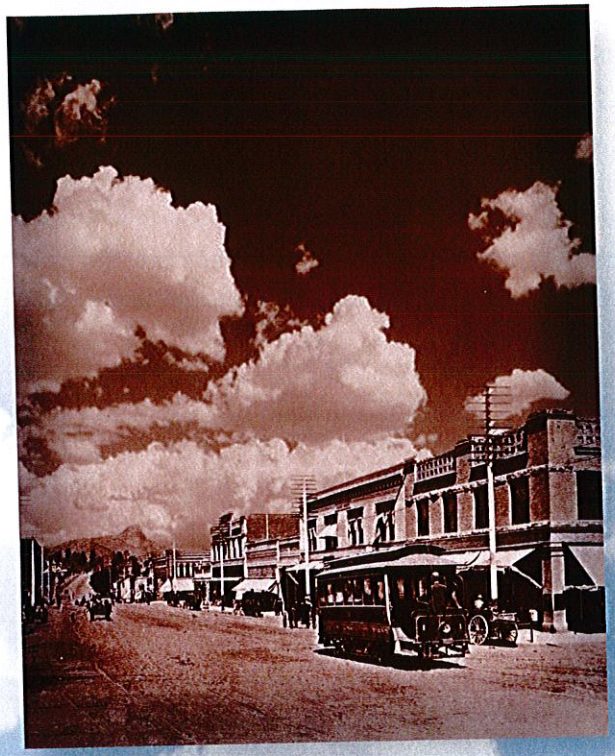

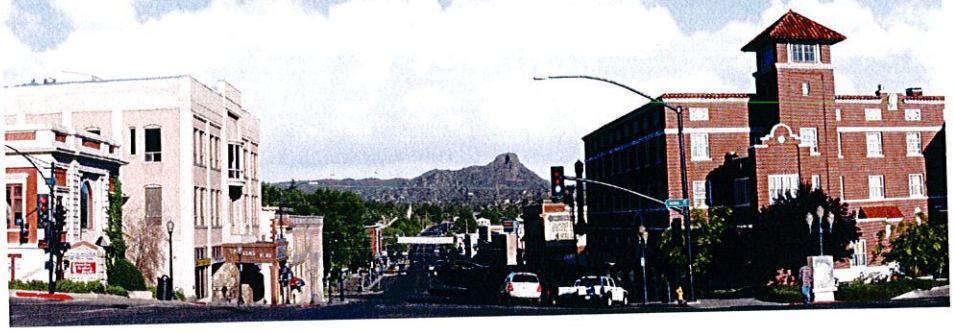

Prescott

A FOCUSED FUTURE II

Strategic Plan for Community and Economic Development • June 2008

sponsored by

APS

Ryan Smith

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I. Introduction

"The will to win is important, but the will to prepare is vital."

Joe Paterno, Pennsylvania State University Football Coach

As a new era of economic development unfolds, the need for Prescott to work even smarter toward its economic goals is more pronounced. Prescott desires to be on the cutting edge of promoting entrepreneurialism and economic development. The City of Prescott has long been a desirable place to live full- or part-time; capturing the title of "Arizona's Hometown". It has also become a first-class recreation and tourism destination. Over the last decade, the City of Prescott has also become recognized as an excellent location to do business as evidenced by the number of new manufacturing and quality businesses moving to Prescott.

In 2007, Prescott moved from #13 to #3 on Inc. Magazine's list for job growth out of 393 cities in its Boomtowns 2007 list of top cities in the country. The ranking calls attention to Prescott's robust growth and highlights job growth as a measure of economic vitality. The diligent efforts by the City of Prescott, the Prescott Chamber of Commerce, and the Prescott Main Street Association are being rewarded by the expanding local economy.

Some of the recent accomplishments include:

- The City of Prescott approved (November 2007) a development agreement that paves the way for the development of a 20,000-square-foot, 1,000-seat conference center and a four-star quality 200-room hotel with up to 180 casitas. The facility will be the largest in the area and is estimated to represent an over $65 million investment.
- Yavapai College has opened the "Career and Technical Center" (CTEC) at the Prescott Municipal Airport. The 108,000-square-foot CTEC building houses several of the College's occupational programs, including Mining Technology, Automotive Technology, Motorcycle Repair, Gunsmithing, and Welding. The headquarters and training facilities for "SLIM, the Manufacturers' Association of the Yavapai Region," will also be located there. In addition, the facility will provide a location for manufacturers moving to the Prescott area needing temporary space while getting underway.
- The Prescott Film Commission has been very active and several feature films and television shows were filmed in the area during 2006/2007. Film production generates a lot of community revenue, creates jobs, and has a positive economic impact with low community impact.
- The City of Prescott and the Prescott Chamber of Commerce continue to work collaboratively on many projects such as the effort to pursue the Arizona Cardinals' training camp bid, minor league baseball proposal, business retention and expansion survey, basic industry inventory, and completing the retail survey.
- The Mayor's Advisory Committee on Economic Development meets monthly to discuss issues related to economic development is entering its second year since being established. The Committee will play a major role in implementing the Strategic Plan for Economic Development.
- Embry-Riddle Aeronautical University and the City of Prescott collaborated on a development agreement to create a business technology park on campus. It is anticipated to break ground in 2008/2009.
- The City continues to win important grant funding such the grant for the minor league study and installation of downtown banners and kiosks.

- Commercial air service is back in Prescott providing daily flights between Prescott and Phoenix as well as Prescott and Las Vegas. Horizon Air provides service to Flagstaff and LAX. Great Lakes provides service to Ontario and Phoenix.

The purpose of the Prescott Strategic Plan for Economic Development is to serve as a guide to local decision-making, provide a road map for Prescott's economic future, and serve as a benchmark for monitoring community progress as it moves into the next decade.

Planning Process

Due to the tremendous growth of Prescott, the community was selected to participate in the APS-sponsored program called "Focused Future II." The Focused Future II process brought together citizens, landowners, agencies, policy makers, and other stakeholders to develop the 2007 Prescott Strategic Plan for Economic Development. Elements of Focused Future II included an examination of successes and challenges, issues and trends analysis, and exploration of best practices. Included in the process was the creation of a new model of community-defined, non-traditional economic and quality-of-life measures developed to monitor successes.

The Prescott Focused Future process began with an Economic Development Overview Workshop conducted on November 6, 2006. At the meeting a "By the Numbers Economic Report" was presented that provided an overview of Prescott's current situation compared to critical community indicators.

At the heart of the process was an active, broad-based citizen and stakeholder committee called the Prescott Focused Future Action Team. The Action Team worked closely with APS and their consultants in completing the project. The Action Team met ten times during the process to create the Prescott Strategic Plan for Economic Development.

Early in the process, a series of Focus Groups were held to understand various stakeholders' issues and concerns. The Focus Group interviews solicited feelings and opinions about issues and possibilities related to a specific topic.

The five Focus Groups facilitated by APS were:

1. Small Business Development

2. Development

3. Youth (Mayor's Youth Advisory Group)

4. Housing

5. Healthcare

The purpose of the two-hour discussions was to bring together individuals with specific expertise and/or special interests within each of the Focus Group topic areas. Additionally, a half-day Mini-Summit was held on April 11, 2007, where outside experts made presentations on various aspects of economic development.

Unique to Focused Future II is the inclusion of the citizenry in the development of community indicators through a Future Search Conference. Approximately 85 residents participated in the half-day Future Search Conference on June 21, 2007. Participants discussed the potential Plan Framework and identified strategies and community indicators. The results provided valuable input to the Action Team as they created the draft plan.

Throughout the process, presentations were made to the Prescott City Council and the Mayor's Commission on Economic Development. Both groups provided input to the process as it evolved.

II. Prescott Overview

"Your legacy should be that you made it better than it was when you got it."

Lee Iacocca
Former Chairman of Chrysler

The Prescott Strategic Plan for Economic Development is built upon a strong foundation. The Plan is based on a clear understanding of what economic development means to Prescott, a consensus vision defined in the citizen-approved general plan, and an analysis of the community's assets and opportunities.

Defining Economic Development

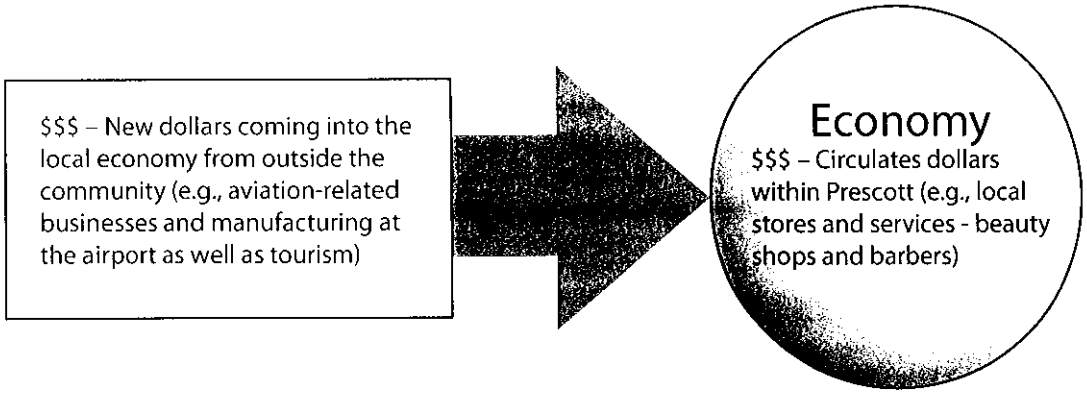
Economic development is important to the long-term sustainability of Prescott. However, it is economic development on Prescott's terms and within the context of the community's unique environment, heritage, and community values. The City of Prescott recognizes that it is part of a dynamic region and unique in comparison to the surrounding towns. The City has carved out its economic niche closely tied to tourism, healthcare, education, manufacturing, and aviation-related industries.

