



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 3/7/2023

**= Mandatory, information must be provided*

Click or tap the boxes to enter text. If not applicable, indicate "N/A".

***Title:**

Economic Development Strategic Plan Approval

***Introduction/Background:**

On June 24, 2022, Pima County Economic Development entered into an agreement with Stiletto Consulting Ltd. to engage in the development of a new comprehensive Pima County Economic Development Strategic Plan.

***Discussion:**

The new Pima County Economic Development Strategic Plan is meant to act as the guiding document for operational excellence of Pima County Economic Development by providing concerted, data-driven recommendations developed with and for the community, and following policy set forth by the Pima County Board of Supervisors.

***Conclusion:**

The newly developed Pima County Economic Development Strategic Plan charts a course for success in regional Economic Development, to be implemented by Pima County Economic Development, pending approval of the Plan by the Board of Supervisors.

***Recommendation:**

The Pima County Economic Development Department recommends approving the 2023-2026 Economic Development Strategic Plan.

***Fiscal Impact:**

N/A

***Board of Supervisor District:**

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

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Date: 2/21/2023

County Administrator Signature: _____

Date: 2/21/23



PIMA COUNTY
ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

S T R A T E G Y

—

2023-26

PIMA COUNTY, ARIZONA

STILETTO

Foreword

Pima County acts as a regional leader for Economic Development, working collaboratively with Southern Arizona's municipalities, unincorporated areas, tribes, the State of Arizona, and partners such as Sun Corridor Inc., the University of Arizona, and Pima Community College. We also engage daily to support our private sector businesses. Our shared goal is simple: to help provide a prosperous, equitable, and sustainable economy for all of our residents.

In 2022, Pima County launched a new approach to Economic Development strategic planning with a focus on stakeholder inclusion, data analysis, and identifying and leveraging our economic strengths. County staff, working with Stiletto Consulting, held extensive meetings to obtain feedback from businesses both large and small. The team surveyed companies and citizens and sought input from governmental partners, educational institutions, and internal departments – all of which have a hand in strengthening our economy.

Throughout this process, staff worked to ensure the policy priorities of the Pima County Board of Supervisors and County Administration were woven into the plan. The Pima County Economic Development Strategic Plan presented here sets a path forward for our economy to grow and thrive, and to do so to the benefit of all Pima County residents and businesses.

JAN LESHER

Pima County Administrator



Executive Summary

Challenging times build resolve and resilience. During the COVID-19 pandemic, Pima County businesses and residents have adapted and even thrived despite changing social, economic, and environmental conditions. As the community looks to the future, it will need to harness this resilience to navigate challenges and opportunities. Focus and cooperation will be essential to these efforts: by focusing the county's diverse assets and shared goals, the community can achieve economic prosperity that is truly greater than the sum of its parts.

The Pima County Economic Development Department has a bold vision: to create an economic development strategy that will engage the Pima County's business and residential communities in a coordinated effort to support long-term prosperity.

The Economic Development Strategy 2023-26 aims to leverage the department's essential role as the "critical convener," ready to capitalize on its assets and opportunities. Based on a thorough assessment of market, community, and government trends, the strategy articulates

the county's unique value proposition and charts a path to sustainable, long-term prosperity for the community. In particular, the strategy considers the regional economic, social, and environmental forces that are driving change: the emergence of innovation ecosystems and technology-based industries; the need for increased diversity, equity, and inclusion (DEI); and the importance of considering climate and water in planning.

With a broad range of research strengths from a network of post-secondary education institutions, Pima County has resources to embrace opportunities in priority sectors (e.g., aerospace and defense, manufacturing, transportation and logistics, and energy). Many of these opportunities will merge with and expand on Pima County's already strong traditional industries. **What is essential now is for Pima County to unite its assets in a deliberate, focused way to achieve long-term impact.**

Drawing directly from stakeholder input and relevant research, this strategy outlines 30 specific recommendations and provides timelines and metrics for success. Recommendations are grouped in four thematic pillars (Figure 1) that reflect the values and goals identified by the department and its stakeholders.

Figure 1: Four thematic pillars

Pillar 1 Discover & Prioritize	Pillar 2 Develop & Connect	Pillar 3 Community & Culture	Pillar 4 Advocate & Amplify
Deciding together on priority areas will help Pima County attract priority sectors with the greatest potential	Building vital partnerships between businesses and the educational sector will give students work-based learning opportunities that allow them to envision careers and livelihoods in Pima County	Aligning economic development with shared values and leveraging an enthusiastic and committed community	Engaging and influencing decision makers, stakeholders, and relevant community groups to promote broader systemic change

Within these pillars, the recommendations emphasize four strategic priorities: retention and expansion, business attraction, infrastructure, and workforce development. Approaching the economic development strategy with these pillars and priorities will help the department ensure that the “why” of the strategy is incorporated in the “how” at every stage.

What’s Next

Executing this strategy requires deliberate cooperation and coordination in economic development strategies and initiatives. By intentionally bringing diverse stakeholders together, complex challenges can be thoroughly discussed, integrating Pima County’s environmental, social, and cultural values.

As the Economic Development Department begins implementing the recommendations, it will want to consider tracking and reporting metrics and using these to guide adjustments along the way. An implementation roadmap and sample metrics are included in the report to guide next steps.

The Economic Development Strategy 2023-26 is a plan by the community, for the community. Recommendations concentrate on opportunities that offer substantial return on investment and build on Pima County’s greatest strengths. With focus, commitment, and action from businesses and residents, Pima County can accelerate towards a future that offers prosperity and well-being to all.

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Introduction

Across America, county governments are on the front lines of building healthy, vibrant, and safe communities. They connect communities by providing transportation infrastructure and broadband access. They keep their citizens healthy through their local health departments, from vaccine administration to behavioral and mental health provision. And they foster vibrant communities via housing policy, emergency management and response, and public safety initiatives.

As the National Association of Counties (2022) has highlighted, a main concern for county governments is how to create prosperous communities by, for example:

- “Prioritizing the needs of residents and constructing a foundation for sustained resiliency;
- Leveraging the American Rescue Plan Act’s (ARPA) state and local fiscal recovery fund to bolster the local workforce; and
- Facilitating the implementation of public policy and services which have tangible ramifications in the lives of residents.”¹

As counties across the US continue to address economic distress related to the COVID-19 pandemic, they are increasingly adopting roles as “critical conveners,” bringing together workers, employers,

education / workforce organizations, and other stakeholders to spur labor market recovery. This convener approach allows counties to address diverse challenges by using knowledge and resources across sectors. Ultimately, these coordinated efforts can generate more widespread impact and build lasting community networks.

The Pima County Economic Development Strategy 2023-26 positions Pima County as the “critical convener,” playing a central coordinating role in progressing towards the county’s economic development goals.

By adopting this organizing principle, the strategy establishes shared goals and provides a path to achieve them. The plan will draw on the considerable network of organizations and stakeholders (e.g., the Small Business Commission, chambers of commerce, and others) for their expertise throughout implementation. At the same time, the strategy leverages Pima County’s forward-looking approach to economic development and positions the county in terms of its unique value proposition and competitive advantage.

Scope

This strategy report builds on Pima County’s previous economic development plans and complements plans developed by municipalities in the county² and articulates

the community-based economic development vision of the county. The report considers Pima County's current state, including a review of its progress toward its earlier economic development goals (2019-22).

Drawing on quantitative and qualitative data from primary and secondary sources, the report presents a detailed strategy for Pima County's next steps (2023-26) to foster investment, growth, and interconnectedness across the county. Included in the scope are federal-level economic principles and priorities as noted in the Economic Development Administration (EDA) guidelines.

Methodology

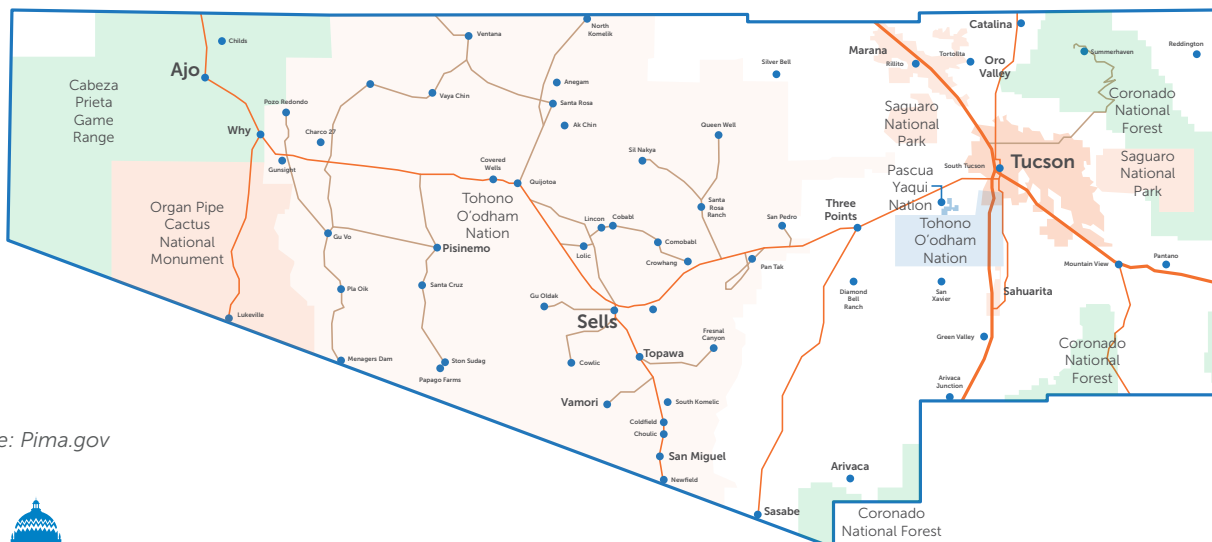
Extensive quantitative and qualitative research was conducted in the formulation of recommendations and the preparation of the report. Key market, labor, socio-economic trends, real estate data, strategy reports, and other substantive information were considered, and close to 600 diverse

stakeholders participated, sharing their insights and feedback. In all, more than 55,000 data points were collected and examined in the preparation of this report. Refer to the separate background document for a detailed summary and analysis of background data.

