

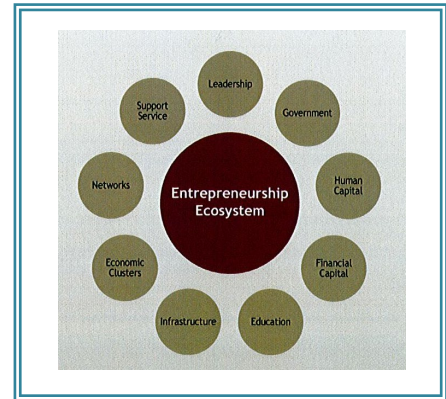
Economic Development Element 15



INTRODUCTION

Economic development is important to the future of Sierra Vista and the region. Policies and objectives must be carefully coordinated in order to promote desirable types of economic development.

Sierra Vista's economy is largely dependent on Fort Huachuca. While working to foster this economic relationship, the City must also seek to diversify and encourage non-military related business and industry. At the same time, environmental impacts must remain a paramount concern in order to maintain the quality of life presently enjoyed by City residents. The City's close proximity to Mexico is an opportunity to support local businesses and the City's retail sales tax base. Mexico is an emerging market and opportunities will be explored by creating local community economic development partnerships.



In the spring of 2013, City Council created the "*Strategic Leadership Plan for FY2014 through FY 2016; Our Future Vistas.*" The vision of that plan identifies key strategic focus areas that describe where and how available resources are used in implementing the Sierra Vista vision over the next 20 years. The *Strategic Leadership Plan* identifies economic development as a critical element.

The *Plan for Prosperity: An Economic Development Framework for the City of Sierra Vista* is a plan created for the City Council which outlines a strategic framework for accomplishing defined goals. The consultant writing the plan interviewed members of the business community, civic leaders, organizations, young people, and anchor institutions who provided valuable input to the Plan.

BACKGROUND

In the past, the City relied on many community partners to provide the functions of economic development including the Sierra Vista Economic Development Foundation, the Sierra Vista Chamber of Commerce, the SouthEastern Arizona Governments Organization, Cochise College Center for Economic Research, Huachuca 50, and others. While those partnerships are important, it has been the input from the *Plan for Prosperity's* participants that clearly pointed to the City as the primary leadership for all economic development within its boundaries.

Fort Huachuca is headquarters for the U.S. Army Intelligence Center of Excellence and School, as well as the Army Communications Command and Army Electronic Proving Council. Additionally, Libby Army Airfield affords testing sites and controlled airspace. Sierra Vista Municipal Airport is a general aviation airport co-occupying the runways of Libby Army Airfield and serves the entire southeast portion of Arizona. The Sierra Vista Municipal Airport Master Plan, adopted in 2013, evaluates current aviation demand and analyzes future demand and growth capabilities.

The impact of Fort Huachuca's operation totals more than two billion dollars annually with more than 10,000 military, employed civilians, and defense contractors that include companies on the Fortune 500 list. However, the downturn in the economy, coupled with the wind-down of two wars, sequestration, and changes in military travel policies have taken a toll on the community and its economic base. The *Plan for Prosperity* acknowledges the high importance of the installation, while emphasizing the need to diversify the economic base of the community.

Other key economic drivers and primary job creators in the area include the Border Patrol, the Sierra Vista Regional Hospital, the University of Arizona Sierra Vista, Cochise College, the Sierra Vista Unified School District, and the many high-technology firms located in the area. The *Plan for Prosperity* focuses on the eight main goals and the objectives that promote the growth and expansion of a strong regional economic base while collaborating with employers and institutional anchors to improve the quality of life, workforce readiness, and economic vitality within the City. Underemployment is also a consideration for military spouses, and others, in the area.

GOALS AND STRATEGIES

Goal 15-1 Update the *Plan for Prosperity* every five years
The *Plan for Prosperity* was last updated in 2018.

Goal 15-2 Actively promote the growth and expansion of a strong and diverse regional economic base while collaborating with employers and educational organizations to improve the quality of workforce readiness and economic development.

Strategies 1. Assume the leadership role in developing, overseeing, and implementing a collaborative strategy to coordinate economic development efforts within the community.

The strategy has been shared with numerous groups and stakeholders within the community at large. Several of the key economic development projects have been incorporated within the Community Economic Development Strategy (CEDS) 2021-2025 led by SEAGO.

