promoting many of the important comments and ideas mentioned. Also, be more involved with organizations such as Arizona Town Hall in order to learn from and share best practices.
- Continue working with AZ Town Hall to support ongoing discussions that keep our ideas alive and periodically addressed.
- Continue to participate on these events.
- Promote the participation of the Arizona-Mexico Town Hall among more Mexicans.

V. I WILL TAKE ACTION TO INCREASE MY PERSONAL LEARNING & UNDERSTANDING

- Visit more of Sonora.
- Try to learn more on the joint economies of Sonora/Arizona. I will study funding sources that may lead to overcoming current obstacles.
- Learn Spanish.
- 2 weeks Spanish immersion this summer to continue improving in Spanish.
- Come prepared with information on the next event, in order to have more to share to enrich more our conversation.
- Improve my fluency of the Spanish language, network by keeping in touch with attendees, educate myself on the issue and region, share final summary report with others, and return to Sonora.
- I will work on improving my grasp of Spanish.

COMMUNITY TOWN HALL

MORNING PROGRAM SPEAKER BIOGRAPHIES

Rafael Fernández de Castro, Department Head, International Studies, Instituto Tecnológico Autónomo de México

Rafael Fernández is Presidential Advisor for International Affairs and Competitiveness and founder and head of the Department of International Studies at the Instituto Tecnológico Autónomo de México (ITAM), as well as editor of Foreign Affairs en Español. Dr. Fernández de Castro often contributes Reforma and Proceso. In addition, he has published numerous academic articles and written several books, including *The United States and Mexico: Between Partnership and Conflict* with Jorge Domínguez and *The U.S. Congress: The Controversial Pivot of North America* with Robert Pastor. Previously, Dr. Fernández de Castro participated in the Binational Panel on Migration, which published the U.S.-Mexico Binational Study on Migration. He received his BA in Political Science at ITAM, a Master's in Public Policy at the Lyndon B. Johnson School of the University of Texas at Austin, and a PhD in Political Science from Georgetown University.



Karen Ogle, Consul General of the United States of America, Hermosillo, Sonora, Mexico

Consul General Karen Ogle arrived in Hermosillo, Sonora on August 8, 2014. Her consular district covers the southern part of the State of Sonora, and the entire State of Sinaloa. Beginning her Foreign Service career in 1983 as a Specialist, Karen worked for the Department's most senior officers at State and the National Security Council. She became a Foreign Service Officer in 1994 serving in the Management section in Bangladesh on her first assignment.

She has just completed an assignment in Ciudad Juarez where, as Visa Chief and Deputy Consular Section Chief, she supervised the world's largest visa unit. Prior to Juarez Karen held the Iranian visa portfolio in Ankara, Turkey. In the course of her career, Karen has lived and served in twelve different countries on six continents. Karen studied at Northern Michigan University in Marquette, Michigan. She speaks Spanish, Farsi, and French. She is accompanied in Hermosillo by her husband, Hugh Marcy, an Engineer and retired Captain in the United States Navy.



COMMUNITY TOWN HALL LUNCH PROGRAM SPEAKER BIOGRAPHIES

Flor Ayala, Local Deputy, Congress of the State of Sonora

Flor Ayala Robles Linares is a Mexican politician born in Mexico City. She has served twice as a Local Deputy for XII District: one for the LIX Legislature (2009 – 2012) and a second for LXI Legislature, to the current date at Hermosillo, Sonora, Mexico. Ayala also was a Federal Deputy for the LXII Legislature (2012 – 2015) in the Congress of the Union, at Mexico City.

She graduated from Tecnológico de Monterrey as a Industrial and Systems Engineer (1991 - 1995), has a Master's degree in Economics and Government from Universidad Anáhuac (1997 - 2000) and a postgraduate study in the first edition of the Women's Leadership Program in Harvard University (2010), where she was the only Latin American participant out of 200 women selected.

During her career, Deputy Ayala has always worked on Children's Rights, Migration Policies, Anti-corruption Programs and Financial issues.



Ruben Gallego, Representative, Arizona District 7, U.S. House of Representatives

Congressman Ruben Gallego is the son of Hispanic immigrants, a veteran, and a community leader. He was the first in his family to attend college, graduating from Harvard University with a degree in International Relations. He later joined the Marine Corps, serving in Iraq with the well-known combat unit Lima 3/25.

Congressman Gallego has fought tirelessly on issues including education, job creation, access to higher education, veterans' issues, and immigration reform. Making Arizona a better place to live, work and raise a family is his top priority.

Congressman Gallego serves as a Senior Whip for the Democratic Caucus, the Second Vice Chair of the Congressional Hispanic Caucus, Vice Chair of the Congressional Progressive Caucus, and Vice-Chair of the Equality Caucus.

Congressman Gallego currently serves on the House Armed Services Committee and the Natural Resources Committee.



SPONSORS OF THE COMMUNITY TOWN HALL

PREMIER PARTNER

Jennings Strouss

ATTORNEYS AT LAW

BRONZE PARTNERS



Agnese Nelms Haury Program
in Environment and Social Justice



BEACHFLEISCHMAN
Accounting | Assurance | Consulting | Tax



TAPIA, ROBLES, CABRERA Y MORENO S.C.
ABOGADOS
www.trclaw.com



2400 W. Dunlap Ave., Suite 200 | Phoenix, AZ 85021
Phone: (602) 252-9600 | Fax: (602) 252-6189
www.aztownhall.org