About Pima County

Nestled in the heart of the Southwest, Pima County blends unique natural beauty with a modern sensibility. This vibrant, urbanized region in Arizona is located directly along the border of the United States and Mexico. The county covers an area of 9,189 square miles and has a growing population of 1,052,030, including the major urban center of Tucson, which has a population of over 500,000 (2021).³ Pima County's top three industries are foundational, interdisciplinary, and enabling organizations;⁴ social and cultural development agencies; and health care. The region also has substantial educational, entrepreneurial, and innovation resources.

Figure 2: Map of Pima County, Arizona⁵



Source: Pima.gov

Pima County is home to a vast array of natural beauty and environmental assets, with weather averaging 69 degrees Fahrenheit daily and more than 350 days of sun a year.^{6,7} With parks and sites such as Agua Caliente Park, Catalina Regional Park, and the Cienega Creek Natural Preserve, residents and visitors have access to a wide range of hiking, biking, and camping. The Pima Air and Space Museum, Arizona History Museum, and the Center for Creative Photography are among the county's many historical and cultural assets.

The region is also home to Native American communities that have inhabited these lands for thousands of years, including the Pascua Yaqui Tribe and the Tohono O'odham Nation. Consistent with Pima County's commitment to diversity and inclusion, Pima County strives toward building equal-partner relationships with Arizona's tribal nations.

About Stiletto

Stiletto conducts market research and develops strategies for communities and organizations focused on impact and innovation. This work requires a collaborative approach, one that values data and puts people first. Stiletto's process brings communities together to envision concepts, generate evidence-based insights, and move bold ideas forward. Clients across North America have included counties and municipalities, post-secondary institutions, research and technology parks, and accelerators.

With a broad range of research strengths from a network of post-secondary education institutions, Pima County has resources to embrace opportunities in priority sectors including aerospace and defense, manufacturing, transportation and logistics, and energy.

By the Community For the Community

The Pima County Economic Development Strategy 2023-26 was created through in-depth, inclusive consultations, including more than:



100 stakeholders consulted



490 survey responses gathered

- Over 270 responses from the Pima County business community
- Over 220 responses from Pima County residents



6 focus groups completed



32 interviews conducted



55,000 data points collected

Grounded in data and supported by a strong, engaged community, the strategy charts a path to an achievable future for Pima County that includes:



**Inclusive economic
growth and
upward mobility**



**A growing
workforce**



**Increased
prosperity**

The Vision for Pima County

Following stakeholder engagement sessions and drawing from key themes in Pima County's economic development priorities, the mission and vision of the Economic Development Department was revisited and renewed. As the mission and vision indicate, the region is committed to inclusive and sustainable economic growth that builds on the county's many existing strengths.

Mission

The Pima County Economic Development Department is the leader and critical convener that supports and coordinates business retention and expansion, business attraction, infrastructure, and workforce development to increase economic sustainability and resilience as well as enhance upward economic mobility for the community.

Vision

Pima County will be recognized as a welcoming, inclusive community that is open for business and puts people first.

Why Now?

Pima County is at a crossroads in its development: as technology and consumer trends evolve, the region is poised to embrace new strategies that anticipate and harness emerging opportunities. In the areas of workforce development, innovation, business policies, real estate, climate change, and government alignment, Pima County has much to gain by harnessing this moment.

The County's Innovation Economy Is Ready to Mobilize

Trends in comparator counties show that regions are moving rapidly to embrace innovation and start-up economies that are supported by well-developed ecosystems. Health innovation, advanced manufacturing, clean technology, and other priority sectors are emerging as important economic drivers, and research and technology parks can anchor fledgling start-ups with space and programming. As the asset mapping exercise demonstrated, Pima County has a growing network of innovation-focused resources, organizations, programs, and facilities. These ecosystem assets could be leveraged to position Pima County as a regional hub of technology and innovation.

The Workforce Is More Diverse Than Ever

The workforce now spans five generations, bringing together late career professionals who have progressed through dramatic technological change with new graduates who grew up with internet connectivity as an everyday essential. International workers and newcomers are increasingly sought to fill roles as workforce and skill shortages deepen.

Regions that support employers in recruiting and retaining workers (e.g., with programs and resources) have an opportunity to build communities that attract the workforce of the future and make the region an appealing home for new and established businesses. At the same time, investing in up-skilling and re-skilling the established workforce is also important. As technology advances, businesses need employees with new competencies, and workers with in-demand skills will have opportunities to advance in their careers.

Businesses Are Seeking a Network of Support

Every day that business owners and entrepreneurs experience administrative delays or barriers is a day of lost growth and prosperity for the community. Working with business owners to streamline processes and create new networks will not only save time and promote faster economic growth but will also raise Pima County's profile as a business-friendly region. The implementation of the plan will be guided by targeted recommendations and supported by working groups and stakeholder partnerships. This collaborative approach will help foster and sustain stronger connections between the Economic Development Department and the business community.

New Approaches to Real Estate Are Needed

The challenge of affordable housing and commercial space is not unique to Pima County, but Pima County is ahead of the curve in beginning to identify, develop, and implement solutions to address the problem. With the Affordable Housing Taskforce's detailed recommendations, the region is poised to act on opportunities for greater densification, landlord incentives, and profit-sharing models.⁸ With more affordable housing and commercial options, Pima County will increase the prosperity of current residents and attract new residents

who are looking for a high quality of life and reasonable cost of living.

Environmental Concerns Are Driving Decision-Making

Facing rising temperatures and limited water supplies, the Southwestern US is on the front line of the long-term impacts of climate change. As Pima County is discovering, a region's ability to survive and thrive increasingly depends on its ability to manage water and other scarce environmental resources effectively. As the county considers which sectors and businesses to attract and support, Economic Development will consult with Pima County Administration to explore developing a process in which projects with a potential environmental sensitivity are identified and an appropriate analysis is conducted. Economic Development will also continue to work within guidelines established with Pima County Environmental Quality, Flood Control, Wastewater, Real Property, and Development Services departments.

County Goals Are Strongly Aligned With Government Priorities

Many of Pima County's goals and opportunities are strongly aligned with federal government priorities and incentives. The EDA lists equity, recovery and resilience,

workforce development, manufacturing technology-based ecosystems, environmentally-sustainable development, and exports and foreign direct investment (FDI) among its investment priorities.⁹ State infrastructure projects emphasize highway expansion and improved internet connectivity.¹⁰ Pima County can use its federal and state alignment to position itself as an innovation hub with opportunities for manufacturing and technology companies. Strategically located with access to international markets and transportation, the county has the ecosystem and infrastructure to support critical supply chains.

Are You Ready?

One of Pima County's greatest assets is the caring network of people who comprise the region. As stakeholder engagement demonstrated, the community is invested in building a prosperous and sustainable future. Ideas about how to proceed and what to focus on have diverged in the past; now is the time to unify these perspectives with shared goals and collaborative efforts.

By pulling together in the same direction, Pima County's businesses and residents can accelerate their progress – and their impact – considerably. With focus and cooperation in mind, the strategic framework offers clear next steps that the community can take together.

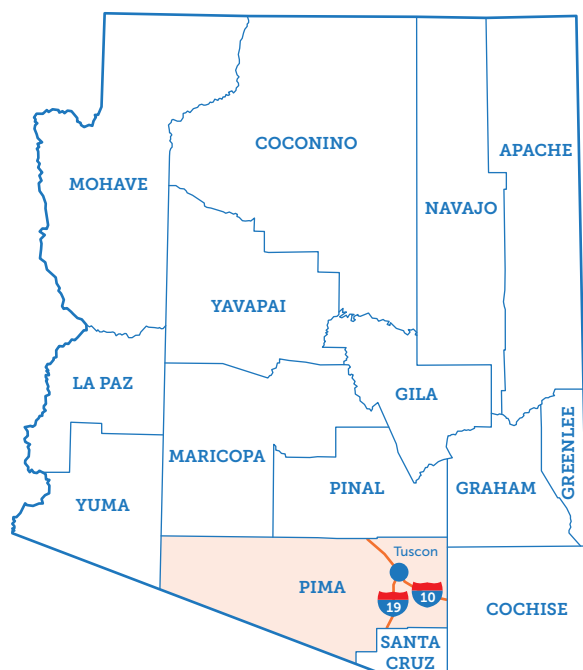


About Pima County

Population and Geography

Pima County is a vibrant, urbanized county located in the state of Arizona, directly along the border of the United States of America and Mexico and covering an area of 9,189 square miles. The county has a growing population of 1,052,030,¹¹ making it the second-most populous county in Arizona.¹²

Figure 3: Pima County location within Arizona, 2022¹³



Source: Arizona Commerce Authority

Demographic Summary

Pima County has a near-equal population division of men and women, with its female demographic making up 50.8 percent of inhabitants.¹⁴ Additionally, Pima County's proportion of persons under 18 and over 65 are also almost evenly split: 20.6 percent of people in Pima County are under 18, and 20.3 percent are over 65.¹⁵ Children under five years old make up 5.4 percent of the population.¹⁶ Foreign-born individuals make up 12.5 percent of the population.¹⁷

Pima County's population is comprised largely of people who identify as white or Hispanic, with relatively small populations from other ethnicities (Figure 4).