In order for the local economy to grow and expand, there must be new dollars coming into Prescott and enough businesses in the community so that the dollar can be spent and circulated within the local economy. The more that disposable income can be captured in local retail and services the stronger the local economy. It's the combination of new dollars coming into the community and the ability to keep the dollar in the community longer that creates community wealth. Similar to individual wealth, community wealth allows the City of Prescott to pave more roads, put more police officers on the street, and increase recreational activities, to name a few community activities.

Prescott's economic development mission is to:

"Facilitate the establishment of a balanced local economy, creating quality jobs and enhancing the local tax base through quality industrial and commercial development, targeted business attraction, and redevelopment of target areas, effect business expansion and retention efforts, and provide tourism support."

When defining economic development, it must be grounded within the community vision or ideal picture of a future state that can be achieved for Prescott. Additionally, Prescott has a set of "values" or community assets or attributes that are most important to the community that they would not want



to compromise for growth and development. Following is the Prescott Vision Statement and Community Values that provide the foundation for the Strategic Plan for Economic Development that all decisions should be measured against.

Vision Statement

In 2025, Prescott is the hub of Central Arizona and has a diversified economic base that is compatible with community values and the natural environment. It is home to several small and medium-sized corporations located in a business park that has been developed at the confluence of Prescott, Prescott Valley, and Chino Valley. The region's educational excellence and higher educational opportunities are unsurpassed for a mid-sized community. The quality of life for all age groups is cherished, with outstanding healthcare and great neighborhoods. Historic downtown Prescott continues to be a regional magnet for cultural and entertainment activities. The community manages its growth effectively, has achieved safe yield for water usage, and has secured enough water to meet current and future needs. Prescott has a comprehensive mass transit system that has provided residents transportation options and reduced congestion. The community offers a wide diversity of housing choices and values. Prescott continues to be known as Arizona's best hometown.

Values

As a community we value...

Our history

- Preserve and enhance the historic appearance
- Preserve activities on the courthouse square
- Promote Prescott's history and its role in Arizona history

Nature

- Protect areas, landmarks, and open space
- Ensure green trees and the mountain community
- Promote outdoor activities
- Ensure clean air and water quality

Cultural Heritage

- Artistically diverse community
- Western culture and history
- Eclectic mix of cultures, arts, restaurants, businesses, and people
- Events (World's Oldest Rodeo, Whiskey Row, Christmas City, etc.)

Lifestyle

- Safety/protection
- Economic base
- Transit
- Water
- Infrastructure

Community Assessment

The first step in building a strong economic development strategy is an understanding of Prescott's strengths, weaknesses, opportunities, and threats. Strengths/weaknesses are things that the community has direct control over addressing and opportunities/threats are those things that Prescott does not have direct control over but must position itself to either take advantage of or position itself against. The complete analysis is found in Appendix A and following is a summary of the key points.

<u>PRESCOTT ASSETS</u>

Destination Tourism – Prescott is a distinctive Arizona tourism destination due to its environment and heritage. It is a recognized destination for visitors coming to Arizona and has become a major second-home

location. The Historic Downtown Prescott is one of only a couple of downtowns in Arizona that has successfully preserved its historic fabric and created a strong downtown district developed around a traditional courthouse square where many community events are held. Many new business relocations occur every year as a result of a CEO learning about a location from a previous leisure trip or as a result of the desire to live in a city because of its quality of life.

Prescott Municipal Airport – The continued growth of the airport is a tremendous asset for Prescott as well as Central Arizona. The number of businesses being attracted to the community due to the airport is growing and is anticipated to keep growing as commercial service expands.

Community Infrastructure – The City of Prescott has consistently and strategically invested in basic community infrastructure preparing the community to meet growing community and business needs. Water, sewer, and public facilities are good. The City has been proactive in its planning to ensure quality community infrastructure.

Quality Post-Secondary Education – Prescott and the tri-city region have unsurpassed higher educational opportunities available locally. No other Arizona rural community has an equivalent number of institutions providing general and specialized education. Yavapai College, Northern Arizona University, Embry-Riddle Aeronautical University, Old Dominion University, and Prescott College all have a strong and growing educational presence.

PRESCOTT CHALLENGES

Transportation – Like all fast-growing communities in Arizona, ensuring that road construction and maintenance keeps pace will continue to be a challenge. The City of Prescott is making many improvements to the community's roadway infrastructure including 89 and 89A (key roadways leading into Prescott), but more need to be completed. Over time, the development of a comprehensive transit system within the region will need to be addressed.

Affordable Housing – The City of Prescott has become a very desirable place to live, resulting in home values increasing. Additionally, as land prices continue to increase, the ability to build homes for the workforce is difficult. The City recognizes the importance of ensuring that the community has the full range of housing types and prices available. Steps are being taken to ensure that regulations and policies do not hinder the ability to construct workforce housing in Prescott.

Available Workforce – Prescott's unemployment rate has remained relatively steady since 2000. At the same time the labor force has increased in size, indicating that job growth is keeping pace with population growth. However, ensuring an available workforce will continue to be a challenge to all rural communities as a large portion of the population continues to retire.

PRESCOTT OPPORTUNITIES

Fast-Growing Region – Arizona continues to be one of the fastest-growing states in the U.S. and Prescott is the center of the rapidly-expanding quad-city region. People and business investment continue to come to the area due to the quality of life, close proximity to the Phoenix Metropolitan Area, and natural environment. This trend is projected to continue.

PRESCOTT THREATS

State and Federal Laws and Policies – The City of Prescott will continue to be impacted by new laws, unfunded mandates, and state and federal policies that will challenge the community's ability to implement economic development strategies that are compatible with the citizens' vision.

III. Strategic Action Plan

"Plans are nothing...planning is everything."

Dwight D. Eisenhower,
34th United States President

The Prescott Strategic Plan for Economic Development is intended to be "strategic" in nature meaning "focusing on the most important actions that must be accomplished over the next five years." The Action Program is not intended to be an inclusive list of all economic development strategies in which the City, Chamber, Main Street, or other organizations may be involved. For example, these organizations are implementing comprehensive tourism attraction or promotion programs that have a tremendous positive impact on the local and regional economy.

These activities are anticipated to continue but were not repeated in this plan. The strategies identified in the Action Program are intended to be new efforts that require a collaborative and focused effort to accomplish. It is intended that if these strategies are implemented, the economy will be expanded and the mix of businesses diversified.

The Prescott Action Program is presented in the following sections:

Focus Area is defined as a strategic initiative that Prescott will address that will assist in implementing the community's vision.

Discussion explains each of the focus areas and what they mean for Prescott.

Goals refer to each Focus Area and are the desired achievements.

Strategies are specific tasks that will be accomplished that assist in implementing the related goal.

Lead and Supporting Responsibilities are those entities or individuals who will be held accountable for taking action on the related strategy. However, they may need to mobilize a collaborative effort to achieve the strategy.

Community Indicators are quantitative measures of activities that are important to Prescott. These indicators are used to track Prescott's well-being and progress toward established goals. They reveal whether key community attributes are going up or down; forward or backward; or getting better, worse, or staying the same.

The Prescott Action Program is designed around four Focus Areas:

- Business Attraction, Retention, and Expansion
- Community Image and Quality of Life
- Prescott as a Regional Hub
- Educational Excellence

The four focus areas are not presented in any particular order. They are all important and must be addressed simultaneously.

Focus Area: Business Attraction, Retention, and Expansion

A good business climate is Prescott's economic development objective. Working with and targeting the needs of a few specific industries is a mechanism to focus the City's limited proactive economic development resources that will enhance the local economy. A business attraction, retention, and expansion program must be a dynamic strategy–providing the necessary policy support and general assistance. Prescott's strategy is focused on efforts that support industries that are currently within the community or region, particularly those that are growing. The primary focus of Prescott's "new" industry targeting and development efforts is on sectors that deliver high-wage jobs and/or high capital investments.

BUSINESS ATTRACTION

Goal: Implement a targeted industry cluster business attraction and expansion program.

Discussion: Industry clusters are groups of linked or related industries that have strong employment or revenue bases. They generate other business transactions and thus create additional jobs (multiplier effect).

The Prescott business expansion program objective is to strengthen the local economy by building upon existing business clusters, and the community's assets and maximizing opportunities.

Prescott's targeted industry clusters are:

- Biomedical/Biosciences
- Medical Services
- Aviation-Related Businesses
- Advanced Technologies and Manufacturing

Biomedical/Biosciences Cluster

This industry cluster provides emerging opportunities. It is defined as businesses applying engineering and technology principles to living or biological systems usually for the purpose of improving human health and fighting disease.

Foundation for Success: Arizona has an expanding biomedical and biosciences industry cluster. Locally, Prescott has related biomedical product manufacturing and research capabilities. Prescott has many important assets and business opportunities that could work together to grow a biomedical/biosciences cluster, including:

- Yavapai Regional Medical Center
- Biomedical and biosciences support businesses
- Growing regional medical needs as the population continues to age
- Quality of life that makes the region attractive for skilled professionals
- Quality post-secondary educational opportunities and specialized training

To be successful, strategic partnerships are critical.

Strategies:

- Create and maintain an inventory of biomedical/bioscience companies and support businesses within the region.
- Implement a targeted biomedical/bioscience cluster strategy focused on specialized manufacturing and research.
- Become an active participant in the statewide effort Arizona Economic Resource Organization (AERO) with the goal of expanding public and private funding of economic development initiatives in Prescott.

Lead Agencies: City Economic Development Department and Mayor's Advisory Committee on Economic Development.

Support Agencies: Chamber of Commerce, Embry-Riddle Aeronautical University, and local/regional businesses.

Medical Services Cluster

The Medical Services Cluster includes sectors primarily offering health services to the general public through hospitals, medical facilities, and offices. Local healthcare adds to the quality of life for everyone living in and visiting the community. The economic impact of the healthcare industry is often overlooked, but is critically important to the economy.

