

11.0 ECONOMIC DEVELOPMENT ELEMENT

11.1 INTRODUCTION

As defined in Prescott's 2008 Focused Future II Strategic Plan for Community and Economic Development, "Prescott's economic development mission is to: Facilitate the establishment of a balanced local economy, creating quality jobs and enhancing the local tax base through quality industrial and commercial development, targeted business attraction and redevelopment of target areas, effect expansion and retention efforts, and provide tourism support."

The **Economic Development Element** is not mandated by Growing Smarter but is included in Prescott's General Plan in recognition of the vital part our economic health plays in the quality of life of this community.

Prescott's economy includes retail sales, tourism, education, real estate, industry, construction, federal, state, county and municipal government. The historic downtown, airport, industrial parks and regional commercial developments along the Highway 69 Corridor are recognized as economic centers for the City.

Manufacturing and industrial employment are important to the economy. However, sales tax is a primary source of City income. Since the 1990s, economic development has been emphasized in the City, including partnerships with the private sector to expand the availability of commercial & industrial space and fund associated infrastructure improvements.

11.2 EXISTING CONDITIONS, TRENDS & CHALLENGES

Maintaining a healthy economy may have undesirable impacts on nearby residential neighborhoods and the natural environment. Therefore, industrial, commercial and residential development must be balanced.

11.2.1 Downtown

A Downtown Specific Area Action Plan was adopted in 1997. The Plan called for a partnership between the City and downtown businesses resulting in the formation of the Prescott Downtown Partnership, Inc., which acts as a manager for downtown activities and also functions as a liaison between the City and the private sector. A downtown renovation project was initiated in 1998 to enhance the visitor experience by replacing sidewalks, adding pavers to crosswalks, landscape planters, lampposts, benches and waste receptacles as pedestrian friendly amenities. There is ongoing coordination with the Prescott Downtown Partnership when scheduling events on the Yavapai County Courthouse Plaza. The City produces a great deal of activity downtown. With the completion of the Granite Street Parking Garage in 2005, the City has invested more than \$8.5 million in the downtown's infrastructure and assets.

A Historic Preservation District was formed to protect the historic integrity of the buildings surrounding the Courthouse Plaza. Downtown Prescott remains the most significant tourist draw for the community with its combination of historic structures, cultural amenities, community events and varied mixture of businesses. Other historic districts exist in the downtown area providing residential and commercial cultural benefits.

The City purchased the Elks Opera House in 2001. The City and the Elks Opera House Foundation, with assistance from the Prescott Area Arts and Humanities Council,

completed renovation of this structure, which, since 1905, has been the home of live performances, movies, and meetings.

11.2.2 Housing

A state-commissioned study in 2001 by Elliott D. Pollack & Company identified a trend in Prescott where there is not a sufficient number of housing units to meet the demands of service level workers and other residents who are at or below the median income level. The recent economic downturn has changed this situation to an unknown degree. No up to date studies are available. However, the Land Use Element provides additional information on the Pollack study and possible solutions to the challenge of providing housing for a balanced community.

11.2.3 Workforce

Trends in commercial development have moved commercial centers and employment to major arterial corridors, such as Highway 69. Suitable sites for industrial development have been created in the airport area with promotional efforts to attract employers. Other commercial corridors have been designated along arterial roadways within Specific Area Plans distinguishing those areas for commerce and industry growth.

To maintain a sustainable economy, a diverse retail/commercial presence is needed at locations throughout the city to provide employment, goods and services near neighborhoods. The redevelopment of vacant sites, left by the relocation of retailers, offices and other employers, is needed to attract new businesses back into neighborhood areas.

Underemployment, meaning education and skills are not being fully utilized, can be mitigated through business attraction, retention, and expansion, providing jobs requiring higher education and skills. Inadequate training, where the workforce lacks desirable skills, may be addressed by educational institutions and employers working together to improve workforce development and providing skill preparation programs.