Two federally recognized Native American tribes, the Tohono O'odham Nation and the Pascua Yaqui Tribe, comprise important components of the population. The Tohono O'odham Nation includes 28,000 members who occupy tribal lands in the region. The Nation encompasses 2.8 million acres and 4,460 square miles, making it the second-largest reservation in Arizona in both population and geographical size.¹⁸ The Pascua Yaqui Tribe, with approximately 19,000 members, has 4,000-5,000 members living on its 2,200-acre reservation, located southwest of Tucson.¹⁹

Figure 4: Race and Hispanic origin data, Pima County, 2021²⁰

Race	Proportion of Population (%)
White alone	84.3
White alone, not Hispanic or Latino	50.3
Hispanic or Latino [†]	38.5
American Indian and Alaska Native alone*	4.5
Black or African American alone*	4.4
Two or more races	3.3
Asian alone*	3.3
Native Hawaiian and Other Pacific Islander alone*	0.2

Source: US Census Bureau

*Includes persons reporting only one race

[†]People of Hispanic origin may be of any race, so also are included in applicable race categories

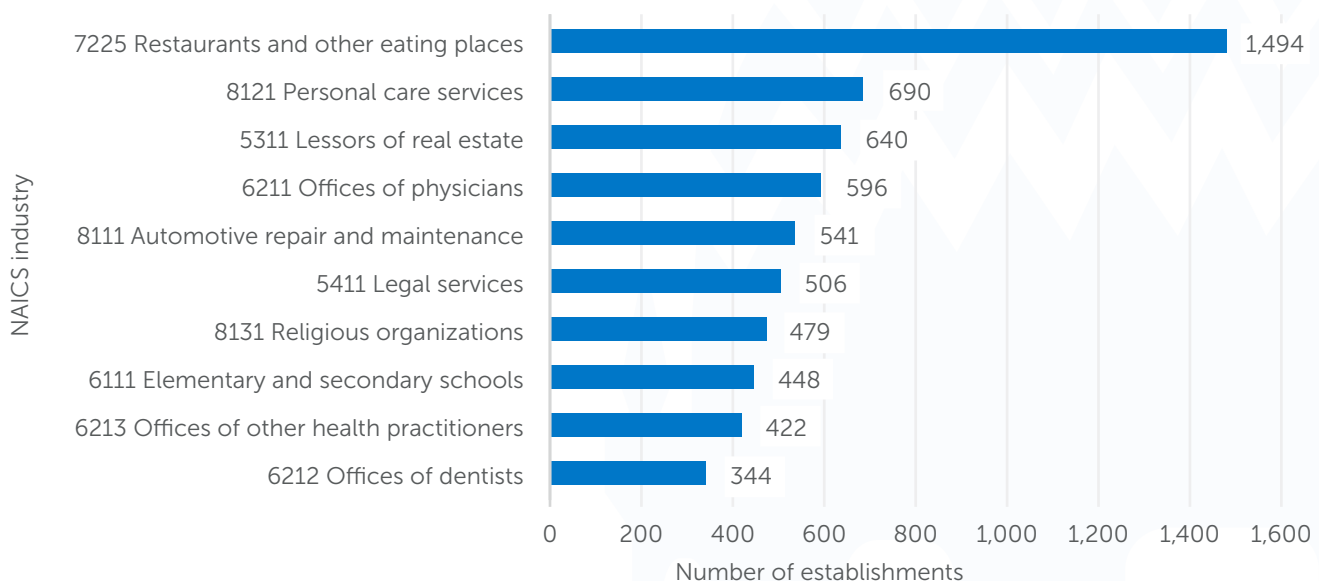
A significant portion of the population (89.0%) of people 25 and older have a high school diploma or post-secondary degree, with 33.6 percent of people 25 and older having a post-secondary degree.²¹

The median household income in Pima County (in 2020 dollars) for 2016-20 was \$55,023. As of 2021 available data, 14.9 percent of the population in Pima County was categorized as living in poverty.²²

Industry and Commercial Summary

By employee numbers, the top three types of Pima County industries are restaurants and other eating places, personal care services, and lessors of real estate (Figure 5).

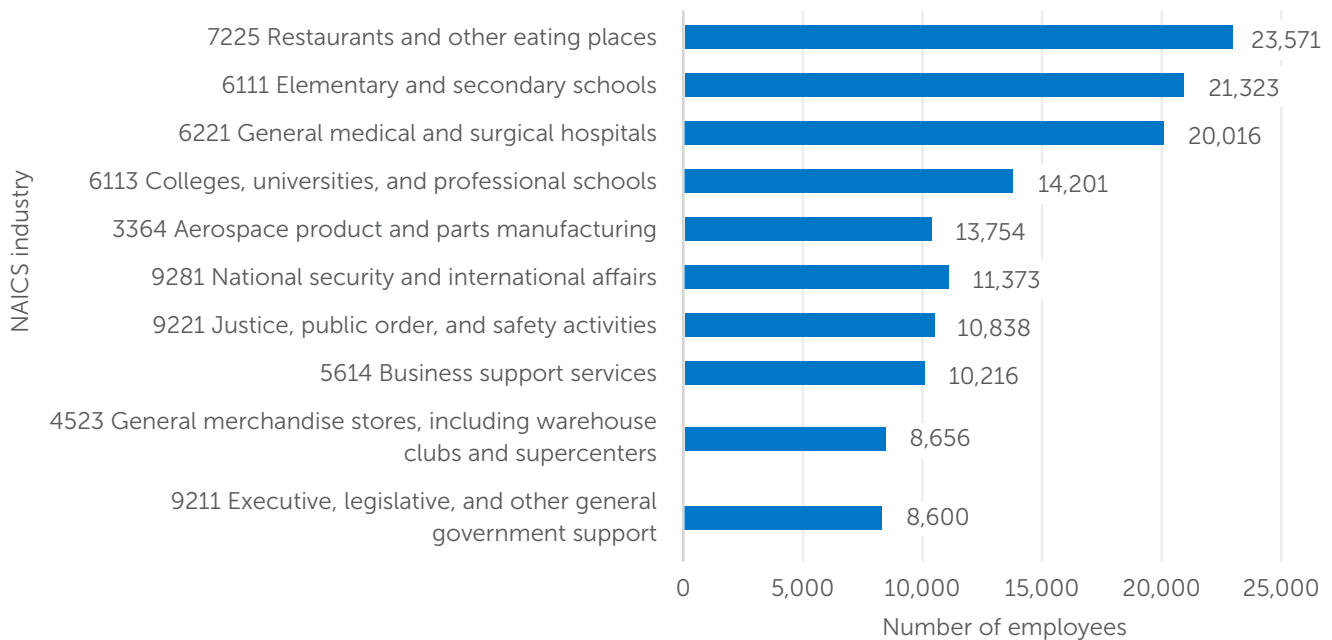
Figure 5: Industries in Pima County by employee number (top 10), 2017²³



Source: Pima Association of Governments

By contrast, the workforce in the county is concentrated in restaurants and other eating places, elementary and secondary schools, and general medical and surgical hospitals (Figure 6).

Figure 6: Workforce counts by NAICS in Pima County (top 10), 2020²⁴



Source: Pima Association of Governments, Internal Data

Pima County's workforce is concentrated in restaurants, elementary and secondary education, and hospitals.

Pima County in Context

A scan of secondary research was conducted to understand how Pima County is positioned with respect to other geopolitical areas in terms of its unique combination of resources and opportunities. Additional detail about secondary research is provided in a separate background document.

The State and National Picture

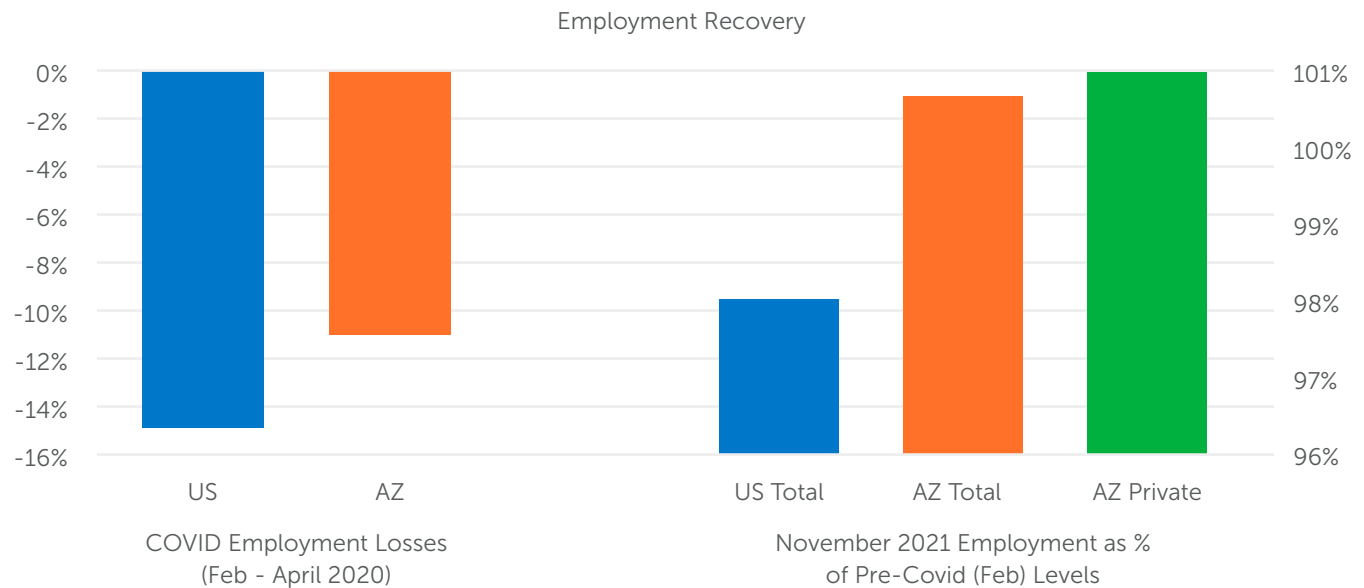
Arizona has performed well economically, and continues to show signs of growth. The state has recovered all jobs lost during the early months of the pandemic, and also reported a lower-than-average unemployment rate (3.3% compared to the 3.6% national average) in the April 2022 employment report. The state's per capita income is also among the highest in the country. During 2020, Arizona tied with Montana for the fastest personal income growth in the country (8.4%), and since 2010, per capita incomes have increased by nearly 50 percent (versus 46% nationally).²⁵