Foundation for Success: Healthcare is a growing industry in the Prescott region with higher-than-average wages and skill levels. The Yavapai Regional Medical Center employs 1,787 people and contributes more than 70 million salary dollars per year to our community. The Medical Center's expanded healthcare services are available regionally and opportunities exist for continued expansion.

Strategies:

- Develop a working strategy to recruit and retain all healthcare professionals.

Lead Agencies: With the Chamber of Commerce leading the effort, work collaboratively with Yavapai Regional Medical Center, and the City Economic Development Department.

- Expand healthcare education and encourage residents to train for healthcare workforce opportunities.

Lead Agency: Yavapai Regional Medical Center.

Support Agencies: Yavapai College, Northern Arizona University, and City Economic Development Department.

- Partner with the healthcare industry to lobby for consistent reimbursements (i.e., payment shortfalls by Medicare and AHCCCS).

Lead Agencies: Yavapai Regional Medical Center and the Chamber of Commerce.

- Expand primary and specialty healthcare services to meet the communities' growing needs.

Lead Agencies: City Economic Development Department and Yavapai Regional Medical Center.

- Monitor and promote the economic impact of the healthcare industry cluster.

Lead Agency: City Economic Development Department.

Aviation-Related Businesses Cluster

Prescott has been extremely successful in expanding aviation-related businesses at the airport. Embry-Riddle Aeronautical University is a tremendous asset in attracting businesses within this industry cluster.

Foundation for Success: The Prescott Municipal Airport has commercial service to Phoenix and Las Vegas, Nevada. Great Lakes provides service to Ontario and Phoenix. Commuter service expansion to Los Angeles, California is currently being discussed. Business development at the airport is continuing to expand. The airport offers tremendous growth opportunities.

Strategies:

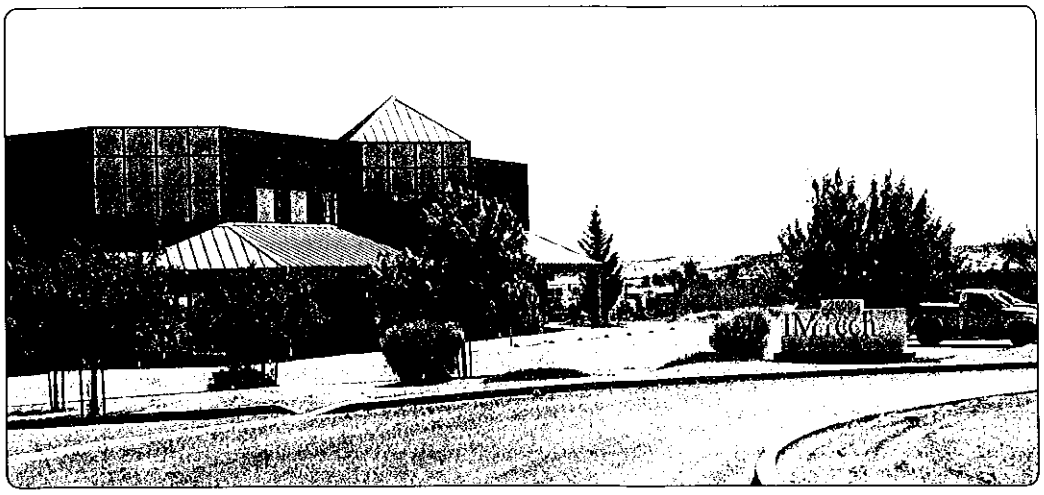
- Inventory and continually monitor aviation-related businesses and solicit their involvement in recruitment efforts.

Lead Agencies: City Economic Development Department and Mayor's Advisory Committee on Economic Development.

- Attract aviation-related businesses to Prescott by working closely with Embry-Riddle Aeronautical University.

Lead Agency: City Economic Development Department.

Support Agency: Embry-Riddle Aeronautical University.



- Expand commuter and business transportation by expanding the airport facility and improving accessibility.

Lead Agency: City Council and Economic Development Department.

Support Agency: Chamber of Commerce.

- Develop a new airport terminal to support regional jets and airport expansion and encourage regional participation in this effort.

Lead Agency: City Council, Mayor's Advisory Committee on Economic Development and Economic Development Department.

- Recruit additional commercial air service.

Lead Agency: City Council, airport staff, and Economic Development Department.

Advanced Technology and Manufacturing Cluster

The Advanced Technology and Manufacturing Cluster can be defined as businesses that integrate and utilize technologies in production of goods and services faster, cheaper, and cleaner. This industry cluster embeds technology into the manufacturing process, which improves workflow and distribution, resulting in competitiveness. Businesses within this industry cluster may include automotive and related transportation, computer hardware and components, software development and packaging, electronics for commercial purposes, polymers, advanced materials, and new plastics, robotics, and related service firms.

Foundation for Success: Prescott has several businesses within this industry cluster, particularly in the automobile after-market and related manufacturing. This industry cluster is an emerging industry for the region and offers growth opportunities for Prescott.

Strategies:

- Inventory the business mix within the Advanced Technologies and Manufacturing Cluster, then create a recruitment strategy while continually monitoring along the way.

Lead Agency: City Economic Development Department.

Support Agency: Mayor's Advisory Committee on Economic Development.

- Work closely with the Specialty Light Industrial Manufacturers (SLIM) to encourage expansion of existing light industrial manufacturing and identify new business opportunities.

Lead Agency: Yavapai College.

Support Agency: City Economic Development and Mayor's Advisory Committee on Economic Development.

BUSINESS RETENTION AND EXPANSION

Goal: To create an environment in which existing businesses are retained and have the capabilities to expand in Prescott.

Discussion: Local businesses are major contributors to the local economy and tax base. Cumulatively, they employ the greatest number of workers and generate most new jobs and capital investments in an area. Business retention and expansion efforts to support existing businesses are, therefore, the foundation of effective economic development.

Strategies:

- Create and maintain a business registry and database that will aid in targeting business assistance strategies.

Lead Agency: City Council and Economic Development Department.

Support Agency: Chamber of Commerce.

- Continue to work the APS-sponsored Building Bridges to Business Program (B3) to develop implementation strategies for identified issues of "high risk" businesses.

Lead Agencies: City Economic Development Department and Chamber of Commerce.

- Develop strategies to recruit supportive businesses/suppliers that support the current business mix.

Lead Agency: City Economic Development Department.

- Create a mentoring Advanced Leadership Collaborative Outreach that partners retirees with local businesses.

Lead Agency: Yavapai College.

- Explore the concept of forming a Corporate Partnership Program that provides a networking system for local companies. The program could encourage companies to do joint marketing and information sharing, and also engage in economic development support efforts related to recruitment strategies, etc.

Lead Agency: Mayor's Advisory Committee on Economic Development.

- Partner with APS and provide businesses with information about business energy conservation strategies (APS Business Solutions).

Lead Agencies: City Economic Development and Chamber of Commerce.

- Develop a Small Business Ambassador's Program that assists businesses through the permitting process by appointing a single point of contact to assist those not familiar with project review and inspection policies.

Lead Agency: City Manager

EXPANDING BUSINESS GROWTH FOUNDATIONS

Goal: Ensure that the community-provided resources are available to support economic development efforts.

Discussion: Land availability, housing, infrastructure, and labor force are some of the building blocks for the economic clusters and business expansion. Building upon the local assets and expanding these critical foundations will assist in expanding the local economy and creating quality jobs.

A critical component to Prescott's economic growth is building the region's innovative capacity. Many of the targeted emerging industry clusters demand innovation to remain competitive. There are many opportunities to capitalize upon to strengthen an innovation environment including the impending retirement of over 70 million "baby boomers" who will be looking for second careers or part-time meaningful employment opportunities.

Strategies:

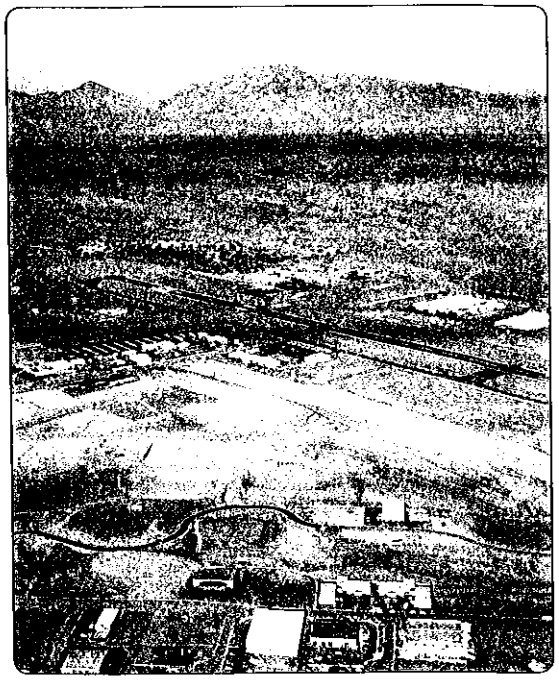
Land

- Educate businesses to take advantage of enterprise zone benefits.

Lead Agency: City Enterprise Zone Commission.

- City of Prescott should review and revise the business incentive policy to ensure that it is an effective economic development tool.

Lead Agency: City Economic Development Department with City Council and City Manager.



- Annex land for industrial development, commercial, and higher-density residential conducive to creating more affordable housing.

Lead Agency: City Community Development Department.

Infrastructure

- Provide infrastructure support (knowing businesses and residents' needs) including appropriate zoning to new commercial/business growth as directed in the City's CIP plan.

Lead Agency: City Public Works Department.

Housing

- Develop and implement an Infill Housing Policy that encourages infill development at higher density, a mix of uses, and utilization of upper stories within buildings.

Lead Agency: City Community Development Department.