11.3 SUSTAINING A BUSINESS FRIENDLY ENVIRONMENT

Arizona Public Service, the Prescott Chamber of Commerce, City of Prescott and other local partners combined to develop the 2008 Focused Future II Action Plan for economic development. This plan provides information regarding business relocation, expansion and retention in Prescott. The Focused Future II plan was designed around four focus areas:

1. Business Attraction, Retention and Expansion. Support industries that are currently looking to relocate or are already within the community. Particular attention is given to industries that are growing, deliver high wages or provide high capital investments.
2. Community Image and Quality of Life. Cultivate a dynamic community that preserves Prescott's natural /historic environment, emphasizes art, culture, recreation, heritage and ensures a quality way of life for residents of all ages. Expand excellent healthcare facilities and services to meet the area's future needs.
3. Prescott as the Regional Hub. Maintain Prescott's position as the regional economic hub. Be the leader in crafting unique and sustainable partnerships throughout the region. Maintain Prescott as the county seat.

4. Educational Excellence. Maintain the predominance of high-quality educational opportunities in Prescott, such as quality K-12 through post-secondary school and specialized job training.

These focus areas are important to sustaining a business-friendly environment and furthering opportunities for success in commerce and industry.

11.3.1 Commerce and Industry

Large scale commercial development trends have resulted in the creation of regional commercial areas such as the Gateway Mall and the Highway 69 corridor. The downtown commercial area includes restaurants, banks, professional offices and tourist related businesses which form the core of the City. Other commercial areas include the Village at the Boulders, Willow Creek Shopping Center and the auto dealerships.

It's important to attract, maintain and support small business as neighborhood commerce areas. Smaller roadway corridors support businesses and provide interconnectivity to regional areas. Less intense neighborhood oriented commercial is a more sustainable form of development by providing goods and services to areas of the community without requiring long travel times. The Prescott East Area Plan and the Willow Lake South Area Plan designate areas suitable for neighborhood oriented commercial development. Redevelopment has potential in areas such as Miller Valley/Grove, Montezuma/Whipple, Montezuma/White Spar and along Iron Springs road. Area Plans and the Land Development Code support and encourage this pattern of development through the designation of smaller scale, less intense commercial areas.

Industrial land is readily available in Prescott, however, available industrial buildings over 20,000 sq. ft. do not currently exist. Prescott has sites available and ready for the construction of industrial and business parks. The oldest industrial parks in the city are the Sundog Road industrial park off Highway 89 and the Sixth Street industrial area near downtown. These parks are nearly built out with little vacant land and boundaries that encroach nearby neighborhoods. New industrial parks are located in and around the Prescott airport and Granite Dells.

Geographical groupings encourage the clustering of interdependent and/or complementary businesses within the same area. To some extent, this was the traditional commercial development style until the road and rail networks allowed a greater dispersion of interdependent businesses. Building upon the interdependency concept allows local communities to focus economic development efforts more efficiently by recognizing how business groupings interrelate.

The Prescott airport is both a transportation asset and an economic focal point for the City and the region. Ernest A. Love Field is one of the busiest airports in the state and also one of the busiest regional airports in the country. Its economic importance to the City stems from direct airport operations such as the large number of hangar tenants, general aviation services, flight training operations, cargo services, the forest service fire-fighting operations and the FAA tower. Much of the land near the airport is designated for industrial and intense commercial uses related to the airport, and includes a significant number of the region's manufacturing and technology jobs. The 2009 Airport Master Plan, the Airport Business Plan and the Airport Specific Area Plan (ASAP) have been adopted to address Airport land-use protection and to assure the continued economic vitality of the airport.

11.3.2 Commerce and Industry Goals & Strategies

Goal 1. Ensure the continuation of the industrial and commercial character of the airport vicinity.

Strategy 1.1 Support and maintain the land uses established in the Airport Specific Area Plan and the Land Use Element of this General Plan.

Strategy 1.2 Coordinate with adjacent jurisdictions to assist in the implementation of the Airport Specific Area Plan land uses within their corporate limits or anticipated to be within their corporate limits based upon mutual boundary agreements.

Strategy 1.3 Actively recruit industrial, airport related or airport dependent businesses to occupy available commercial and industrial space within the airport boundaries.

