



# City of Prescott

## City Council - Study Session

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November 19, 2024 | 1:30 PM  
201 N Montezuma Street  
City Council Chambers, 3rd Floor  
Prescott, AZ 86301

### MINUTES

#### 1. CALL TO ORDER

Mayor Goode called the meeting to order at 1:30 p.m.

#### 2. ROLL CALL

Phil Goode - Mayor  
Connie Cantelme - Mayor Pro Tem  
Lois Fruhwirth - Councilwoman  
Ted Gambogi - Councilman  
Brandon Montoya - Councilman  
Eric Moore - Councilman  
Cathey Rusing - Councilmember

#### 3. DISCUSSION

##### A. Presentation & Discussion Regarding the City of Prescott Economic Development Strategic Plan.

Community Outreach Director John Heiney provided background regarding the 2024 selection of Civic Solutions Partnerships LLC to develop an Economic Development Strategic Plan for the City of Prescott, he introduced partners Steven Pedigo and Laura Huffman. Today they will be presenting their final plan which will be adopted at the Voting Meeting this afternoon.

Ms. Huffman began the presentation.

##### Big Picture:

- \* New paradigm for Economic Development
- \* Economic Development 1.0 - company attraction
- \* Economic Development 2.0 - job and peacemaking (talent attraction, some quality of place, some business expansion, limited downtown development)
- \* Economic Development 3.0 - complete communities, building a resilient community (recruiting diverse companies, building a vibrant workforce, destination development, catalyzing innovation, strengthening small business)

##### Starting from a Place of Strength (understanding assets):

- \* Unrivaled quality of place assets - a growing destination
- \* Strong position within the regional and state economies
- \* Trusted city leadership
- \* Clear understanding of Prescott's strengths and advantages by Council and stakeholders

- \* Strategic investments in infrastructure and amenities further economic development - airport expansion, greenspace initiatives and land acquisitions
- \* Committed community of business and education partners ready to drive growth and support development

#### Engagement:

- \* Assessed Prescott's assets and challenges and convened a diverse group of stakeholders to support the city's strategic planning process
- \* Conducted a comprehensive and competitive assessment Benchmarking Prescott against eight peers
- \* Established a steering committee
- \* Facilitated in-depth one-on-one interviews with Council members and Mayor, followed by joint work session
- \* Hosted series of focused roundtable discussions key stakeholders from various sectors within the city
- \* Conducted one-on-one interviews with key business and educational leaders in the city
- \* Engaged city staff to understand development needs and capacity

#### Discovery Insights (Steven):

- \* Approximately 46,000 residents
- \* 9.5% population growth from 2018-2022
- \* 5.5% forecasted population increase by 2028
- \* 4 in 10 residents have a BA or higher
- \* Prime talent pool (25-44) is 47% smaller than the US average
- \* \$66,330 in median household income is 12% less than US
- \* 15.7 minute median commute
- \* 41% labor participation rate (significantly lower than US levels 63.5%)

#### Opportunity:

- \* Prescott - Where business and innovation leave the usual behind for a bold tomorrow
- \* Lead with business and innovation

#### Key Concepts:

- \* Balanced Growth - expansion must protect its charm while embracing opportunity
- \* Talent Attraction & Retention - must appeal to younger professionals to support future economic growth
- \* Workforce Housing - housing affordability challenges threaten talent recruitment
- \* Healthcare Expansion - building a robust healthcare cluster in Prescott will drive economic growth while improving well-being
- \* Aviation, Cybersecurity & Beyond - leveraging airport investments and building partnerships with Embry-Riddle will drive innovation and growth in North Prescott
- \* Sustainable Development - economic development and sustainable development practices can coexist to drive Prescott's future growth
- \* Workforce Development - growing partnerships with Prescott's educational institutions can drive talent retention and growth
- \* Retail Development - retail sector must evolve to enhance economic vitality and support services

- \* Midweek Tourism - unlocking midweek travel will boost Prescott's tourism economy and diversity in visitor base
- \* Investments in Economic Development - building internal capacity and fostering strong partnerships are vital to securing

Elements of the Strategy:

- \* Vision - where business and innovation leave the usual behind for a bold tomorrow
- \* Goal 1 Talent for Tomorrow - we will develop a skilled workforce that embraces opportunities for tomorrow by establishing sector partnerships between local colleges and targeted innovation sectors, investing in workforce housing options that support young professionals/service workers/middle-income families, engaging and aligning Prescott High School's Career and Technical Education (CTE) programs local industry needs and launching a mentorship marketplace connecting retirees with young professionals
- \* Goal 2 Investments for Tomorrow - we will build an innovative economy that attracts bold investments for the future by building an aviation and cybersecurity district in North Prescott, developing Prescott into a cutting-edge medical services hub that meets local needs and attracts regional demand, strengthening Prescott's light manufacturing and role in supplying key machinery for Arizona's growing chip and semiconductor industries, positioning Prescott as a destination for midweek business travel, corporate retreats and professional events to boost tourism revenue, and implementing policies/financial incentives/land-use strategies and toolkit to ensure Prescott is well-positioned for sustainable future development
- \* Goal 3 Entrepreneurship for Tomorrow - we will empower local businesses and entrepreneurs to grow and scale for tomorrow's opportunities by establishing a business retention and expansion (BRE) initiative to support local businesses and guide policy development, developing a city-supported concierge service that connects small businesses with technical/educational/navigational support, promoting and marketing Prescott's small businesses and unique city experiences to boost local spending and attract visitors, and celebrating Prescott's businesses and entrepreneurs
- \* Goal 4 Placemaking for Tomorrow - we will promote and elevate Prescott's quality of place and unique identity to shape the future by conducting a retail study/developing a retail strategy, investing in placemaking efforts that elevate downtown and other city districts, developing and promoting an outdoor recreation strategy to showcase Prescott's natural assets, executing the city's tourism strategic plan and investing in Prescott's investment and tourism brand platforms to strengthen the city's identity and attract both visitors and investors
- \* Goal 5 Partnerships for Tomorrow - we will invest in Prescott's economic development ecosystem and build strong partnerships for sustained growth by increasing economic development capacity and resources to lead proactive business attraction/retention efforts/strategic partnerships, establishing systematic meetings with regional and state partners to support a coordinated RFI response system, building stronger partnerships with neighboring communities to address shared growth challenges and opportunities and actively seeking grants/funding from state and federal agencies to catalyze large scale and game-changing growth opportunities

Councilman Gambogi discussed the National League of Cities Conference he and Councilman Montoya recently attended and the issues that everyone is seeing with workforce housing. He isn't sure that there is a workable solution for these issues, and he fears that hiring a consultant to address these issues won't necessarily fix the situation.

Mr. Pedigo stated that there is expertise out there that focus on housing challenges in communities in all areas, including housing, and there is value in having someone that can act as an honest broker to assess these things and review what the city really needs.

Ms. Huffman added that it is important for the Council to be clear about what they can and do control, versus what they do not.

Mayor Pro Tem Cantelme commented that the Workforce Housing Committee is already working on this concept.

Councilwoman Fruhwirth said that the word stakeholder takes things to another level, and she wonders if she is thinking about it correctly, because there are a lot of people that have opinions but not necessarily skin in the game.

Ms. Huffman responded that she is spot on in how she is thinking of the term.

Councilman Montoya commented that the entrepreneurship goal really stood out to him as a small business owner himself. The city's mission sometimes has to be to get out of the way of small business owners and entrepreneurs so they can be successful.

Councilwoman Fruhwirth asked if the consultants looked at how Yavapai College and their program could assist with boosting entrepreneurship goals.

Mr. Pedigo responded that their suggestion is to help connect the dots and not recreate services, utilize partnerships like Yavapai College and having an advocate within the city to help them be successful.

Mayor Pro Tem Cantelme commented on the importance of having some sort of guidebook for small business owners.

Mayor Goode thanked the consultants for all of their work and recommendations and stated that the key to this seems to be workforce housing.

Councilmember Rusing asked about partnerships with the state.

Mr. Pedigo responded that housing challenges are workforce challenges that won't change overnight but can start to move the ball forward and things like housing studies and code revisions are the way to do that. He continued that working with state agencies is integral to economic development opportunities, so they are aware that the city is thinking about opportunities. Knowing who the right stakeholders are is critical as well.

Councilman Gambogi commented that the government is not the solution. He thinks the people that can solve many of these issues are out in the community. He thanked the consultants for a good presentation, but feels there needs to be more time to digest all of this. Finally, he added that city leadership is not trusted, even though it should be which could cause issues with implementing a strategic plan like this.

Ms. Huffman responded that building a strong, healthy platform showing how public resources are being invested is helpful in accomplishing these goals.

Mr. Pedigo said he sees this as a multi-sector plan. The private sector has to show up and participate, and the city has to build partnerships.

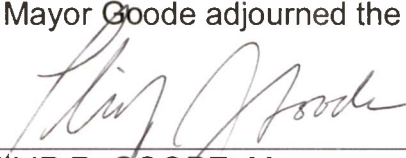
Councilmember Rusing commented that the city is the economic driver for the fourth most populated county in the state. People come here and invest in downtown, and the development of this plan gives the message that the city is business-friendly.

Member of the public Tony Hamer addressed the Council and stated that this is a way forward for economic development, he thinks the glass is half full. There are problems that need to be worked on and can be with a good strategy that builds on work that Dr. Haas has already been doing. He encouraged incorporating Yavapai College with economic development plans, and utilizing other partners in town. Many new business owners are concerned about whether they want to continue to invest in Prescott, and the city needs to solve those issues.

***This item was for discussion only, no formal action was taken.***

#### 4. ADJOURNMENT


There being no further business to discuss, Mayor Goode adjourned the meeting at 2:47 p.m.



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PHILIP R. GOODE, Mayor

ATTEST:



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SARAH M. SIEP, City Clerk

#### CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Voting Meeting of the City Council Voting Meeting of the City of Prescott, Arizona held on November 19, 2024. I further certify the meeting was duly called and held and that a quorum was present.



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Sarah M. Siep, City Clerk