Support Agency: Prescott Downtown Partnership.

- Encourage the development of workforce housing by streamlining the process and modifying appropriate regulatory requirements.

Lead Agency: City Community Development Department.

- Identify, develop plans for, and implement community revitalization strategies for aging areas within Prescott.

Lead Agency: City Economic Development Department and City Council.

- Engage in regional solutions to address the shortage of affordable housing.

Lead Agency: City Council.

Workforce Development

- Continue to build upon and implement the B3 Program through an ongoing discussion with local businesses about their needs and workforce issues.

Lead Agencies: City Economic Development Department and the Chamber of Commerce.

- Create workforce education partnerships and explore opportunities with both educational institutions and employers.

Lead Agency: Chamber of Commerce.

Support Agencies: Northern Arizona Council of Governments (NACOG) and Yavapai College Small Business Development Center.

- Continue to review the effectiveness of educational institutions at all levels in providing the skill levels needed for businesses and new industry.

Lead Agency: City Economic Development.

Support Agency: Chamber of Commerce.

Entrepreneurialism

- Establish Prescott as an entrepreneurial-friendly community, with special outreach and attention to Internet-based businesses.

Lead Agency: Direction from Mayor's Advisory Committee on Economic Development.

- Create an Entrepreneur Center that provides entrepreneurs with a full range of business services, including finance programs, technical assistance, management training, technical training, and international trade counseling to assist entrepreneurs in making educated decisions about starting and growing their business.

Lead Agency: Mayor's Advisory Committee on Economic Development.

Support Agency: Yavapai College Small Business Development Center.

- Establish a seed capital fund to support economic base businesses/services (focus on non-retail firms and ventures, especially ones that produce and sell goods and services outside the region, thereby expanding the economic base).

Lead Agency: Chamber of Commerce.

Leadership Development

- Create a Prescott Citizen Leadership Academy for the citizens of Prescott. The Academy should set itself apart from Prescott Area Leadership, highlighting the workings of the city, local non-profits, and other issues important to citizens.

Lead Agencies: City of Prescott and the Chamber of Commerce.

DOWNTOWN BUSINESS DEVELOPMENT

Goal: Increase the economic vitality of Downtown Prescott.

Discussion: Downtown Prescott is an area of civic pride and is Arizona's hometown. The charm of courthouse square and the pedestrian-oriented commercial center draws visitors and residents alike. Prescott's architectural history is preserved in the downtown area. The community's heritage embodied in downtown offers tremendous economic growth opportunities. Like any asset, Downtown Prescott requires continued close monitoring, improvements, and promotions to ensure long-term sustainability and success. Successful downtowns focus on the incremental improvement through a comprehensive strategy that addresses effective organization, promotion, design, and economic restructuring.

The success of downtown business development is built upon the area's assets: a traditional commercial district, distinctive architecture, a pedestrian-friendly environment, local ownership, and a sense of community. The strategic effort should focus on sharpening the competitiveness of existing businesses and recruiting new businesses and economic uses that build a commercial district that responds to today's consumers' needs. Converting vacant or underutilized commercial space or second stories into economically productive properties will boost the downtown district's economic viability.

The effort of building a strong downtown must go beyond just putting on successful events. A comprehensive economic revitalization strategy should continue to be the focus. This strategy should include all of the four points revolutionized by the National Trust for Historic Preservation Main Street – Organization, Promotion, Design, and Economic Restructuring.

Strategies:

- Continue to polish the aesthetics of downtown through ongoing programs focused on façade improvements, streetscape enhancements, signage, and building expansions by working closely with downtown businesses to continue to improve the overall visual aesthetics.

Lead Agencies: Prescott Downtown Partnership and Prescott Preservation Commission.

- Encourage housing and lofts in downtown by modifying appropriate regulatory requirements and reducing impediments in the City Codes.

Lead Agencies: Chamber of Commerce, Prescott Downtown Partnership.

Support Agency: Prescott Community Development Department.

- Continue to update the database for downtown businesses periodically to monitor the mix of businesses.

Lead Agency: Prescott Downtown Partnership.

BUSINESS ATTRACTION, RETENTION, AND EXPANSION COMMUNITY INDICATORS

Sales tax receipts generated in Prescott's downtown business district have totaled approximately $150 million in each of the two preceding fiscal years. As Table 1 illustrates, tax revenue increased from the previous fiscal year in all but one time period — April to June. Total sales tax revenues increased by approximately 3.3% from FY06 to FY07, beating the average national inflationary rate of 2.6% for the same period.

Table 1 – Downtown Business District Sales Tax Revenues

	JUL-SEP	OCT-DEC	JAN-MAR	APR-JUN	TOTAL
FY 2006	$39,022,268	$37,536,975	$36,129,241	$37,085,470	$149,773,954
FY 2007	$41,405,035	$38,529,654	$37,856,498	$36,909,004	$154,700,190
Percentage Change	6.11%	2.64%	4.78%	-0.48%	3.29%

Source: City of Prescott, Budget and Finance Dept.

Table 2 shows Prescott's share of Yavapai County establishments by NAICS industry code. This data is useful in gauging trends on the type and timing of businesses being developed in the City of Prescott. Zip codes were included that contained establishments according to the U.S Census Bureau. According to the data, the highest-growth industry, as measured by change in their percentage of county-wide totals from 2000 to 2005, was "management of companies & enterprises." This sector went from representing nearly 15% of total establishments in the county in 2000 to over 35% in 2005. The utilities industry also showed strong growth, jumping 5.6% over the same period. Losses in countywide share were recorded in 14 of the 20 industries mentioned. Overall, the total share of countywide establishments located in Prescott has been dropping since 2000, when Prescott accounted for 40.4% of establishments across all industries. Industries showing substantial declines in countywide share include mining, wholesale trade, and transportation/warehousing.

Table 2 – Percentage of Yavapai County Establishments in Prescott by Industry

City of Prescott Percentage of Total County Establishments

NAICS	Industry	2000	2001	2002	2003	2004	2005	Total Change*
------	Total	40.4%	40.0%	39.8%	39.1%	38.8%	38.8%	-1.6%
11----	Forestry, fishing, hunting, and agriculture support	18.2%	33.3%	22.2%	36.4%	30.0%	12.5%	-5.7%
21----	Mining	16.7%	16.7%	10.5%	11.8%	5.6%	4.8%	-11.9%
22----	Utilities	8.0%	8.7%	20.0%	13.0%	13.6%	13.6%	5.6%
23----	Construction	33.2%	32.2%	30.5%	29.6%	27.8%	28.8%	-4.4%
31----	Manufacturing	41.3%	34.7%	36.8%	34.7%	33.7%	32.4%	-8.9%
42----	Wholesale trade	38.5%	38.3%	36.8%	41.4%	44.7%	47.0%	8.5%
44----	Retail trade	35.5%	35.6%	36.4%	36.4%	36.5%	36.7%	1.2%
48----	Transportation & warehousing	27.3%	27.6%	25.0%	22.8%	19.7%	19.9%	-7.4%
51----	Information	35.1%	37.5%	35.4%	36.8%	34.2%	32.5%	-2.6%
52----	Finance & insurance	48.8%	49.2%	44.8%	45.1%	45.7%	46.7%	-2.1%
53----	Real estate & rental & leasing	51.0%	48.4%	48.4%	45.6%	45.9%	46.6%	-4.4%
54----	Professional, scientific & technical services	52.1%	52.8%	54.5%	52.1%	51.9%	51.7%	-0.4%
55----	Management of companies & enterprises	14.3%	14.3%	28.6%	50.0%	42.9%	37.5%	23.2%
56----	Admin, support, waste mgt, remediation services	46.4%	47.8%	40.3%	41.7%	42.5%	40.2%	-6.2%
61----	Educational services	38.7%	39.7%	39.2%	38.7%	34.2%	34.1%	-4.6%
62----	Health care and social assistance	51.2%	51.7%	49.0%	48.5%	49.3%	49.6%	-1.6%
71----	Arts, entertainment & recreation	40.9%	40.6%	39.7%	35.4%	40.9%	43.1%	2.2%
72----	Accommodation & food services	37.4%	35.8%	37.2%	36.4%	36.2%	35.9%	-1.5%
81----	Other services (except public administration)	40.7%	42.0%	41.9%	41.1%	38.8%	37.4%	-3.3%
99----	Unclassified establishments	28.9%	22.6%	62.5%	22.2%	38.2%	34.6%	5.7%

Source: U.S. Census Business Zip Code Patterns.
Note: The City of Prescott consists of the following zip codes: 86301, 86302, 86303, 86304, 86305, 86313, and 86330.

*Figure represents total percentage change from 2000 to 2005

Focus Area: Community Image and Quality-of-Life

Preserving Prescott's natural and historic environment is of the utmost importance, emphasizing our arts, culture, recreation, and heritage. Cultivating a dynamic community that ensures a quality way of life for all Prescott residents and visitors (young and old) is important. Continuing to expand the excellent healthcare facilities and services to meet the area's current and future needs is critical to maintaining Prescott's quality of life.

ENVIRONMENT

Goal: Maintain the area's environmental quality.

Discussion: Prescott's proximity to the national forest and recreational areas is a tremendous asset to the region. People have moved to the Prescott area primarily to enjoy the semi-rural, small-town environment, mild climate, and the area's natural beauty. Residents are concerned about the negative impacts associated with growth but have enjoyed the benefits of new businesses and retail opportunities. Prescott strives to balance environmental protection while managing quality growth.

Strategies:

- Partner with major employers and encourage "civic involvement" opportunities as a means of including firms and their employees in seeking solutions to the community's planning and infrastructure challenges. People will use their time and talents by giving back to Prescott, building sustainable community support.

Lead Agency: Prescott Chamber of Commerce

Support Agency: City Economic Development Department

- Partner with regional governmental agencies and businesses to implement programs and strategies to protect air quality.