Strategy 1.4 Periodically review and update the Airport Business Plan and the Airport Specific Area Plan to ensure these plans are current.

Goal 2. Encourage development of suitable sites for commerce and industry at locations specifically targeted for commercial development, employment centers and neighborhood oriented business

Strategy 2.1 Support appropriately sized and placed commercial and industrial development areas through the implementation of adopted Area Plans and the Land Use Element of this Plan.

Strategy 2.2 Facilitate and encourage annexation of potential business sites for future employment, commercial and retail development.

Strategy 2.3 Should conflicts occur between residential and non-residential uses, community-wide interests should take precedence. When community wide interest is not at stake, then neighborhood interests should prevail in resolving conflicts.

Goal 3. Actively recruit commerce and industry.

Strategy 3.1 Encourage business and commercial development through market research, recruitment and expansion which augments the current business mix and introduces new retail and services while continuing to retain and expand existing local business.

- Strategy 3.2** Engage with and support the healthcare institutions within our community such as YRMC, especially to devise actions to improve the recruitment of qualified staff where shortages exist.
 - Strategy 3.3** Continually refine commerce and industry targets, marketing campaigns and economic development strategies.
 - Strategy 3.4** Encourage industrial, light manufacturing, warehousing, distribution, research & development, financial services and other clean industry such as information technology, health care and education which improve the variety of employment opportunities and bring higher paying jobs into the community.
- Goal 4.** Locate and provide incentives, where possible, for commerce and industry, including small businesses, to locate, remain and/or expand in Prescott.
- Strategy 4.1** Periodically eliminate unnecessary or burdensome regulation and streamline development permitting review and approval procedures to facilitate expansion and/or attract commerce and industry.
 - Strategy 4.2** Investigate financial and grant opportunities to assist in relocation or start-up of commerce and industry. Incentivize and encourage communities to form self help economic groups such as Community Development Corporations.
 - Strategy 4.3** Update the city's Economic Development Incentives Policy. Attract and retain businesses within existing commercial areas.

11.4 ENSURING A STRONG TAX BASE

Due to state law, the City relies primarily on the transaction privilege sales tax, and to a much lesser degree, property tax to generate revenue necessary for providing services such as police, fire, building safety, parks and recreation.

11.4.1 Retail, Industrial and Commercial development

As the regional business market continues to grow over the 10 years, major business location and/or relocation decisions will be made. Given that \$10 million in sales within the city limits generates \$200,000 in city revenue and \$10 million in sales outside the city yields about \$397 in city revenues (though state revenue sharing), where retail business locates and where people shop is of tremendous importance. Prescott needs to position itself strategically to capture a reasonable share of regional development, sufficient to achieve and maintain a 5% annual growth in sales tax revenues.

To successfully compete in the regional market, Prescott must solicit, recruit and encourage major retail/commercial/industrial development to locate within the community. Large sales volumes draw on a regional market and attracts additional development. Neighborhood-oriented business is smaller in scale providing for the availability of goods and services for neighborhood residents, and also contributes to sales tax revenues to a lesser degree.

11.4.2 Tourism Promotion through Destination Marketing

Tourism is an important sector of the local economy. The 2009 Prescott Area Tourism Study, produced for the Arizona Office of Tourism by Northern Arizona University, indicated that visitors to the Prescott area spent an estimated \$196.7 million that year. The merchants and service providers then provided paychecks to employees, bought supplies and made other business related expenditures resulting in an indirect economic impact of an additional \$40 million. Indirect business taxes produced an additional \$23 million. The total economic impact supported 4,761 direct and indirect jobs. The above illustrates how tourism supports and stimulates a major portion of the City economy.