The Office of the Governor's FY 2023 Budget Book was bullish on the state's positive economic status, noting that, "Over the past seven years, Arizona has been a top national performer by all major economic metrics: in-migration and population growth, new job creation, gross state product, and personal income growth."²⁶

The report also noted that Arizona's economy has continued to outperform that of most states throughout the pandemic and post-pandemic recovery. Arizona's total employment recovered to over 100 percent of pre-COVID-19 levels by November 2021, with the fourth-highest ranking among all states, and outperforming national recovery by three percent.²⁷

Arizona has an enviable economic record, with an unemployment rate and per capita income that are among the best in the country.

Figure 7: Employment recovery, Arizona, November 2021²⁸



Source: State of Arizona Office of the Governor

By as early as November 2021, Arizona had recovered all jobs that had been lost at the beginning of the COVID-19 pandemic. As of April 2022, the state's economic performance was gauged to be among the strongest in the country, with lower than average unemployment and a growing labor force.²⁹

- Expanding the I-10 to three lanes from Phoenix to Tucson;
- Investing in cybersecurity;
- Expanding the Business One-Stop Portal (Phase II);
- Investing in rural tourism;
- Securing Arizona's water future; and
- Improving critical infrastructure.³¹

On June 28, 2022, Governor Ducey signed the Fiscal Year 2023 Appropriations Act and related budget bills. Of special note are monies to strengthen the future workforce, with \$126 million allocated for New Economy Initiatives at the three state universities, and \$16.6 million earmarked for adult education programs.³⁰ Also of note are monies for:

COVID-19 and Pima County's Economy

The COVID-19 pandemic affected all aspects of Pima County's economy. In 2020, Pima County real GDP fell 4.2 percent compared to a 1.0 percent drop statewide. The 2010-20 compound annual growth rate (CAGR) for Pima County real GDP was also lower than the state CAGR, at 0.7 percent compared to 2.1 percent.³²

Some areas of Pima County's economy have seen significant growth since the onset of the pandemic. Pima County's total number of new business starts increased 5.8 percent from 2020 to 2021. This growth was in contrast to the slow to non-existent growth in new business starts from 2012 to 2020.³³

In the pre-COVID economy (2014-19), employment growth during this time was led by the sectors of information (5.5%) and construction (4.8%). In 2019, immediately prior to the pandemic, the largest share of Pima County's private sector employment was in education and health services, followed by trade, transportation, and utilities.³⁴

Post-COVID forecasting (Figure 8) shows a slightly different industry skew with leisure and hospitality expected to have the largest 2022 growth rate (13.6%). The trade, transportation and utilities sector is expected to grow 7.6 percent in 2022, adding 9,751 jobs, and the education and health services sector is projected to remain the largest industry within Pima County, employing 108,338 people in 2022.³⁵

Figure 8: Projected industry employment, Pima County, 2020-22³⁶

Area	Projected Employment 2020	Projected Employment 2022	Projected Numeric Growth 2020-22	Annualized Percentage Growth 2020-22 (%)
Construction	17,907	18,768	861	2.4
Education and health services	99,499	108,338	8,839	4.3
Financial activities	16,972	17,866	894	2.6
Government	27,965	28,008	43	0.1
Information	4,972	5,447	475	4.7
Leisure and hospitality	34,121	44,039	9,918	13.6
Manufacturing	26,985	28,388	1,403	2.6
Natural resources and mining	3,160	3,285	125	2.0
Other services	17,757	19,867	2,110	5.8
Professional and business services	47,876	51,832	3,956	4.0
Trade, transportation, and utilities	61,476	71,227	9,751	7.6

Source: Arizona Office of Economic Opportunity

Building on Pima County Strengths

To understand Pima County's unique value proposition, secondary research included a study of comparator counties (similar in population size and focus areas). Based on data analyses, a variety of strengths have been identified for Pima County as well as opportunities and considerations for next steps.

Pima County's Strengths

Pima County has substantial economic and social strengths for future local capacity building. These strengths include:

Strong local businesses and high-quality jobs

- **Local business growth:** In spite of the COVID-19 pandemic and other challenges, economic data indicate that most sectors in Pima County are growing.³⁷ A survey conducted as part of the current strategic planning process also revealed similar trends among business owners: 73.5 percent said their organizations experienced growth between 2017-22.
- **Substantial contribution to Arizona's GDP:** Pima County is a valuable part of the Arizona economy, contributing 11.8 percent

of the state's total GDP in 2020,^{38,39} making it the second-largest county contributor in the state.⁴⁰ As part of planning its legislative agenda, Pima County could use this economic data as a lever to influence government decision makers.

- **Leading personal income levels:** In 2020, Pima County reported the third-highest personal income per capita in the state of Arizona, marking a dramatic 8.3 percent increase over the previous year.⁴¹

A stable workforce

- **Growing population:** Pima County has the second-highest share of Arizona's population, representing 14.0 percent of the population (2020), representing 8.8 percent of the state's growth between 2015-20.⁴² Pima County recorded 0.8 percent growth in 2020-21.⁴³
- **An educated workforce:** About a third (33.6%) of Pima County residents have a bachelor's degree or graduate or professional degree, similar to the national level (2020).⁴⁴ The county has a higher percentage of residents 25 and older with a graduate or professional degree (14.3%) than both Arizona (11.5%) and the United States (12.7%).⁴⁵

Innovation assets

- **Strong entrepreneurial ecosystem assets:** As the asset mapping research demonstrated, Pima County is home to 235 ecosystem support organizations, with over 100 research centers / institutes / networks; 25 accelerators, incubators, and soft landing programs; 14 entrepreneurship centers, eight chambers of commerce; and at least four post-secondary institutions. The region is anchored by a major research and technology park and has attracted 13 venture capital / angel investors.⁴⁶ These assets can be considered as the building blocks for an innovation hub that could be a powerhouse for Pima County.

Government alignment

- **Federal and state priorities:** As noted in the Why Now section, Pima County's goals and priorities are well aligned with federal EDA priorities and state projects.^{47,48}

An engaged community

- **High stakeholder engagement:** Participation in the economic planning process was broad and enthusiastic, with over 100 individuals participating in interviews and focus groups, and almost 500 respondents completing business and community surveys. A common theme across stakeholder feedback was the importance of ensuring that the economic development strategy

incorporated perspectives and values across county jurisdictions.

Areas of Opportunity

Pima County can leverage its many strengths to advance in areas identified for development or improvement. These opportunities in the following interconnected areas include:

Increasing access to programs and processes

- **Easing bureaucracy:** While economic and survey data indicate that the region's businesses are thriving,⁴⁹ survey responses suggest that the county could strengthen its profile as a business-friendly environment. Speaking generally, stakeholders suggested that a contributing factor may be the complexity of administrative processes. Stakeholders in interviews and focus groups also indicated a need for greater promotion / awareness of Pima County business resources.

Building an innovation economy

- **Enhancing and streamlining the entrepreneurial ecosystem:** As noted in the asset mapping and comparative matrix data, Pima County has considerable assets of its own that could be leveraged to create a coordinated innovation hub for the region. An additional focus on commercialization in the ecosystem

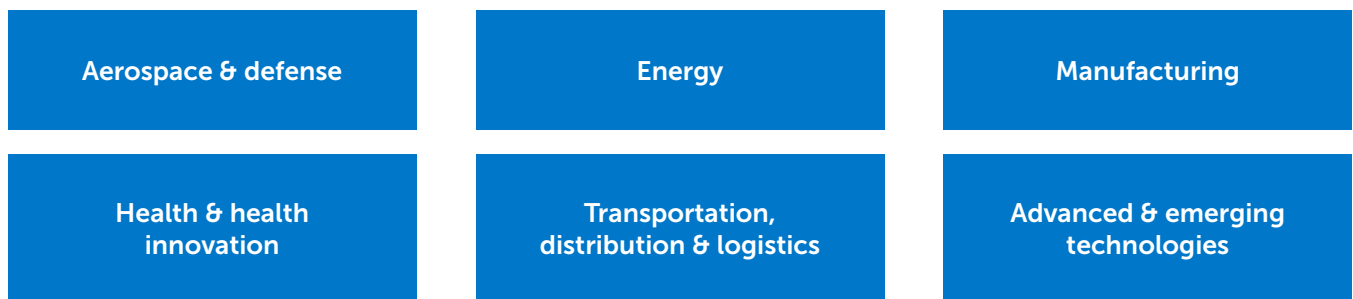
would be particularly valuable. As of 2022, only 4.3 percent of Pima County’s entrepreneurial organizations provide commercialization support.⁵⁰ With additional commercialization resources and expertise, Pima County could boost the ability of entrepreneurs to launch their innovations and attract other investors.