Lead Agency: City Economic Development Department.

Support Agencies: Yavapai County and NACOG.

- Preserve the natural environment through strong public education and awareness programs.

Lead Agency: Prescott Unified School District.

Support Agencies: City Economic Development Department and area utilities.

- Market Prescott's recreational destinations.

Lead Agencies: PACT and Prescott Economic Development Department.

- Implement the Prescott Parks and Recreation Master Plan that includes expanding activities and facilities for young people.

Lead Agency: City Parks and Recreation Department.

- Improve traffic management and transportation alternatives.

Lead Agencies: City Public Works Department and Prescott Alternative Transportation.

- Work with the Forest Service to expand recreational opportunities within the region.

Lead Agency: City Parks and Recreation Department.

Support Agency: USFS.

- Continue to aggressively pursue the acquisition of permanent open space.

Lead Agencies: City Council.

- Develop and implement a Ridgeline Protection Ordinance.

Lead Agency: City Council.

HERITAGE

Goal: Preserve and promote Prescott's history and historic resources.

Discussion: Historic preservation plays an important role in defining Prescott's image. The community has recognized the strong link between heritage promotion and economic development. People who travel for heritage experiences represent one of the fastest-growing segments of the tourism market.

Strategies:

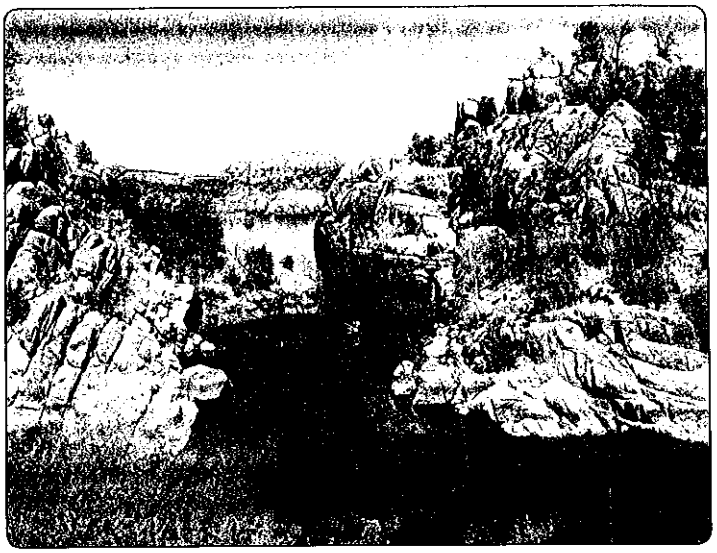
- Create and preserve compatible development with Prescott's historic fabric.

Lead Agency: City Community Development Department.

Support Agencies: Prescott Preservation Commission and Prescott Downtown Partnership.

- Strengthen and actively promote Prescott's high quality of life image.

Lead Agencies: Prescott Area Coalition for Tourism (PACT), the Chamber of Commerce, Prescott Downtown Partnership, and Prescott Economic Development.



COMMUNITY IMAGE/QUALITY-OF-LIFE COMMUNITY INDICATORS

Crime in the City of Prescott has been declining in recent years, as measured by total crimes per 1,000 residents. According to the chart below, crimes per 1,000 residents have decreased to 115.2 in 2007, down from a high of 161.8 in 2002. In general, from 2001 to 2007, the increase in crime appears to be less than proportional to the increase in total population. However, there are some notable categories of offenses that have shown interesting dynamics in recent years. One such measure is violent crimes. As defined by the United States Department of Justice, violent crimes consist of criminal homicide, forcible rape, robbery, and aggravated assault. The total number of these crimes has fluctuated considerably since 2001, with no steady movement in any one direction. Violent crimes decreased dramatically in 2007, to 131, following a sharp rise in 2006 to 181 in total. All four categories of violent crime saw declines in 2007.

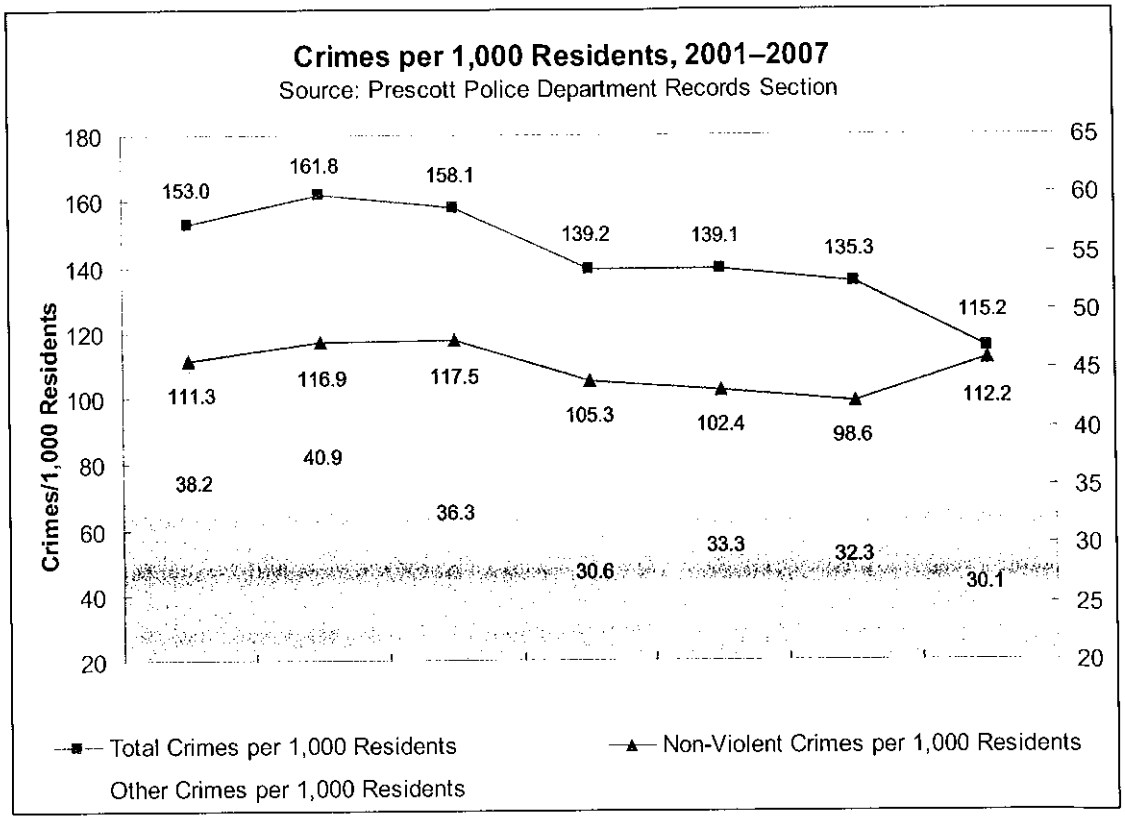
Contrastingly, there has been a 23.9% overall increase in nonviolent crimes since 2001. This is largely due to increases in DUI and forgery, fraud, and embezzlement crimes. Categories of nonviolent crimes showing substantial declines since 2001 include larceny theft, auto theft, burglary, simple assault, and most impressively, arson. Narcotics charges have held relatively constant since 2001, and incidents of vandalism have returned to their 2001 levels after being elevated from 2002-2006. Although we see some negative trends in the data, there is much to be said about relative crime declining in the face of substantial population growth.

Table 3 – City of Prescott Detailed Crime Statistics, 2001-2007

	2001	2002	2003	2004	2005	2006	2007	5-yr Change
Violent Crimes	124	146	164	133	146	183	131	-10.3%
Murder	2	1	1	2	0	5	1	Unch.
Forcible Rape	9	10	9	5	15	12	8	-20.0%
Robbery	14	20	24	19	22	32	19	-5.0%
Aggravated Assault	99	115	130	107	109	134	103	-10.4%
Non-Violent Crime	3,912	4,254	4,510	4,236	4,282	4,149	4,847	+13.9%
Burglary	314	347	419	353	390	326	280	-19.3%
Larceny Theft	1,369	1,440	1,657	1,437	1,390	1,162	1,081	-24.9%
Auto Theft	115	182	132	137	143	106	35	-80.8%
Arson	17	14	14	20	19	19	2	-85.7%
Simple Assault	619	589	518	581	560	546	441	-25.1%
Narcotics	253	241	244	239	309	213	244	+0.1%
Forg./Fraud/ Embez.	262	234	214	255	186	272	280	+19.7%
Vandalism	808	1,055	1,123	960	995	1,205	824	-21.9%
D.U.I.	155	152	189	254	290	300	341	+124.3%
Other	1,342	1,486	1,395	1,232	1,391	1,360	1,299	-12.6%
Calls for Service	33,328	35,226	35,159	36,284	36,671	34,711	32,943	-6.5%
Population	35,156	36,375	38,391	40,225	41,834	42,085	43,217	+18.8%
Total Crimes	5,378	5,886	6,069	5,601	5,819	5,692	4,978	-15.4%
Crimes per 1,000 pop	153.0	161.8	158.1	139.2	139.1	135.3	115.2	-28.8%

Source: Prescott Police Department Records Section

Chart 1 – Crimes Per 1,000 Residents



Another measure of quality of life in the City of Prescott concerns growth at the Yavapai Regional Medical Center. The table and figures below illustrate recent trends in the number of staff, as well as salaries, as related to population growth. Data shows that 2006 was a big year for YRMC as it boosted the number of full time employees and their corresponding salaries by 19% and 24%, respectively.

Table 4 – Yavapai Regional Medical Center Statistics, 2002–2006

Year	City Population	Employee Count	% Change	Gross Salaries	% Change
2002	36,375	1,160	-	$ 39,556,000	-
2003	38,391	1,240	7%	$ 43,901,000	11%
2004	40,225	1,325	7%	$ 49,720,000	13%
2005	41,834	1,509	14%	$ 57,636,000	16%
2006	42,085	1,792	19%	$ 71,233,000	24%

Source: Yavapai Regional Medical Center, November 2007.