[Destination marketing organizations \(DMOs\)](#) are organizations charged with representing a specific destination and helping the long-term development of communities through a travel and tourism strategy. Tourist development and promotion is a complex issue. To attract visitors, Prescott must develop and maintain amenities and attractions. The City's cultural heritage is an important draw for tourists along with recreational opportunities offered by area golf courses, parks, lakes, trails and the Prescott National Forest. Community groups work with the City to create events to keep Prescott a center for entertainment and culture in Yavapai County. Visitor attractions have included new events such as the Whiskey Off-Road bicycle race, Prescott Film Festival, New Year's Eve Boot Drop, Chaparral Music Fest and Ghost Talk. Signature long-time events and venues include Elks Opera House productions, Sharlot Hall Museum, Prescott Frontier Days, Acker Night, the Bluegrass Festival, Phippen Memorial Art Show and the Cowboy Poets gathering.

There's a need to market and promote these attractions so that potential visitors are aware of local amenities. The transient occupancy (bed) tax is used for destination marketing. The City created a Tourism Office in 2010 by hiring a fulltime Tourism Director. The function of this Office is to strategically promote Prescott in order to increase visitor spending. This is accomplished by developing and implementing a marketing plan targeting potential visitors with certain demographic, geographic and sociological profiles. Once visitors are here, strategies, such as providing available free parking and maintaining a safe clean environment, are pursued to ensure that they enjoy a positive experience while in the community.

11.4.3 Historic Downtown

Through concerted efforts by the City, Chamber of Commerce, Prescott Downtown Partnership, Prescott Area Arts and Humanities Council and citizen historic preservation supporters, the downtown area continues to be the focal point exhibiting the character of Prescott.

The Downtown Business District is a priority economic development (and re-development) area. Downtown is characterized by a traditional mixed use development pattern typical of many small town centers, with retail, hospitality, light industrial, professional offices, government and residential activities. Retail in the downtown is

largely tourism-oriented businesses. The mix also includes arts, culture, entertainment and hospitality services.

Preservation of the downtown as a historic and an economic asset requires continuous attention. The growth and diversification of Prescott's economy will continue to create competitive challenges for downtown businesses. Challenges for the Downtown in the coming years include responding to changes in ownership of key properties downtown and providing for adequate circulation, consistent parking management and maintaining the downtown vitality.

Efforts to enhance the character of downtown are needed to retain its historic attraction as a tourist destination, to retain the mix of businesses to support that tourism and to support local citizen shopping and service needs. The ongoing efforts of the Prescott Downtown Partnership has positively affected the economic viability of the downtown. The City's Historic Preservation Master Plan guides preservation efforts for historic sites throughout the city, many of which are located in or near downtown. These efforts have yielded good results such as renovating historic buildings and maintaining a low vacancy rate downtown, demonstrating that keeping pace with economic climate and protection of historic character are not mutually exclusive.

Preserving historic assets, identifying new business potential, adding to the arts/cultural amenities and promoting the enhancement of buildings and streetscapes are recommended to increase the economic capacity of the downtown area.

11.4.4 Retail, Tourism and Downtown Destination Marketing Goals & Strategies

Goal 1. Expand Prescott's taxable sales base.

- Strategy 1.1** Solicit, recruit and encourage new regional retail/commercial development at targeted locations.
- Strategy 1.2** Encourage retention and expansion of neighborhood oriented business at appropriate locations throughout the city.
- Strategy 1.3** Explore the use of License Agreements rather than Conditional Use Permits to allow for mobile food vending in pre-specified permanent locations in the downtown area.

Goal 2 Position Prescott as a tourist destination.

- Strategy 2.1** Using Transient Occupancy (bed tax) dollars, enhance the City's efforts through Destination marketing, to advertise and promote Prescott as a tourist destination with excellent historic, cultural, recreational and arts amenities.
- Strategy 2.2** Maintain and continually develop a comprehensive tourism marketing plan directed to travel consumers, media and the travel trade using a mix of traditional and emerging

marketing technologies supplemented by direct sales efforts.

Strategy 2.3 Promote Prescott as a desirable location for film and advertising productions.

Strategy 2.4 Develop strategies to encourage longer stays and more purchases by visitors to Prescott through expanded attractions and enhancing their experience.

Goal 3. Preserve and continually vitalize the downtown business community.

Strategy 3.1 Create public/private partnerships to re-establish and sustain a mix of uses in Downtown including residential, government, professional, institutions, entertainment and retail.