- **Championing small business:** Many of Pima County’s businesses are small (fewer than 50 employees). Providing targeted support for small business will contribute to a thriving local economy and promote county expansion from within.

Focusing on business sectors with growth potential

- **Further diversifying Pima County’s business sectors:** Asset mapping analysis indicated that a large proportion of Pima County’s economic activity is concentrated three sectors: social and cultural development, health care, and finance, economics, and business.^{51,52} Asset mapping and other secondary research, however, identified several sectors with potential for expansion (Figure 9). Expanding these sectors could add stability and help insulate the economy from sector-specific downturns.

Figure 9: Priority sectors for potential expansion⁵³



Source: Stiletto Analysis

- **Expanding the health care sector to leverage existing assets:** Pima County has strong health care infrastructure and human resources (17.7% of the county’s workforce is engaged in health-related work in 2020⁵⁴). Pima County is an ideal testing ground for health innovation companies and medtech start-ups.

Attracting these companies will diversify the business landscape and create new job opportunities for recent graduates and other workers. At the same time, Pima County, like all regions in the US, faces challenges recruiting and retaining health care workers, particularly due to the COVID-19 pandemic.⁵⁵

Supporting long-term population growth

- **Graduate retention and newcomer attraction:** The county will want to consider shoring up its population by retaining graduates from higher education and attracting newcomers from other counties, states, and foreign countries.⁵⁶ At the same time, the approach to growth must be grounded in best practices that consider the carrying capacity of natural resources, infrastructure, and services.⁵⁷
- **Supporting immigration and diversity:** As of 2021, Pima County's main ethnic groups are white (50.3%) and Hispanic (38.5%).⁵⁸ Attracting a diverse resident base is essential to the region's long-term growth and will promote a more vibrant community overall.

Promoting community well-being

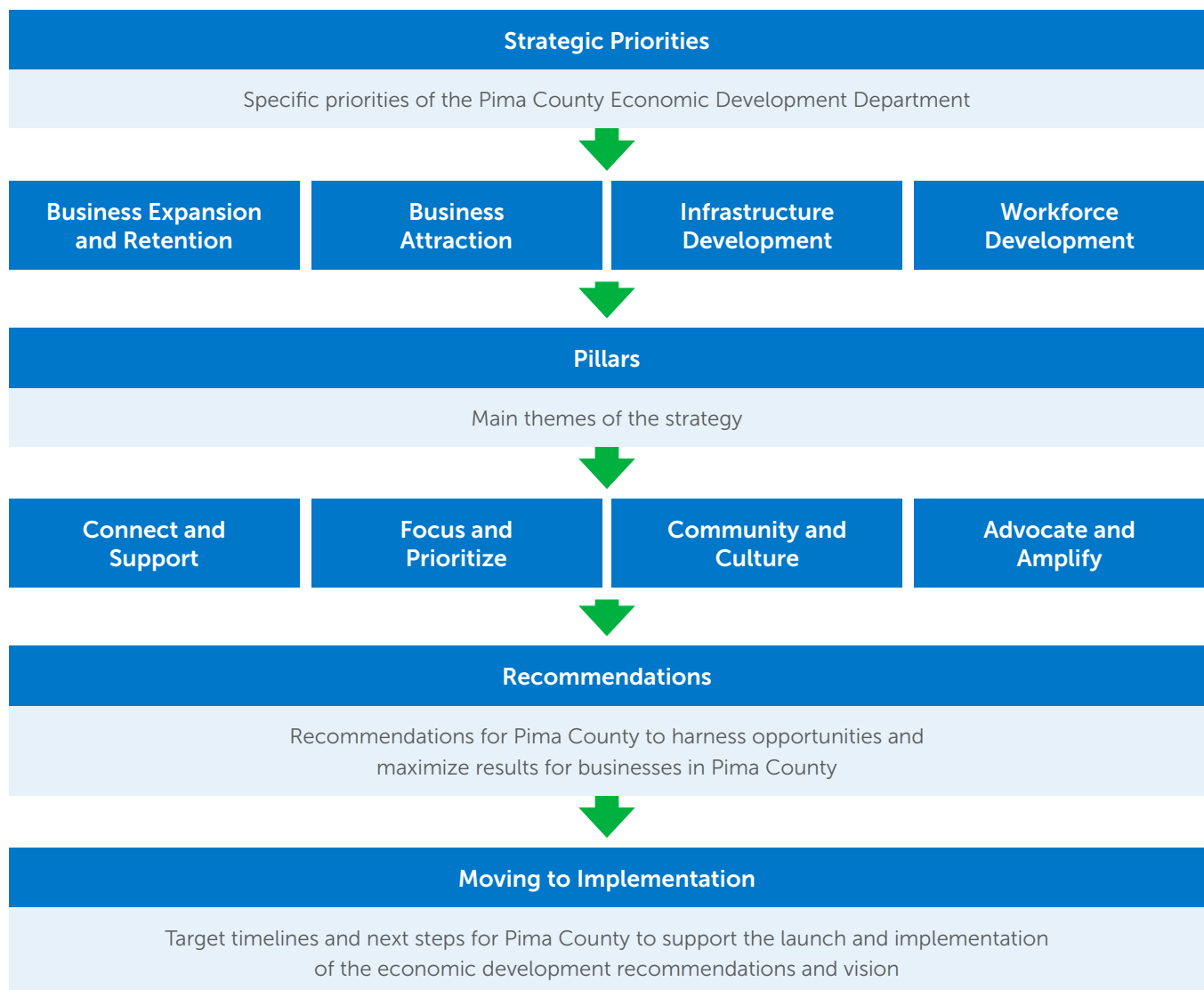
- **Protecting access to water, clean air, and natural spaces:** Many Arizona counties are facing water shortages and rising temperatures. Elected officials are making climate change a central focus of their economic planning (e.g., by prioritizing environmental concerns when deciding what industries and businesses to attract and support). County and state legislators have an important role to play in shaping environmental regulations and considering them in development decisions, particularly following a June 2022 US Supreme Court ruling stipulating that environmental policies with broad impact must come from legislative bodies, rather than unelected groups such as the Environmental Protection Agency (EPA).⁵⁹
- **Fostering work-life balance:** Improving quality of life is essential to attracting younger workers and families. As indicated in the community survey, the most stated reasons why residents chose to live in Pima County were the community, people, and culture; their family; and quality of life.
- **Addressing the rural-urban divide:** Stakeholders expressed their observations of how the urban-rural divide creates inequalities that impede community growth. For example, Tucson has the highest percentage of people living in a household with broadband internet access (91.2%), while the rest of the region lags behind by nearly three percent.⁶⁰ Additional infrastructure investments could help bridge this gap and align with identified priorities of the state government.⁶¹
- **Reducing poverty:** The US Census Bureau (2021) estimates that poverty affects 14.9 percent of the Pima County population.⁶² Poverty in the county, as in other regions, is the result of systemic barriers to economic mobility and requires a comprehensive long-term approach. Most stakeholders acknowledged local complex poverty issues and noted them as a priority.

Strategic Framework

The strategic framework uses the Economic Development Department's four focus areas of business retention and expansion, business attraction, infrastructure, and workforce development (Figure 10). These strategic priorities are central to the department's work and link throughout all of its activities.

As the figure illustrates, the strategy operates as a cascade: the strategic priorities provide the mandate for the strategy; the pillars focus the strategy on the county's values and goals; and recommendations put the priorities and values into action.

Figure 10: Strategic cascade, Pima County Economic Development Strategy⁶³



Source: Stiletto Analysis

Four thematic pillars provide further focus for the strategy; these pillars were developed by analyzing data from reports, statistics, surveys, interviews, focus groups, and other sources. From these data, four prominent themes emerged: connect and support; focus and prioritize; community and culture; and advocate and amplify. These priority themes are designed to help Pima County focus on

a smaller number of priorities and goals to achieve greater overall impact.

Strategic Priorities Defined

As noted, Pima County's vision includes a focus on four strategic priorities (Figure 11). These priorities provide the framework for the Economic Development Strategy 2023-26.

Figure 11: Strategic priorities, Pima County Economic Development Strategy⁶⁴



Source: Stiletto Analysis

Business retention and expansion

Small and medium-sized businesses form the backbone of Pima County's local economy. Stakeholder feedback and secondary research showed that Pima County businesses will continue expanding into 2023 and beyond. To ensure their long-term success, the county strives to identify existing opportunities and barriers to growing and sustaining existing businesses in the county.

How this priority is reflected in the Economic Development Strategy 2023-26:

Increasing awareness of and access to resources for small businesses is an important priority in the strategy. The county will also explore opportunities to streamline policies and processes to make it easier to do business.

Business attraction

Pima County recognizes that attracting new businesses and investment to the area is crucial to providing well-paying employment and promoting long-term economic growth. Pima County has substantial innovation ecosystem strengths, making it an appealing destination for high-impact entrepreneurs and start-ups. The county must, however, consider its existing resources and infrastructure (e.g., land and water resources) when attracting investment.

At the same time, Pima County can increase the stability of its economy by continuing to diversify its business sectors. Sectors such as tourism and hospitality and construction rely on economic growth for their continued

success. Investing in other, more recession-resistant sectors will help Pima County ensure that its economic well-being continues even during economic downturns.