Chart 2 – Yavapai Regional Medical Center Employment

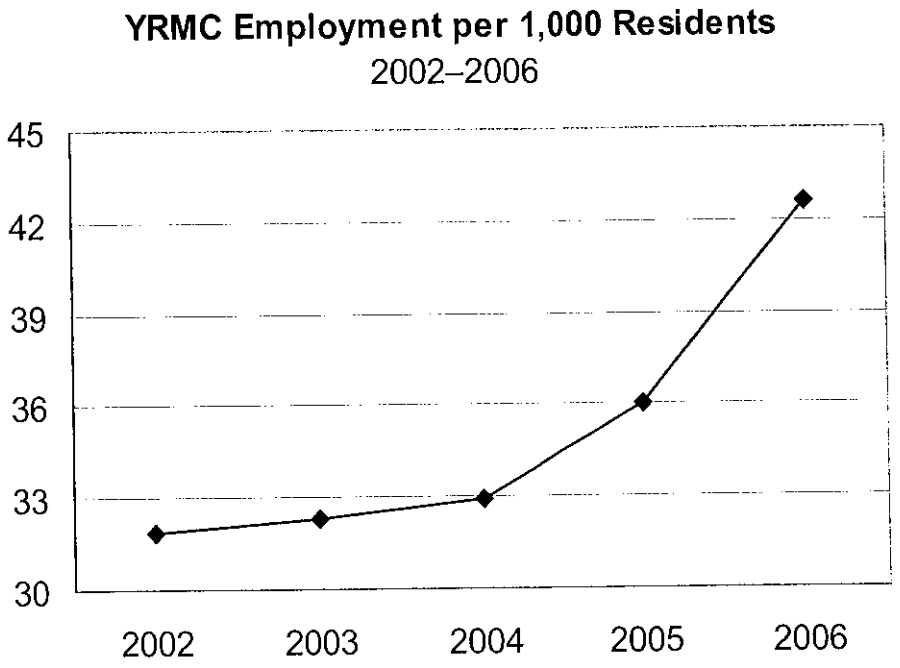
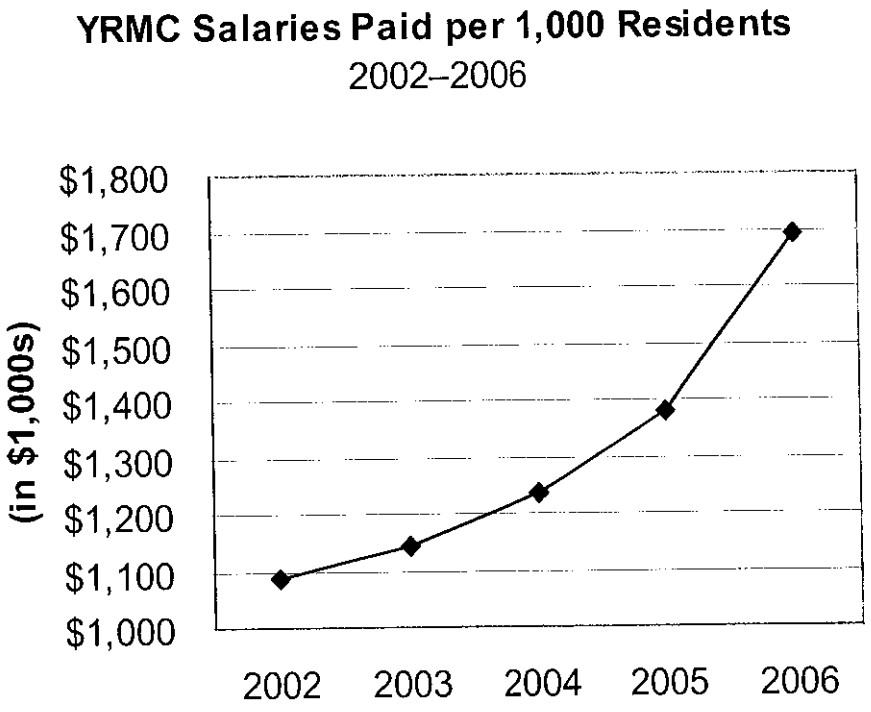


Chart 3 – Yavapai Regional Medical Center Salaries



Focus Area: Prescott as the Regional Hub

As surrounding communities such as Chino Valley and Prescott Valley continue to grow, it is essential for Prescott to maintain its position as the region's economic hub. Further, because land and water are two precious and finite resources for all communities in the State of Arizona, it is increasingly important for Prescott to be a leader in crafting unique and sustainable partnerships throughout the region. As the communities within the region continue to grow, maintaining Prescott as the county seat is of the utmost importance.

GOVERNMENT CENTER

Goal: Maintain Prescott's influence and its place as the regional governance center.

Discussion: Historically, Prescott has served as the regional hub for governmental services, retail, and entertainment. Prescott's role is changing as the communities within the region continue to grow. It is critical that the City of Prescott maintain a strong governmental presence within the community.

Strategies:

- Maintain viable courthouse functions in Prescott's central business district.

Lead Agency: City Economic Development Department.

Support Agency: Yavapai County.

- Maintain the county seat in Prescott.

Lead Agency: City Council.

Support Agency: Yavapai County.

CONFERENCE CENTER

Goal: Attract more meetings and conferences to Prescott.

- Discussion: Bringing more meetings and conferences to Prescott generates revenues from outside the community. Prescott is a desirable location for small to mid-sized meetings. The area currently has meeting space associated with local hotels. However, only meetings of a limited size can be accommodated. With the recent approval of a development agreement, a minimum 20,000-square foot conference center and hotel will be developed in Prescott.

Strategies:

- Develop convention/conference center with expanded hotel space in Prescott.

Lead Agency: City Council and City Economic Development Department.

- Attract more hotels/resorts to serve the region.

Lead Agency: City Economic Development Department.

- Develop more organized activities such as jeep tours, fishing excursions, etc., that are amenities for conventions or large meetings.

Lead Agency: Chamber of Commerce.

Support Agency: USFS.

REGIONAL ARTS, CULTURE, AND ENTERTAINMENT CENTER

Goal: Ensure Prescott remains the regional center for arts and culture.

Discussion: Prescott has many very successful art and cultural events that attract people to the community from outside the area; for example, venues ranging from 100 seats, including the Prescott Fine Arts Theater, Ruth Street Theater, Sharlot Hall Blue Rose Theater, and Elks Opera House, to the Yavapai College Performance Hall, which seats over 1,000 people, have provided professional productions annually. Recently, the City of Prescott purchased the home of the World's Oldest Rodeo. This venue seats in excess of 3,000 people and can now be utilized for larger productions and events. Audiences for these productions bring revenues to the community as well as enhancing Prescott's quality of life.

Strategies:

- Maintain and continue to support entertainment assets; e.g., Elks Opera House, Sharlot Hall Museum; etc.

Lead Agency: City Council.

- Conduct a feasibility study for the development of a municipal arts and culture center.

Lead Agency: City Parks and Recreation Department.

Support Agency: City Economic Development Department.

- Expand arts and cultural activities and businesses. Enhance the community's image as an arts destination for young and old.

Lead Agencies: Chamber of Commerce and PAAHC.

- Support Prescott Downtown Partnership initiatives such as Acker in the Park, Festival of Trees, and other events.

Lead Agencies: Chamber of Commerce and Prescott Downtown Partnership.

REGIONAL PLANNING

Goal: Address regional issues collaboratively.

Discussion: The Quad-Cities region is extremely dynamic. As the region continues to grow, issues such as water, air quality, transportation, and the environment will become more complex. These issues do not start and stop at municipal boundaries and will require collaborative problem-solving.

Strategies:

- Take a leadership role to organize and conduct a Regional Planning Summit to identify, prioritize, and develop an action plan to address regional issues; e.g., water resources, air quality, transportation, preservation of the natural environment, and growth management.

Lead Agency: City Council, Manager, and Mayor's Advisory Committee on Economic Development.

- Explore the formation of a Central Yavapai Leadership Council to address prioritized issues that are the outcome of the Regional Planning Summit.

Lead Agency: City Council, Manager, and Mayor's Advisory Committee on Economic Development.

- Initiate a dialogue aimed at eliminating the "competitive" attitudes and approaches, recognizing that for the region as a whole to be successful each of the partners must remain economically viable. The dialogue could include discussions of tax revenue sharing as one example.

Lead Agency: City Economic Development Department, Mayor's Advisory Committee on Economic Development.

Support Agency: Chamber of Commerce.

PRESCOTT AS THE REGIONAL HUB COMMUNITY INDICATORS

The percentage of countywide sales taxes collected in Prescott is sizable in relation to Yavapai County's total sales tax receipts. In fact, the City of Prescott has generated more than 55% of total Yavapai County sales tax receipts in the preceding three fiscal years. The percentage of restaurant and bar sales tax collected in Prescott dropped from 34% in FY 2004–05 to 29% in FY 2005–06. Hotels and motels are also accounting for a lesser share of Yavapai County's total sales taxes collected, dropping from 32.5% to 26% over the same period. Although aggregate totals are available for retail, Yavapai County has not yet released its breakdown of restaurants/bars and hotels/motels for FY 2006–07.

Table 5 – Sales Taxes Collected

	Prescott		
Year	Restaurant/ Bar	Hotels/Motels	Retail
FY 2004–05	$78,296,083	$26,879,308	$799,181,848
FY 2005–06	$76,329,871	$24,811,014	$902,321,634
FY 2006–07	$66,913,229	$22,349,436	$946,808,309

	Yavapai County		
Year	Restaurant/ Bar	Hotels/Motels	Retail
FY 2004–05	$230,484,099	$82,620,290	$1,407,286,597
FY 2005–06	$260,395,812	$95,502,596	$1,607,417,138
FY 2006–07	-	-	$1,629,489,832

Source: City of Prescott and the Arizona Department of Revenue.