Strategy 3.2 Encourage retention of current government functions (City, county, state and federal), including courts and law enforcement administration agencies.

Strategy 3.3 Support and expand cultural and leisure facilities and activities within the Plaza and Downtown area to notably include the Elks Opera House.

Strategy 3.4 Develop and maintain a method to ascertain the status (or) inventory of the downtown business mix on an on-going basis.

Goal 4. Enhance the character and ambiance of the downtown.

Strategy 4.1 Develop and implement additional functional and aesthetic improvements within the downtown rights-of-ways. Such improvements should include the continuation of landscaping, streetscape improvements and pedestrian circulation improvements.

Strategy 4.2 Encourage downtown businesses to renovate and maintain building facades that would enhance the historic character of downtown structures.

Strategy 4.3 Enforce the 1998 Courthouse Plaza Historic Preservation District to maintain the character of the downtown.

Strategy 4.4 Update the Downtown Master Plan with an emphasis to the City and downtown property owners to maintain and enhance infrastructure and preserve the downtown as a destination for tourists and local residents.

Strategy 4.5 Update the Historic Preservation Master Plan to guide preservation efforts throughout the city and downtown

while keeping pace with economic development and the protection of historic character.

Strategy 4.6

Ensure adequate police operations with officers who are familiar with the specialized downtown issues of cleanliness, overnight camping, panhandling, and safety factors that would be considered unique to the downtown area.

11.5 QUALITY JOBS: MAINTAINING A STRONG EMPLOYMENT SECTOR

11.5.1 Employment sectors

Sales tax revenues support the provision of City services such as street maintenance, police and fire protection. Growth in retail service employment should be balanced with efforts to increase higher paying jobs in the manufacturing and professional sector. This will provide employment opportunities for working class individuals and families of all age and income groups and assist in maintaining an available workforce for business attraction and retention in Prescott.

The strategies in business attraction, retention and expansion of the Focused Future II plan are targeted at growing the economy through the creation of well-paying jobs. The plan sets out four focus areas deemed to be appropriate for this community and represents existing local commerce and industry: 1) Biomedical/Biosciences 2) Medical Services 3) Aviation-Related Businesses and 4) Advanced Technology & Manufacturing

Business recruitment in the research/development field may be beneficial in the future. This business type tends to pay higher wages with less environmental impacts than other types of businesses. Existing companies in the area, especially small business, generate most new jobs. Focus on retention and expansion efforts for existing businesses should be proactive, as well as the development of new small businesses since they are responsible for new jobs.

According to the 2010 and 2011 Occupational Employment Statistics provided by the Arizona Department of Administration Office of Employment and Population Statistics (<http://www.workforce.az.gov/occupational-employment-statistics.aspx>), the top employment sector in the Prescott Metropolitan Statistical Area (MSA) is the food service and retail trade. Office and administrative support jobs (the single largest sector) accounts for 16.23% of employment. Fewer workers are employed in the high paying professional occupational groups such as business/financial, computer/mathematical, architecture/engineering and science. Less than 5% of the workforce in the MSA is employed in the top paying sectors of legal, healthcare practitioners and technical occupations.

Some of the major employers in Prescott include:

- City of Prescott (including the airport and Antelope Hills Golf Course)
- Cobham Aerospace Communications
- Embry Riddle Aeronautical University
- Prescott College
- Prescott Gateway Mall

Prescott Unified School District
Pure Wafer
Sturm Ruger and Company
Veteran's Affairs Medical Center
West Yavapai Guidance Clinic
Yavapai College
Yavapai County
Yavapai Regional Medical Center

11.5.2 Incentive Programs

The State offers incentive programs to provide benefits to companies that invest in creating jobs. The Arizona Job Training Program is a reimbursable grant program that supports training plans for employers who create new jobs or increases the skill and wage levels of current employees. The Quality Jobs Tax Credit program encourages business investment and the creation of high-quality employment by providing tax credits to employers. Both programs are well matched to the types of employers suggested by Focused Future II.