2. Elevate Sierra Vista's economic development competitiveness.

The City's Economic Development Team includes Community Development, Marketing, Tourism, Parks and Recreation, Public Works, and other city staff for a comprehensive strategy to increase the City's competitiveness. Leveraging the Energy Performance Savings Contract (ESPC) has also allowed the City to move forward in areas such as sports tourism which has dramatically increased the economic impact to the local business owners. The Fry Blvd streetscape project clearly demonstrates the City's efforts to improve the overall competitiveness.

3. Expand the City's leadership and investment in economic development.

The City's Economic Development Team includes Community Development, Marketing, Tourism, Parks and Recreation, Public Works, and other city staff for a comprehensive strategy to increase the City's competitiveness. Leveraging the Energy Performance Savings Contract (ESPC) has also allowed the City to move forward in areas such as sports tourism which has dramatically increased the economic impact to the local business owners. The Fry Blvd streetscape project clearly demonstrates the City's efforts to improve the overall competitiveness.

4. Retain and grow the City's existing economic drivers.

The City staff continues to partner with the Greater Sierra Vista Area Chamber and the Hispanic Chamber on events designed to support existing business owners. During CV-19, the city offered business grants to small low to moderate income business owners to retain businesses during the pandemic. The City has partnered with other organizations such as

AZ@Work to provide additional support to businesses along retention and expansion initiatives.

5. Identify ways in which the City and stakeholders can improve effectiveness in helping to retain and expand missions on Fort Huachuca as well as other federal operations.

The City Staff and Mayor remain engaged with the H50 and Cochise County with collective efforts to support Fort Huachuca's missions. Engaging DoD Leadership along with the congressional delegation on the Unmanned Aerial System training mission at Fort Huachuca as well as future growth in ranges to meet the needs of DoD in Multi-domain battles.

6. Re-affirm and support the Huachuca 50 as the lead organization responsible for this initiative.

As previously stated, the City Staff and Mayor remain engaged with the H50 and Cochise County with collective efforts to support Fort Huachuca's missions. Engaging DoD Leadership along with the congressional delegation on the Unmanned Aerial System training mission at Fort Huachuca as well as future growth in ranges to meet the needs of DoD in Multi-domain battles.

7. Engage area employers in identifying short- and long-term educational needs as well as resources, tools and other assets that will support and enhance the existing business base.

From Good Morning Sierra Vistas providing educational opportunities to a recent partnership with AZ@Work, SBDC, the Chamber, and Cochise College to provide updates on current impacts of CV-19 on employers at no cost to the business owner.

8. Strengthen the foundations for industries and jobs of the future.

The foundation for future jobs is found in the City's relationship with Fort Huachuca, UofA College of Applied Science and Technology (CAST), and Cochise College. These partnerships continue to grow in support of areas such as virtual reality, intelligence, and recently social engineering with a first in the nation partnership by CAST and the City. The City received a no cost penetration test and the students at CAST were allowed a proof of concept for their skills in penetrating the City staff. This relationship demonstrates the commitment to increasing the foundation for jobs of the future.

9. Identify ways in which retail, business, and tourism with Mexico can benefit and expand the City's economic base.
Increasing the relationship with Mexico and specifically Sonora was included in the Plan for Prosperity. Additionally, the City has participated in the Arizona/Mexico commission with attendance at events prior to the pandemic. The City has supported the two previous SonoraFest events held at the Mall at Sierra Vista.
10. Capitalize on Sierra Vista's business, cultural, retail, and natural attractions and its proximity to the Arizona-Mexico border.
The City has supported the two previous SonoraFest events held at the Mall at Sierra Vista.
11. Develop and implement ways in which visitor attraction to the City of Sierra Vista can be improved.
From online marketing targeted at visitors, teleworkers, and specifically sports tourism have all been expanded from 2019 into 2021. The City continues to explore additional technology to identify and target potential visitors to improve their experience within the City.
12. Re-energize Sierra Vista's tourism program with increased funding and focus on building new partnerships to attract more visitors.
Promotion of local events and activities is one of the Marketing & Communications Division's key responsibilities. Promotion activities result in increased hotel occupancy, bar and restaurant sales, fuel sales, and retail sales.
13. Identify infrastructure improvements that could position the City more advantageously for future business attraction and expansion
The Airport redevelopment project and parks Master Plan are two examples of supporting this strategy.
14. Invest in critical City assets.
 - . The EPSC, Fry Blvd, airport redevelopment, and other projects support this strategy.
15. Provide high-speed internet connectivity in all public facilities.
Available in many of the City buildings, but the Staff continues to explore the expansion of available public Wi-Fi to include our city parks.