Table 6 – Prescott Share of Yavapai County Total Taxable Sales

Year	Restaurant & Bar	Hotels/Motels	Retail
FY 2004–05	34.0%	32.5%	56.8%
FY 2005–06	29.3%	26.0%	56.1%
FY 2006–07	-	-	58.1%

Note: FY 2006–07 report for Yavapai County will not be released until 11/15/2007.

Looking at sales tax collections per capita, we see that the City of Prescott increased their measure by 8.5% over FY 2005–06, matching countywide increases in per capita collections. From FY 2005–06 to FY 2006–07, Prescott essentially saw no change in sales tax per capita, despite the population growing approximately 3.2% over the same period. This may indicate trade leakage to neighboring cities with newer retail centers. More insight will be found when Yavapai County releases their latest sales tax figures for restaurants/bars and hotels/motels, thus allowing for comparison.

Table 7 – Prescott Sales Tax per Capita

Year	Prescott Sales Tax per Capita	Percentage Change	Yavapai County Sales Tax per Capita	Percentage Change
FY 2004–05	$ 22,676.96	-	$ 8,825.63	-
FY 2005–06	$ 24,612.77	8.5%	$ 9,572.25	8.5%
FY 2006–07	$ 24,618.53	0.02%	-	-

Source: DES (Population), City of Prescott (Tax Receipts), Department of Revenue (Tax Receipts).

Focus Area: Educational Excellence

Maintaining the predominance of high-quality educational opportunities is essential in Prescott. Quality education K-12 through post-secondary is critical for economic development. Additionally, specialized job training is also an important component of the economic development strategy.

POST-SECONDARY EDUCATION

Goal: Expand opportunities for residents to obtain a four-year education.

Discussion: Prescott has a highly educated population (nearly 90% with a high school education or higher, and over 30% possessing a bachelor's degree or higher) that demands comprehensive, high-quality educational opportunities. Expanding the resources already available through Embry-Riddle Aeronautical University, Old Dominion University, Yavapai College, Northern Arizona University, and Prescott College is important. Prescott should utilize these educational resources to strengthen regional, state, and international partnerships to create opportunities for Prescott.

Strategy:

- Develop and implement a University Recruitment strategy to encourage and pursue development of more four-year universities with broader curriculum. Create a recruitment package, market Prescott nationally, host site visits, and organize and conduct a President's Summit.

Lead Agency: Mayor's Advisory Committee on Economic Development.

Support Agencies: City Economic Development Department, Chamber of Commerce, and Yavapai College.

- Expand alliances with four-year institutions such as Northern Arizona University to create more four-year programs.

Lead Agency: Yavapai College.

- Encourage educational institutions to expand online educational opportunities.

Lead Agency: Chamber of Commerce.

Support Agency: Mayor's Advisory Committee on Economic Development.

VOCATIONAL EDUCATION

Goal: Ensure availability of vocational education opportunities.

Discussion: Labor is one of the key determinants in most companies' location and expansion decisions. Workforce development is the number one issue facing businesses of every size. It is critical that the vocational education system is responsive to business demands.

Strategies:

- Support the development of the Joint Technology Education District for Career Training Facility.

Lead Agencies: Countywide School Districts and Yavapai College.

- Create a Consortium that encourages partnering with educational institutions for training and workforce development.

Lead Agency: County Schools Superintendents.

Support Agency: Yavapai College.

K-12 EDUCATION

Goal: Recognized as the best K-12 educational system in Northern Arizona.

Discussion: Ensuring a quality K-12 educational system is increasingly challenging with limited funding and resources.

Strategies:

- Create public/private/educational partnerships (training programs).

Lead Agencies: Prescott Unified School District and Yavapai County.

- Support educational excellence with strong educational programs, pre K-12.

Lead Agency: Prescott Unified School District.

- Develop more new K-12 facilities to meet the growing community demands.

Lead Agency: Prescott Unified School District.

- Strengthen local computer literacy programs by ensuring state-of-the–art technology, expanded curriculum, and experienced teachers.

Lead Agency: Prescott Unified School District.

EDUCATIONAL EXCELLENCE COMMUNITY INDICATORS

Table 8 compares Prescott AIMS test scores for 5th and 11th graders to statewide averages. As illustrated below, Prescott 5th-graders have been, and continue to be, well ahead of statewide averages in all three categories (reading, writing, and math). Fifth-graders in Prescott showed solid year-over-year improvement in 2007. High school students in Prescott are also well ahead of statewide averages for all three testing categories. However, 11th-grade scores showed moderate declines in performance from the year earlier, while statewide average continued to improve.

Table 8 – AIMS Scores, Prescott and Statewide, 2000–2007

Eleventh Grade

	'00	'01	'02	'03	'04	'05*	'06	'07	Y/Y Δ
Prescott									
Reading	n/a	n/a	n/a	522	499	705	719	717	(2)
Writing	n/a	n/a	471	483	477	696	711	707	(4)
Math	n/a	n/a	n/a	496	489	698	700	703	3
Arizona									
Reading	n/a	n/a	490	491	484	682	680	683	3
Writing	n/a	n/a	464	462	485	681	666	682	16
Math	n/a	n/a	471	479	489	690	675	677	2

Fifth Grade

	'00	01	'02	'03	'04	'05	'06	'07	Y/Y Δ
Prescott									
Reading	526	517	514	515	511	512	515	518	3
Writing	530	533	552	530	565	536	527	550	23
Math	509	521	516	523	516	531	530	536	6
Arizona									
Reading	509	503	505	505	503	492	492	492	-
Writing	504	500	512	502	530	510	500	528	28
Math	482	487	494	498	499	506	507	507	-

Source: Arizona Department of Education, Prescott Unified School District.
*Significant change in scores from 2004 a result of changes to AIMS scoring methodology.

Chart 4 – AIMS Test Scores – 5th Graders, 2005–2007, Prescott

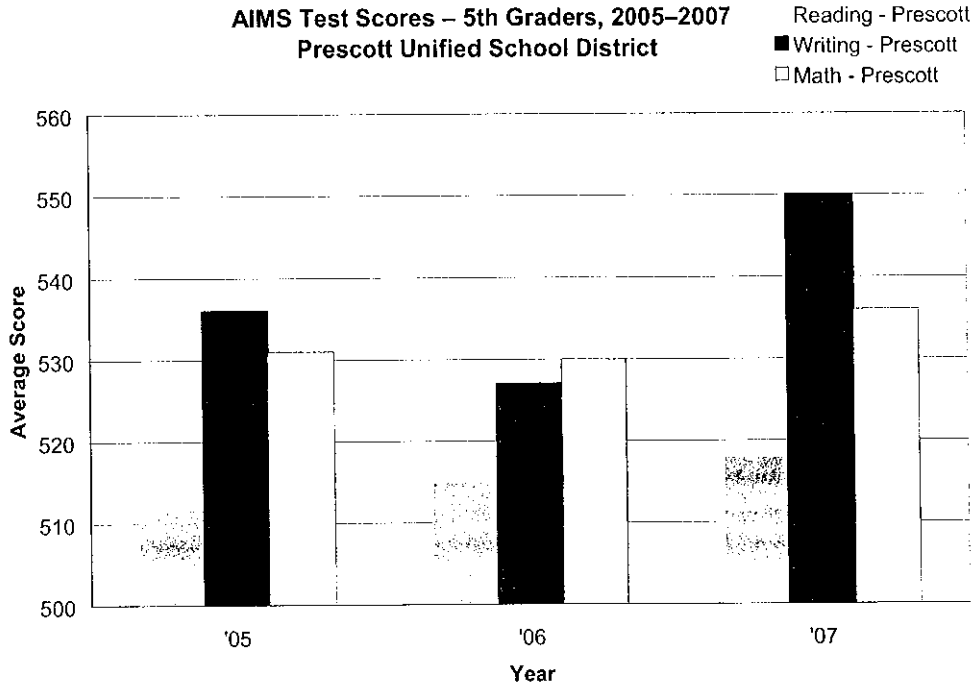
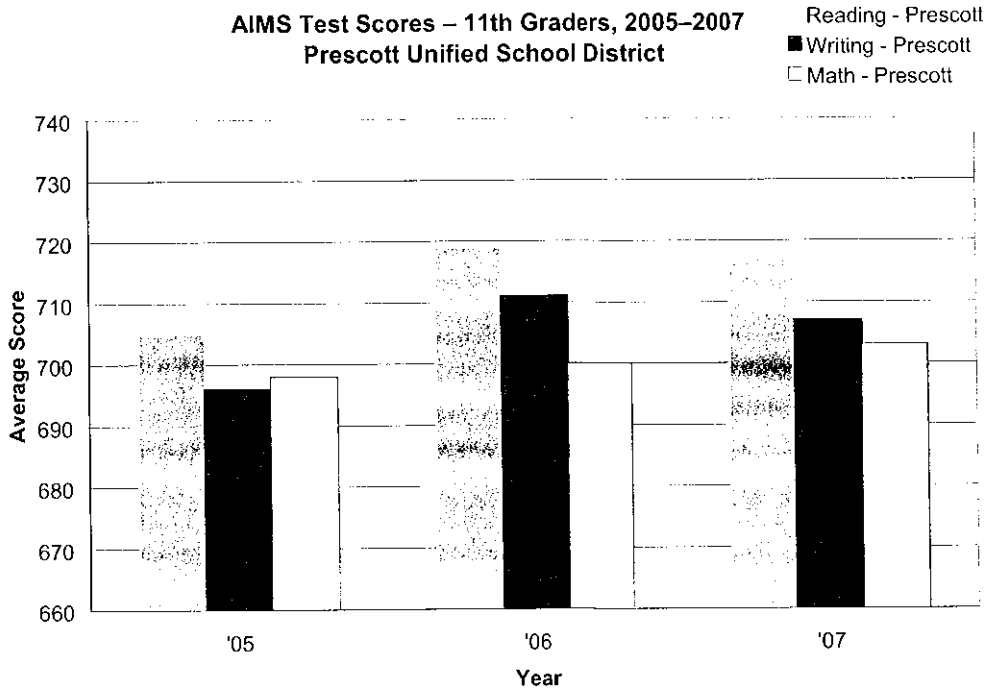


Chart 5 – AIMS Test Scores – 11th Graders, 2005–2007, Prescott



Prescott High School graduation rates have improved dramatically in recent years. The chart below shows that four-year graduation rates have increased from 82.1% in 2001 to 92.5% in 2004, while five-year graduation rates have increased from 82.1% to 95.2% over the same period. Another important indicator, the dropout rate, has declined significantly from a high of 12.6% in 2001 to 1.1% in 2004.