11.5.3 Workforce Characteristics

In Prescott, 30.8% of the population is older than 65. This compares to approximately 13% in Arizona. The working age population earns 52.5% of Prescott's aggregated City income, compared with 61.5% for the state. In 2010, the median household income, counting all sources, wages, pensions, investment income, etc., was \$44,278 compared to \$50,448 for the state.

The 2008 recession caused an increase in unemployment. At 9.6% the Yavapai County unemployment rate is greater than the national rate of 8.5 %, and the state rate of 8.7%. Prescott currently has an unemployment rate of 8.6%. Prescott also has a high retirement age population. This creates a demand for service level workers who may be commuting from the surrounding area into the City. Therefore, unemployment in the surrounding area affects the available workforce within Prescott.

The Quad-City Arizona Area Labor Availability Report was completed in 2010 to determine the availability of workers in the area. The Quad-City area is referred to as the "labor shed" and has a total population of 133,400. The labor shed contains a civilian labor force of approximately 62,300 with a pool of about 6,600 unemployed persons who are actively seeking work. The study indicated that an additional 7,100 workers are considered to be underemployed, or working at jobs below their skill and qualification levels. Survey interviews with employers revealed that worker productivity and attitudes were rated good or excellent by major employers. However, those same employers expressed concerns about basic skill (reading/ writing/ calculations) competency among the local workforce. The study indicated that 1% of underemployed and 8% of unemployed individuals actively seeking work have less than a high school diploma. However, Prescott has a better educated labor force overall when compared to the state. The 2010 U.S. Census indicates that 91.9% of persons age 25+ in the City of Prescott are high school graduates compared to 85% for the state. Also, 33.9% of persons age 25+ have a Bachelor's degree or higher compared to 26.3% for the state (2012 information is not available at the time of this writing).

11.5.4 Employment Sector Goals and Strategies

Goal 1. Create quality job opportunities within employment sectors which complement Prescott's demographics, labor force, available sites and quality of life.

Strategy 1.1 Leverage federal and state economic development grants, low interest loans and job training programs to attract employers in targeted sectors.

Strategy 1.2 Facilitate industrial development bond financing.

Strategy 1.3 Promote relocation / expansion of business in Prescott to create professional employment positions.

11.5.5 Education and the Workforce

There are three campus based institutions of higher learning located in Prescott - Embry-Riddle Aeronautical University, Yavapai College and Prescott College. Local colleges can draw high-end economic development to Prescott by providing for an educated workforce. In some cases providing for the needs of a specific industry, such as Embry-Riddle's aeronautics curriculum, which is a benefit to the Prescott airport. Yavapai College provides workforce development through a trade school curriculum catered to the Prescott area. This provides a connection to Prescott's economic vitality. Yavapai College creates a \$131.2 million economic impact on Yavapai County per an [independent study](#) conducted in August 2011. Prescott College contributes to a balanced workforce by providing higher level education and training through a Liberal Arts curriculum, which includes a limited residency Ph.D. program in Sustainability Education.

Educational hubs attract students from inside and outside of the area, bringing money into the community. Education, quality job training and skill development lead to high paying and diverse jobs with an improved standard of living. According to the National Center for Educational Statistics, the 2009 average annual earnings for a worker with a high school education or with a GED is \$30,000 while a two-year associates degree earns \$36,000. The median wage for holders of a bachelors degree is \$45,000. A well trained, well compensated and diversified labor force contributes to a balanced and sustainable local economy. A positive community image will assist in attracting new job opportunities. Statistically, education directly benefits the community with reduced absenteeism, smoking, alcohol abuse, welfare, unemployment and crime.

Coordinating the personnel needs of new and existing business with skills training programs creates a stable workforce. Demand-based training programs respond to the changing needs of the businesses community, transfer technology from education centers and will encourage the development of new businesses.

JTED is an abbreviation for Joint Technical Education District. Currently, there are twelve other JTEDs throughout the state of Arizona. The JTED functions as an independent school district with its own elected governing board. In Prescott, our JTED is known as the Mountain Institute, which also serves Ash Fork, Bagdad, Chino Valley, Humboldt, Mayer and Seligman.