How this priority is reflected in the Economic Development Strategy 2023-26:

The strategy considers priority sectors that are best suited to Pima County's climate and existing infrastructure. The innovation ecosystem has substantial strengths, and the strategy suggests how these strengths might be leveraged to attract high-impact investments.

Infrastructure

Human and physical infrastructure are crucial elements to ensuring sustainable and equitable development for Pima County. A county priority is bridging the rural-urban divide with technology and building plans that foster well-being regardless of citizens' location. At the same time, infrastructure will play an important role in helping people who are experiencing poverty in the county afford housing and meet their basic needs.

How this priority is reflected in the Economic Development Strategy 2023-26:

The strategy identifies building housing that people can afford and addressing poverty as county priorities.

Workforce development

Building and maintaining a strong workforce is a top priority for Pima County. The county

is not alone in the struggle to maintain a strong workforce as worker shortages are being experienced across the country. The wide-ranging nature of the problem does mean, however, that Pima County must differentiate and distinguish itself to attract and retain workers for a sustainable talent pipeline. A comprehensive, multi-sector effort is needed to tackle this challenge. Education, industry, and government sectors must work together to attract workers to the region and to retain more local graduates in the Pima County workforce.

How this priority is reflected in the Economic Development Strategy 2023-26:

A centerpiece of the economic development strategy is the enhanced collaboration between industry, education, and county partners to strengthen pathways between Pima County schools and longer-term careers with local employers.

Bringing It Together: Priorities, Pillars, and Recommendations

In the sections that follow, recommendations are organized by pillar. Each recommendation corresponds to the pillar theme and aligns with one or more of the four strategic priorities. Each recommendation is supported by relevant data from stakeholder engagement and secondary research.

Pillar 1: Connect and Support

Pima County's regional leadership in economic development was broadly recognized and appreciated by stakeholders in focus groups and interviews. Going forward, the county can continue to build on its critical role as a leader and convener. Most importantly, the county can expedite meaningful connections between workers, employers, education, workforce organizations, and other local stakeholders.

Why It Matters

- **Businesses are looking for a forum to connect:** Stakeholder feedback indicated that business owners are interested in having a network that would allow them to share information and ideas with one another. Establishing a county-wide business association, community of practice, or forum would allow businesses to share expertise and maximize resources.
- **Cross-sector collaboration fosters more comprehensive and durable strategies:** Complex challenges such as workforce development benefit from multiple perspectives (e.g., employers, educators, students). Pima County can draw on its engaged community stakeholders to share their expertise.
- **Strengthening education is considered essential to ensuring a stable workforce:** When asked to select their top three priorities they believed were imperative to ensure a stable workforce, 46.7 percent of respondents said that strengthening K-12 developmental education was imperative to enable stability, followed by strengthening skills training and professional development for new and existing workers at 41.9 percent of responses.
- **K-12 schools represent an underutilized strategic resource:** With over 240 non-charter public schools in 17 school districts, Pima County has a strong existing network of educators and students. To begin building pathways to professional careers in the region, Pima County could consider how school district teachers and representatives could be engaged (e.g., experiential learning opportunities and guest speakers from the business community).
- **Existing businesses are ripe for growth:** Stakeholder feedback and secondary research show that Pima County businesses will continue growing into 2023 and beyond.

Recommendations

1. Position Pima County as the regional leader and critical convener among the ecosystem stakeholders, responsible for overseeing implementation of the economic strategy recommendations. Pima County Economic Development will provide oversight to the four working groups (refer to recommendation two) and be responsible for ecosystem coordination, collective marketing, and promotion of the county and the stakeholder groups. The Pima County Small Business Commission, local chambers of commerce and other members of the business community will be key partners in formulating this plan.
2. Establish four working groups to bring together community stakeholders to streamline efficiencies, align activities, and maximize impact. Proposed working groups: 1) small business (less than 50 employees), 2) priority sector, 3) workforce development, and 4) community and culture.
3. Review the Pima County website's business section for completeness and usability.
4. Based on gaps identified in recommendation three, develop a series of marketing and promotional materials to add to the resource repository on the business section of the website. Materials recommended to include: two-to-four-page summaries for priority sectors and FAQ documents.
5. Encourage and provide specific programs that focus on up-skilling and re-skilling the existing or potential workforce in priority sectors and relevant industry focus areas. Include programs targeted to supporting people in working class jobs to obtain better paying jobs.
6. Work with Pima County CWD and Pima County Library to reduce barriers to accessing quality early childhood education opportunities for long-term workforce pipeline development, building on programs such as the Pima Early Education Program scholarships (PEEPs).⁶⁵
7. Develop incentives for employers to up-skill and re-skill the workforce, targeting priority sectors and relevant industry focus areas as part of an ever-changing economy.
8. In partnership with key stakeholders, increase K-12 and post-secondary experiential learning opportunities within the county, targeting priority sectors and relevant industry focus areas.
9. Conduct a market assessment for target industries in Pima County region to gain a greater understanding of the needs and gaps for Pima County residents and businesses.

Pillar 2: Focus and Prioritize

Pima County has a wide variety of economic development opportunities, and stakeholders recommended focusing county resources on a few high-impact priorities. This pillar involves the county deciding together what areas of focus should be priorities for the period of the strategy (2023-26). For example, priority sectors (e.g., health care) represent an opportunity for Pima County to attract new businesses and investment in the county. With its strong entrepreneurial ecosystem, the county has resources and supports that new businesses in priority sectors could leverage. In turn, these new businesses could help the region retain qualified graduates and attract other skilled workers to the region.

Why It Matters

- **Complex problems require complex responses:** Challenges such as the high rate of poverty in the county cannot be solved with one-off initiatives or through one organization's efforts alone. A focused approach will allow the county to develop a more in-depth approach to these issues.

- **Resources can be harnessed for greater impact:** Pima County has considerable resources in priority areas such as entrepreneurship and health. By concentrating time and energy in fewer areas, the county can increase its impact and use these results to fuel future efforts.

Recommendations

10. In partnership with key stakeholders, develop a strategic and intentional marketing and promotional campaign to target other states and markets where there is potential for business attraction, talent attraction, relocation opportunities, remote worker opportunities, and in-migration of residents.
11. Identify and implement infrastructure construction, upgrades, and maintenance projects (e.g., transportation, internet, water, wastewater, electric), and identify new areas to add to the county's economic development land portfolio.
12. In partnership with key stakeholders, develop a business attraction campaign for Pima County. Establish selection criteria (e.g., priority sectors) as part of the business attraction program to

create greater focus and prioritization of opportunities with the greatest potential impact to the county.

13. Ensure a focus on foreign direct investment with an emphasis on partnerships with Mexico and Canada, and other opportunities with Arizona Commerce Authority (ACA).
14. Harness the potential in the advanced manufacturing sector. Recommend strategic investment in a makerspace and scale-up facility to support expanding companies in the region to mobilize efforts and accelerate the process for company growth.
15. Support the growth and development in priority sectors within the county:
 - 1) aerospace and defense, 2) energy, 3) manufacturing, 4) health and health innovation, 5) transportation, distribution, and logistics, and 6) advanced and emerging technologies. Prepare a sector strategy on specific business expansion, retention and attraction, and workforce for each focus area.
16. Conduct an Economic Development program assessment of programs delivered by Pima County and within Pima County departments. Conduct an opportunity and gap analysis to create, streamline and enhance programs.
17. Engage existing arts and culture organizations (e.g., the Southern Arizona Arts and Cultural Alliance, the Arts Foundation of Tucson and Southern Arizona, and Startup Tucson) to create an indoor arts and culture space and accelerator program that supports artisans in developing entrepreneurship experience. The accelerator will represent a long-term investment in the community's unique assets and will provide a pathway for independent artisans to establish sustainable business ventures in Pima County.
18. Review opportunities to attract / expand arts and culture industries (e.g., opportunities for film and music businesses in the county).

New businesses in priority sectors can easily leverage the county's numerous resources and supports throughout its strong entrepreneurial ecosystem.

Pillar 3: Community and Culture

Economic development planning is conducted by and for the community. The greater economy exists to serve the needs of constituents, residents, and the people living in the community. Fostering social and cultural growth enables healthy economic development and increased quality of life. It is essential that the economic development strategy aligns with the community's social and cultural values. Each strategic priority will have important social impacts, and these impacts will be considered in the development of recommendations and action steps.

Stakeholders and leaders from across the community have expressed their commitment to Pima County and the people who live there. Stakeholder feedback also emphasized that the heritage of the community and the unique desert landscape are valuable assets with untapped growth potential. Recognizing that supporting economic growth is a multi-dimensional effort, Pima County can leverage its engaged community and its assets in a coordinated approach.

Why It Matters

- **Leveraging and cultivating this sense of belonging and culture will be imperative to maintaining stability and cohesion:** Pima County has a multitude of engaged individuals from various backgrounds, ethnicities, industries, and communities. Acknowledging the diversity of Pima County residents and creating a sentiment of growing together will help achieve unity and strength as a greater community.
- **Creating thriving culture and community within Pima County attracts new residents and opportunities:** A strong sense of community and belonging attracts new residents, prospective businesses and business owners to put their roots down in Pima County. By having a desirable environment in the county that fosters sustainable business growth, increased quality of life, and safety, the area becomes more attractive to new residents, businesses, and assets looking to call Pima County home.
- **Cultivating a connected community leads to increased participation in the economy, workforce, and overall ecosystem:** By having a community

environment that lifts up residents and members within their communities, development and economic growth can prosper from within. This approach furthers responsible growth and development in the county, contributing to the greater well-being of the region.