Goal 15-3 Encourage opportunities for a diverse economy

Strategies

1. Formulate and monitor proactive and measureable economic development plans and strategies.

The City identified six objectives within the Plan for Prosperity and five of those objectives have been adopted by City Council in their Strategic plan. Economic indicators are tracked and have been briefed to Council most recently in March 2021.

2. Support educational institutions to increase skill or education levels of the work force.

The City has worked and continues to engage with our local post-secondary educational institutions. The city has coordinated with Cochise College on areas such as public safety to provide a trained and ready workforce while also exploring new career fields.

3. Support development of financing methods and incentives with other agencies to promote expansion of existing businesses and industries.

In partnership with Community Development, Economic Development has worked to establish and expand the West Sierra Vista Redevelopment Area, Infill District, and the Entertainment District. Additionally, the City Council approved the recent IDA bond which will provide an economic development fund to assist business attraction through additional incentives not available to the City.

4. Support efforts to development methods with other agencies that increase new employment opportunities.

The City continues to work with our educational institutions, business related nonprofits, and also AZ@Work on programs for new employment

5. Encourage educational, industrial, and business institutions to develop partnerships that provide job training programs.

The City has worked and built key partnerships with Cochise College and UofA CAST supporting their programs and development of a trained workforce.

6. Support incentives to agencies and institutions generating job opportunities for residents that are economically and physically disadvantaged.

Both the Infill Incentive District and the West Sierra Vista Redevelopment allows for development flexibility and grant funding to provide for upgrades to accessibility and ADA accommodations.

7. Encourage recruitment of quality high-tech companies.
There have been discussions with potential relocations of tech companies, but those were negatively impacted by the pandemic. Future attraction efforts will need to be supported by a vibrant and engaging city that can support additional high tech workers which is the focus of the city.

Goal 15-4 Make certain that private development is consistent with the City's environmental goals and concerns

- Strategies*
1. Work to retain and diversify existing environmentally friendly business and industry.
Environmentally friendly business growth and attraction is a fundamental concept in the economic development approach. This area is complimented by other strategies such as partnering with our educational institutes to pursue sectors such as virtual reality.
 2. Recruit and encourage the development of environmentally sensitive business and industry.
Similar response to the strategy above.

Goal 15-5 Make Sierra Vista the hub of tourist activities in southeastern Arizona

- Strategies*
1. Support eco-tourism events and activities.
Support and promote the Arizona Office of Tourism's "Leave No Trace" initiative, which includes making literature available to visitors and staff training in LNT education.

Promote the Nature Conservancy's Ramsey Canyon Preserve and activities at the San Pedro House. Both organizations are active in eco-tourism education and events.
 2. Continue to market the historical, cultural, and environmental aspects of the region.
Tourism marketing efforts have consistently focused on promoting historical, cultural, and environmental aspects of the region.

Additional efforts toward environmental promotion have included:

- Hiking: The Sky Islands Summit Challenge (2017-19 and 2021); active involvement with the Arizona National Scenic Trail Gateway Communities organization to aid in promotion of the AZT and the culture of other Gateway Communities.
- Bicycling: Sky Island Tour bike ride, in partnership with NAMI (2016-19 and 2021); in partnership with Perimeter Bicycling, the upcoming Tour de Zona (March 2022); and earning and maintaining our Bicycle Friendly Community designation from the League of American Bicyclists.
- Birding: Promotion of the two birding festivals based in Sierra Vista and offered by Southwest Wings, to include the Spring Fling and Southwest Wings Birding & Nature Festival; promotion of Wings Over Willcox; proposing and supporting state legislation to earn the official title of Hummingbird Capital of Arizona.
- Working with travel media to earn placements in print and digital format that promotes the region as an extraordinary outdoor destination.

3. Expand conference facilities.

Economic Development and the Public Information Office have discussed potential expansion using a public-private partnership model. Currently, there have been no firm commitments.

4. Encourage travel-related activities through on-going marketing efforts.

Promotion of local events and activities is one of the Marketing & Communications Division's key responsibilities. Promotion activities result in increased hotel occupancy, bar and restaurant sales, fuel sales, and retail sales. These efforts are supported by additional activities, to include:

- The Sports Division is attracting and hosting sports tournaments.
- Tourism division is actively marketing the region to attract visitors and aiding group travel and event coordinators.

- Cooperative tourism marketing efforts with Cochise County Tourism and Economic Council and the Arizona Office of Tourism are ongoing.

STATE LAW REQUIREMENTS

None

ATTACHMENTS

None

REFERENCES

The following references used in this element are City approved documents.

- *Plan for Prosperity: An Economic Development Framework for the City of Sierra Vista*, Prepared by IO INC, May 2013