Mountain Institute has access to additional funding as part of the JTED. This funding provides students access to career and technical education courses that is significantly greater than any individual district can provide. Charter school and home school students may also participate in JTED programs. The Mountain Institute JTED was approved by voters in the November 2008 general election and began classes in August for the 2009-2010 school year. Mountain Institute entered its fourth year of operation in July 2012.

11.5.6 Education and the Workforce Goals & Strategies

- Goal 1.** Collaborate with local schools, government agencies, businesses and colleges to improve the basic workforce skill level of their students and the workforce.
- Strategy 1.1** The City should work closely with Prescott Unified School District, private schools and colleges to support vocational and career counseling programs to improve the basic work skills of students and the workforce needs of the community.
 - Strategy 1.2** Support closer working relationships with the Yavapai College Small Business Development Center and the Service Corporation of Retired Executives (SCORE) to assist in the encouragement of entrepreneurial business development.
 - Strategy 1.3** Improve working relationships with the Office of Workforce Development at Yavapai College, including the Small Business Development Center so as to enhance entrepreneurial business development.
 - Strategy 1.4** Work with the Yavapai County Workforce Investment Board to take advantage of their workforce development programs.
- Goal 2.** Work with all public and private educational institutions to attract and retain commerce and industry with higher level jobs with higher salaries.
- Strategy 2.1** Explore the formation of a committee with representatives from the City, businesses and educational institutions to study opportunities and strategies to improve the job base.
 - Strategy 2.2** Develop a business retention policy tied to Small Business and Work Force Development programs sponsored by local agencies and higher education institutions.
 - Strategy 2.3** Participate in periodic business retention/expansion surveys to determine existing employers needs for increased or re-trained workforce.

11.5.7 Housing Affordability and the Workforce Goals & Policies

Goal 1 Promote rehabilitation and preservation of existing housing stock to maximize longevity of those units and encourage a diversity of housing options.

Strategy 1.1 Implement or continue, under city sponsorship or in partnership with community agencies, programs such as Community Development Block Grants (CDBG), that provide housing rehabilitation funds and grants for owner occupied dwellings.

Strategy 1.2 Make CDBG or other appropriate funds under city control, available for direct housing assistance (either directly or through public/private partnerships).

Strategy 1.3 Investigate feasibility of establishing (under city sponsorship or in partnership with community agencies) revolving loan funds for housing rehabilitation.

Strategy 1.4 Promote greater public understanding, through the City website and other media, of the positive aspects of higher density, more compact development forms, including mixed use neighborhoods, multi-family housing, cluster housing and manufactured homes.

Strategy 1.5 Provide public education that addresses misperceptions about the look and quality of more affordable housing types.

11.5.8 Regional Competition and Cooperation

Due to the Arizona tax structure and state law, sales tax, also known as the transaction privilege tax, is the primary source of revenue for counties, cities and towns. Communities therefore compete with one another in attracting retail within their city limits in order to maximize revenue streams, which in turn support city services. Tourism is an effective way to boost sales tax revenue. On a regional basis, out of state and foreign tourism will boost regional sales tax revenue.

Competition for retail business will continue. However, economic development strategies in other areas offer opportunities for cooperation among neighboring jurisdictions. Cooperation is necessary when fostering a regional transportation network, collaborating to address workforce development and promote regional assets for businesses seeking to relocate.

11.5.9 Regional Competition and Cooperation Goals & Policies

Goal 1. Pursue regional planning efforts with other jurisdictions to promote mutually beneficial cooperation.

- Strategy 1.1** Join with adjacent jurisdictions to finance and promote regional tourism advertisement and projects designed to draw in large groups of out of town visitors who boost regional sales tax revenues.
- Strategy 1.2** Encourage and participate in regional planning forums to address transportation and housing for regional tourists and regional projects.
- Strategy 1.3** Join with adjacent jurisdictions to research, finance and promote regional economic development tactics and promotion
- Strategy 1.4** Continue to participate in regional transportation discussions addressing mass transit.

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