- **Engaging Native American communities builds trust:** Engaging the Tohono O'odham Nation, Pascua Yaqui Tribe, and other Native American representatives in the region will help the Native American community capitalize on its collective strengths and create opportunities for partnerships that foster greater economic and social cohesion across the county.
- **Protecting historic, cultural, and natural sites is a long-term investment:** Pima County's spaces and landmarks contribute to the community's sense of pride and belonging. These sites will continue to be central in the county's attraction and tourism initiatives.

Recommendations

19. Develop an internal marketing and promotional campaign that targets Pima County residents and nonresidents. Embody the richness of the culture, natural environment, diversity, equity and inclusivity values, and the welcoming community as a place to live, work, and prosper. Engage Pima County residents in sharing the campaign more broadly.

20. Work with Pima County Attractions and Tourism to assist in conducting an assessment of the tourism and cultural industry to identify opportunities to preserve and augment the diverse heritage of the community, including opportunities to emphasize the strengths of the region's Native American tribes and the unique features of the desert landscape.
21. Promote densification in communities throughout the county where it is feasible to do so.
22. Support the potential implementation of the recommendations from the [Affordable Housing Taskforce \(2022\)](#). Support a value market analysis to identify where different types of housing development investment or intervention strategies are needed. Conduct an assessment of the cost of poverty to Pima County and develop public presentations on the findings.
23. Support regional efforts to address homelessness, including workforce development strategies, sustainable housing initiatives, and accessible early childhood education.

Pillar 4: Advocate and Amplify

Resources and supports are most effective when they are widely communicated and easily accessible. Pima County has many programs and services to support economic development. Broadening the reach of these resources will help ensure they are available to those who need them most.

Why It Matters

- **Greater transparency and communication will foster greater understanding:** Many stakeholders shared concerns or doubts about programs and services that were based on misunderstanding or lack of information. Sharing information more widely could help build trust among community members.
- **Greater access and awareness means greater impact:** Stakeholder feedback indicated that many high-quality programs were underused simply because people were unable to access them or did not understand how they might benefit. Helping more people recognize the value of programs will help increase participation and impact.

Recommendations

24. Support New Economy Initiatives, Tech Launch, Tech Parks Arizona, and other university partnerships.
25. Work directly with Pima County Community and Workforce Development (CWD) to amplify existing workforce tools to support existing and potential workforce. Help to create tools where necessary for individuals and businesses to use to support job seeking. Create a resource guide of all the supports available within the county.
26. Assess the current policies in place to support small businesses in Pima County to make the region more business friendly. Identify potential mechanisms that would allow small businesses to access information and grants that may be available to future-proof their businesses and increase overall profitability and sustainability.
27. Work with internal stakeholders to expand broadband and cellular connectivity, which will increase the accessibility of other services (e.g., early childhood education). Identify potential programs that may be available to support the county in its broadband expansion.

28. Following the recommendations from the Affordable Housing Taskforce, work in partnership with the municipalities in Pima County to develop affordable housing initiatives (e.g., identify development zones and create incentives for affordable housing developments throughout the county).

29. Work with internal and regional stakeholders, including tribal nations, economic groups, and county departments that have a direct

relationship to Economic Development, to develop an economic development legislative policy agenda that supports the wide range of needs for economic support within the region, both at the state and federal levels.

30. Work with Pima County Staff to ensure internal processes and procedures are conducive to rapid response in Economic Development (e.g., procurement / NDA process, template agreements).



Broadening awareness and reach of its resources will help Pima County provide support to those who need it most.

Shifting from Outputs to Impacts

Logic Model

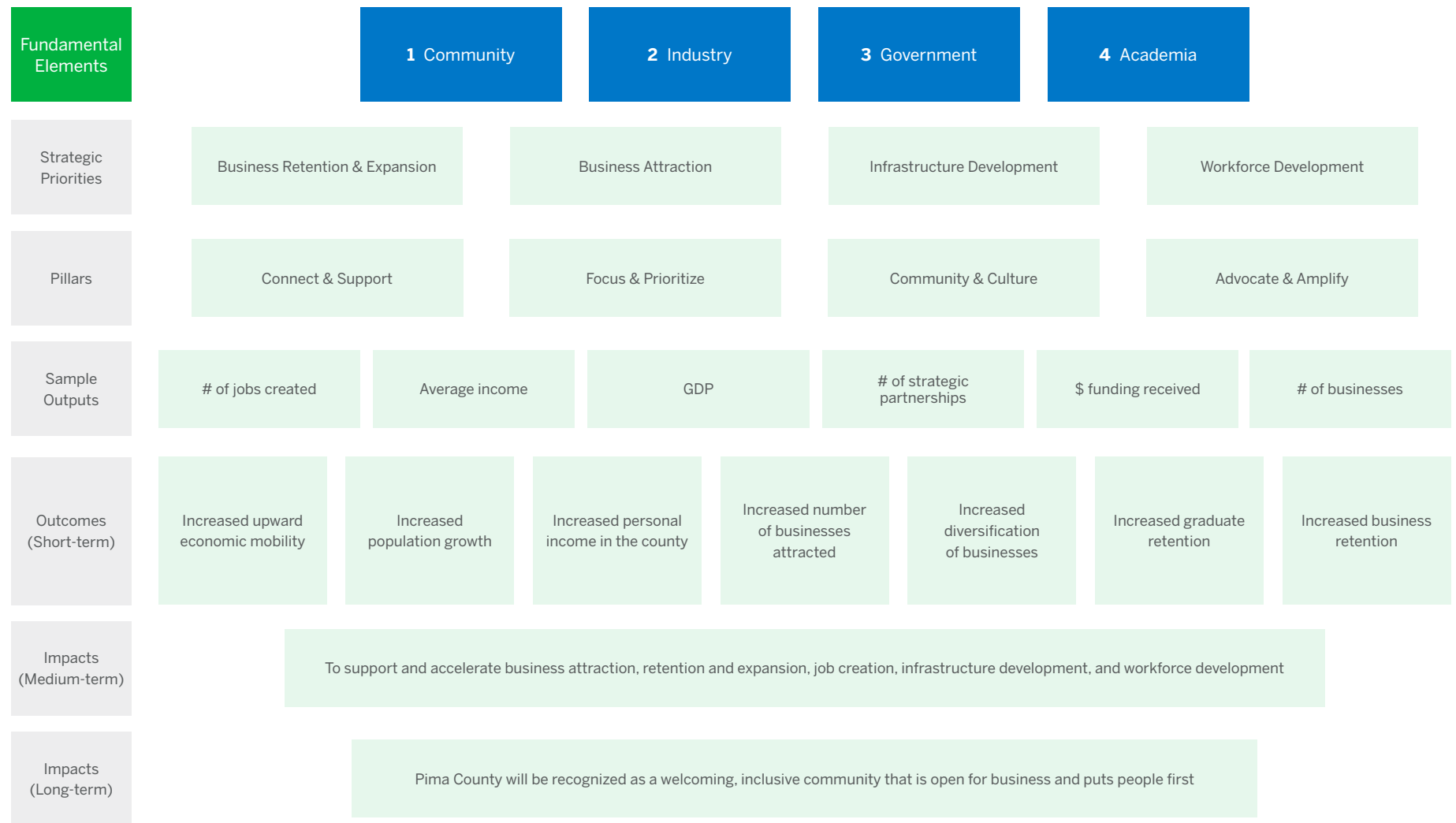
To illustrate the transition from outcomes to impact and to measure success, a logic model has been created. This model is designed to be used as a roadmap for creating impact and measuring success.

Components included in the logic model:

- **Fundamental elements:** Key target areas to leverage for successful implementation;
- **Strategic priorities:** Specific priorities of the Pima County Economic Development Department;
- **Pillars:** The four pillars of the Economic Development Strategy;
- **Sample Outputs:** Suggested metrics for implementing the recommended activities within the strategies pillars to achieve priorities;
- **Outcomes (short-term):** Short-term outcomes generated by the activities;
- **Impacts (medium-term):** Medium-term effects for the current Pima County landscape; and
- **Impacts (long-term):** Long-term effects focused on the future of Pima County.



Figure 12: Logic model for Pima County Economic Development Strategy, 2023-26⁶⁶



Source: Stiletto Analysis

Moving to Implementation

Measuring Success

Finalized recommendations will have tracked key performance indicators (KPIs) that will allow the Economic Development team to track progress and report results

in an annual report provided to the Board. Feedback on the proposed reporting format will be solicited from the the Board of Supervisors.

Figure 13: Examples of key performance indicators by pillar⁶⁷

Pillar	Example KPIs
Connect & Support	Working groups established Website content reviewed / updated # of business permits created # of new partnerships and collaborations created # of up-skilling / re-skilling programs offered # of experiential learning opportunities established / placed
Focus & Prioritize	Concept framework adopted # of business year-to-date growth in key sectors # of workforce year-to-date growth in key sectors Community center for arts and culture built
Community & Culture	# of programs and events hosted at the center # of participants in community events hosted at the center # of newcomers and immigrant entrepreneurs attracted to Pima County Economic development DEI policy created % of population experiencing poverty reduced
Advocate & Amplify	Promotional campaign(s) created for key partnerships \$ of funding generated for key partnerships Economic legislative policy agenda developed

Source: Stiletto Analysis

Roadmap to Implementation

Figure 14 provides a suggested roadmap of recommendations, illustrating how each recommendation aligns with one or more of the strategic priorities. Each item is assigned timing:

green = short-term (next three to six months); orange = medium-term (six months to one year); red = long-term (next 18 months and beyond).

Figure 14: Roadmap of recommendations and alignment with strategic priorities⁶⁸

Recommendation	Strategic Priorities				Timing		
	Business Retention & Expansion	Business Attraction	Infrastructure	Workforce Development	Short-term	Medium-term	Long-term
Connect and Support							
1. Position Pima County as the regional leader and critical convener among the ecosystem stakeholders, responsible for overseeing implementation of the economic strategy recommendations. Pima County Economic Development will provide oversight to the four working groups (refer to recommendation two) and be responsible for ecosystem coordination, collective marketing, and promotion of the county and the stakeholder groups. The Pima County Small Business Commission, local chambers of commerce and other members of the business community will be key partners in formulating this plan.	✓						
2. Establish four working groups to bring together community stakeholders to streamline efficiencies, align activities, and maximize impact. Proposed working groups: 1) small business (less than 50 employees) working group, 2) priority sector working group, 3) workforce development working group, and 4) community and culture working group. It is proposed the working groups meet on a bi-monthly basis to discuss issues and opportunities for collaboration.	✓						
3. Review the Pima County website's business section for completeness and usability.	✓	✓					

Figure 14: Roadmap of recommendations and alignment with strategic priorities (con't)

Recommendation	Strategic Priorities				Timing		
	Business Retention & Expansion	Business Attraction	Infrastructure	Workforce Development	Short-term	Medium-term	Long-term
4. Based on gaps identified in recommendation three, develop a series of marketing and promotional materials to add to the resource repository on the business section of the website. Materials recommended to include: two-to-four-page summary documents for priority sectors and frequently asked questions (FAQ) documents to respond to general pain points for ease of accessing information.	✓	✓					
5. Encourage and provide specific programs that focus on up-skilling and re-skilling the existing or potential workforce in priority sectors and relevant industry focus areas. Include programs targeted to supporting people in working class jobs to obtain better paying jobs.	✓	✓		✓			
6. Work with Pima County CWD and Pima County Library to reduce barriers to accessing quality early childhood education opportunities for long-term workforce pipeline development.				✓			
7. Develop incentives for employers to up-skill and re-skill the workforce, targeting priority sectors and relevant industry focus areas.	✓	✓		✓			
8. Increase experiential learning opportunities within the county, targeting priority sectors and relevant industry focus areas.	✓	✓		✓			
9. Conduct a market assessment for target industries in Pima County to gain a greater understanding of the needs and gaps for Pima County residents and businesses.	✓	✓		✓			
Focus and Prioritize							
10. In partnership with key stakeholders, develop a strategic and intentional marketing and promotional campaign to target states (and other markets) where there is potential for business attraction, talent attraction, relocation opportunities, remote worker opportunities, and in-migration of residents.	✓	✓					

Figure 14: Roadmap of recommendations and alignment with strategic priorities (con't)

Recommendation	Strategic Priorities				Timing		
	Business Retention & Expansion	Business Attraction	Infrastructure	Workforce Development	Short-term	Medium-term	Long-term
11. Identify and implement infrastructure construction, upgrades, and maintenance projects (e.g., transportation, internet, water, wastewater, electric), and identify new areas to add to the county's economic development land portfolio.	✓	✓	✓				
12. Develop a business attraction campaign in partnership with key stakeholders in Pima County. Establish selection criteria as part of the business attraction program to create greater focus and prioritization of opportunities with the greatest potential impact to the county.	✓	✓					
13. Ensure a focus on foreign direct investment with an emphasis on partnerships with Mexico and Canada, and other opportunities with ACA.	✓	✓					
14. Harness the potential in the advanced manufacturing sector. Recommend strategic investment in a maker space and scale-up facility to support expanding companies in the region to mobilize efforts and accelerate the process for company growth.	✓	✓	✓				
15. Support the growth and development in priority sectors within the county: 1) aerospace and defense, 2) energy, 3) manufacturing, 4) health and health innovation, and 5) transportation, distribution, and logistics, and 6) advanced and emerging technologies.	✓	✓					
16. Conduct an Economic Development program assessment of programs delivered by Pima County and within Pima County departments. Conduct an opportunity and gap analysis to create, streamline and enhance programs.	✓	✓		✓			
17. Engage existing arts and culture organizations (e.g., the Southern Arizona Arts and Cultural Alliance, the Arts Foundation of Tucson and Southern Arizona, and Startup Tucson) to create an indoor arts and culture space and accelerator program that supports artisans in developing entrepreneurship experience. The accelerator will represent a long-term investment in the community's unique assets and will provide a pathway for independent artisans to establish sustainable business ventures in Pima County.	✓		✓				

Figure 14: Roadmap of recommendations and alignment with strategic priorities (con't)

Recommendation	Strategic Priorities				Timing		
	Business Retention & Expansion	Business Attraction	Infrastructure	Workforce Development	Short-term	Medium-term	Long-term
18. Review opportunities to attract / expand arts and culture industries (e.g., opportunities for film and music businesses in the county).	✓	✓					
Community and Culture							
19. Develop an internal marketing and promotional campaign that targets Pima County residents and nonresidents. Embody the richness of the culture, natural environment, diversity, equity and inclusivity values, and the welcoming community as a place to live, work, and prosper. Engage Pima County residents in sharing the campaign more broadly.	✓						
20. Work with Pima County Attractions and Tourism to assist in conducting an assessment of the tourism and cultural industry to identify opportunities to preserve and augment the diverse heritage of the community, including opportunities to emphasize the strengths of the region's Native American tribes and the unique features of the desert landscape.	✓	✓					
21. Promote densification in communities where it is feasible to do so.	✓		✓				
22. Support the potential implementation of the recommendations from the Affordable Housing Taskforce (2022) . Support a value market analysis to identify where different types of housing development investment or intervention strategies are needed. Conduct an assessment of the cost of poverty to Pima County and develop public presentations on the findings.	✓		✓	✓			
23. Support regional efforts to address homelessness, including workforce development strategies, sustainable housing initiatives, and accessible early childhood education.	✓		✓	✓			
Advocate and Amplify							
24. Support New Economy Initiatives, Tech Launch, Tech Parks Arizona, and other university partnerships.	✓	✓	✓	✓			

Figure 14: Roadmap of recommendations and alignment with strategic priorities (con't)

Recommendation	Strategic Priorities				Timing		
	Business Retention & Expansion	Business Attraction	Infrastructure	Workforce Development	Short-term	Medium-term	Long-term
25. Work directly with Pima County CWD to amplify existing workforce tools to support existing and potential workforce. Help to create tools where necessary for individuals and businesses to use to support job seeking. Create a resource guide of all the supports available within the county.	✓			✓			
26. Assess the current policies in place to support small businesses in Pima County to make the region more business friendly. Identify potential mechanisms that would allow small businesses to access information and grants that may be available to future-proof their businesses and increase overall profitability and sustainability.	✓	✓					
27. Work with internal stakeholders to expand broadband and cellular connectivity in the county, which will increase the accessibility of other services (e.g., early childhood education). Identify potential programs that may be available to support the county in its broadband expansion.	✓	✓	✓				
28. Following the recommendations from the Affordable Housing Taskforce, work in partnership with the municipalities in Pima County to develop affordable housing initiatives (e.g., identify development zones and create incentives for affordable housing developments throughout the county).	✓	✓	✓	✓			
29. Work with internal and regional stakeholders, including tribal nations, economic groups, and county departments that have a direct relationship to Economic Development, to develop an economic development legislative policy agenda that supports the wide range of needs for economic support within the region, both at the state and federal levels.	✓	✓	✓	✓			
30. Work with Pima County Staff to ensure internal processes and procedures are conducive to rapid response in Economic Development (e.g., procurement / NDA process, template agreements).	✓	✓	✓	✓			

Source: Stiletto Analysis

Endnotes

All hyperlinks have been validated as of the date of this report.

- ¹ "Stronger Counties: Stronger America," National Association of Counties, 2022, <https://www.naco.org/resources/county-landscape>
- ² Relevant municipal reports include: "An Economic Development Strategy for Marana, AZ," Town of Marana, February 20, 2017, https://static1.squarespace.com/static/54cc191ce4b0f886f4762582/t/58c1e6ecff7c50dd0e58c386/1489102604840/IOI163_Marana_EconDevStrategy_Final.pdf; "Comprehensive Economic Development Strategy FY2019/20 - FY2024/25," Town of Oro Valley, July 2019, <https://www.chooseorovalley.com/files/assets/ced/documents/ceds-approved-by-council.pdf>; "A Blueprint for Economic Growth and Prosperity," Town of Sahuarita, n.d., https://issuu.com/sahuaritaaz/docs/1-16-15_sahuarita_blueprint_for_gro?e=32346327/61416532; "Comprehensive Economic Development Strategy," City of Tucson, 2022, <https://connecttucson.com/ceds/>
- ³ "Quick Facts – Pima County, Arizona," US Census Bureau, 2021, <https://www.census.gov/quickfacts/fact/table/pimacountyarizona/LND110210>
- ⁴ Assets categorized in foundational sciences / interdisciplinary / horizontal / enabling are generally industry agnostic, are not limited to a single focus area, or are applicable to many different industries / sectors (e.g., engineering).
- ⁵ "Pima County Map," Pima.gov, <http://www.pima.gov/procure/about/>
- ⁶ "1 year Average Temperature in Pima County," National Centers for Environmental Information, October 9, 2022. <https://www.ncei.noaa.gov/access/past-weather/pima%20county>
- ⁷ "Weather," Visit Tucson, 2022. <https://www.visittucson.org/plan-your-visit/about-tucson/weather/>
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