Table 9 – High School Graduation Rates

		4-Year Rates			5-Year Rates
School	Year	4-yr Dropout Rate	4-yr Status Unknown	4-yr Grad Rate	5-yr Grad Rate
Prescott	2004	1.1%	0.5%	92.5%	95.2%
Prescott	2003	0.0%	0.0%	94.9%	95.7%
Prescott	2002	5.2%	13.1%	78.6%	80.5%
Prescott	2001	12.6%	0.0%	82.1%	82.1%

Source: Arizona Department of Education
Note: "Status unknown rate" is expressed as a percentage of the class membership and reflects the proportion of the cohort class that left within the first four years of high school, and did not return, graduate, transfer, receive a GED, or die and whose academic status and location are unknown to the schools from which the student left.

The student/teacher ratio in Prescott schools over the past five years has remained relatively steady. From 2003 to 2005, the number of students in the Prescott Unified School District increased by approximately 250 while the number of teachers changed only slightly, thus raising the student/teacher ratio moderately from 16.89 to 17.84. In the 2006-2007 academic year, about 20 new teachers were put into schools, bringing the ratio back down a bit. Since then, the ratio has held relatively constant.

Table 10 – Student/Teacher Ratios

Prescott Unified School District			
School Year	# Students	# Teachers	Ratio
2003–04	5,022	297	16.89
2004–05	5,155	295	17.44
2005–06	5,273	295	17.84
2006–07	5,379	313	17.17
2007–08	5,457	317	17.20

Source: Prescott Unified School District.

Prescott has five major post-secondary schools in which enrollment records are maintained. The table below shows full-time enrollment for these schools. Enrollment rates have been relatively steady over the past several years. Yavapai College has shown a slight increase in enrollment from 3,109 students in 2001 to 3,617 in 2006; Old Dominion has more than doubled its enrollment since the fall of 2000. Other institutions have shown more-or-less constant enrollment over the years shown.

Table 11 – Post-Secondary Educational Full-Time Enrollment

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Fall 2006	Fall 2007
Prescott College	900	984	980	948	960	1,004	967	-
Yavapai College	-	3,109	3,256	3,273	3,230	3,351	3,617	-
Embry-Riddle	1,689	1,724	1,702	1,669	1,668	1,685	1,674	1,707
NAU (Prescott)	-	-	-	-	-	251	241	235
Old Dominion University	149	226	273	311	311	341	301	-

Source: Chief Operating Officer, Prescott College; Office of Institutional Research, Yavapai College; Embry-Riddle Aeronautical University; Old Dominion University; Northern Arizona University.

IV. IMPLEMENTATION

"Economies that do not add new kinds of goods and services, but continue only to repeat old work, do not expand much nor do they by definition, develop."

Jane Jacobs
The Economy of Cities, 1970

The Prescott Focused Future Economic Development Strategic Plan recognizes that no one organization or individual can accomplish economic development goals alone; therefore, a collaborative and well-coordinated effort is important to ensure implementation. Successful implementation of the Prescott Focused Future II Economic Development Strategic Plan depends on several key principles and supporting actions.

- The community in general and elected and civic leaders in particular must be fully and continuously informed as to the critical importance of sustained economic development to the health of the community and Prescott's quality of life.
- The City of Prescott and its organizational units must have a common understanding of the priority that the City places on economic vitality and the actions and investments that are necessary to support it. It is very important that the City speak "with one voice" to the business community.
- The commitment to economic development must be an ongoing priority, one that is a constant through the normal ups and downs of economic cycles.
- There must be a collaborative working relationship amongst the various public and private economic development entities.
- There must be recognition of the importance of "keeping score" and measuring progress and outcomes of the economic development strategy in order to implement course changes.

Objectives for Success

The Strategic Plan is based on creating and maintaining a sustainable standard of living and high quality of life for all residents. Following is a list of success objectives that were identified as important to recognize as the planning process comes to an end and implementation begins. Many of these objectives are similar to The Ahwahnee Principles for Smart Economic Development created by the Center for Livable Communities in Sacramento, California.

Coordinated Approach	All entities involved in economic development must work together to achieve mutually agreed-upon goals to ensure a sustainable effort.
Regional Collaboration	Prescott cannot operate without understanding the region and collaborating with entities throughout the region (e.g., federal agencies, incorporated communities).
Smart Growth	The regional environment is a tremendous asset that should be protected for community and economic development reasons. The region must take great strides in addressing resource issues, such as water, to ensure long-term sustainability.
Long-Term Efforts	Economic development is not a one-shot activity. Success requires long-term investments (e.g., infrastructure and telecommunications) as well as continued focused effort and evaluation.
Wired Communities	Prescott must encourage the use of and invest in technology that supports the ability of local business enterprises and other entities to succeed by providing open access to information and resources.
Local Focus	Prescott should give first priority to supporting existing enterprises while looking at diversifying the economic base. Existing businesses are the community's most valuable assets because they are already contributing to the local quality of life. They are also the best source of business expansion and local job growth.
Corporate Responsibility	Prescott encourages enterprises to work as civic partners, contributing to the region where they operate, protecting the natural environment, and providing workers with good pay, benefits, and opportunities for upward mobility, within a healthful working environment.
Human Investment	Prescott's human resources are so valuable in the information age and the area will strive to provide life-long skills and learning opportunities by investing in excellent schools, post-secondary institutions, and opportunities for continuous education and training that are available to all.

Sustaining Community Participation

Citizens play a critical role in sustaining any community or economic development effort. The role citizens might play is dependent on their understanding and acceptance of the long-term vision and goals for economic and community development. To ensure this buy-in requires continual effective and honest communication as well as opportunities to participate in the decision-making process. Bringing citizens into the process before the final vote is cast is important to building community trust, enthusiasm, and involvement in civic activities. The Focused Future process has been an inclusive economic development effort in which individuals and agencies have been actively engaged in the strategic plan's development.

Following are some things to think about to ensure that the public is an active player in local decision-making.

Diversity – With this diversity of backgrounds, cultures, and values, it is increasingly important to establish mechanisms and processes to bring people together to discuss, debate, and find common ground. It is critical to bring people together in a positive way, rather than waiting until an issue becomes too emotional and opinions are too firm, making meaningful discussion difficult.

Good Communications – Creating a culture of good communication between the governmental entities, businesses, and citizens as well as between and amongst the various stakeholders is important to ensure community and economic development success. Improving communication and engaging citizens in the local dialogue and decision-making process builds trust, respect, and a sense of commitment.

Meaningful Involvement – The goal should be to provide meaningful opportunities for citizen engagement that recognize the value of people's time and energy. Once citizens do engage in a community dialogue, their input should be encouraged, respected, and protected from personal attacks.

Respect and Trust – Differing viewpoints should be encouraged with personal attacks on those viewpoints unacceptable. Leadership is required to encourage the exchange of differing viewpoints in search of the common ground and a consensus that everyone can appreciate. To increase the level of trust and respect for our government leaders and each other, there is a need to develop the skills of public participation and to create opportunities that welcome those not traditionally involved in the decision-making process.

Following are the steps to continue community participation in Prescott's community and economic development efforts.

1. Maintain and communicate a clear vision of what is to be accomplished and a status report of current activities.
2. Hold organizations, community leaders, and citizens accountable in their efforts to implement community and economic development efforts. Leaders do not betray the public's trust. The goal is to follow through on what is planned and if direction is refocused the purpose must be communicated.
3. Communicate effectively and assist residents in understanding the complexity of local and regional issues so they are able to provide informed input and make good decisions.
4. Confront issues as they arise and do not procrastinate. If something needs fixing, it is addressed immediately, even if it is uncomfortable. The longer things are left, the more difficult they become.
5. Prescott must focus on the future and not dwell on the past. The Focused Future II Strategic Plan and community leaders anticipate trends and prepare for them. The goal is to ensure that new ideas are welcome and the community is receptive to positive change that is compatible with the area's vision and values.

6. The focus is on implementation and getting things done. The agencies involved in community and economic development will not support any entities that are embroiled in political infighting, gossip, and backstabbing. It is a waste of energy and diverts individuals or agencies away from missions and goals.

7. To begin the implementation of the Focused Future II plan, organize an implementation team. The team members should represent all the agencies/organizations responsible for Focus Area strategies. Other interested Action Team participants along with the Mayor's Advisory Committee on Economic Development may also wish to be part the Implementation. APS Focused Future II manager Sally Odette will assist with the group's leadership and direction. The Implementation Team will prioritize the Strategies within the Focus area.

Strategic Plan Evaluation and Update

Implementation in whole or in part is the measure of the plan's success. The Prescott Focused Future II Community and Economic Development Strategic Plan serves as a guide for achieving respective plans, goals, and objectives for community economic development efforts. However, it is critical to monitor how the Strategic Plan is put into action. Following are the specific steps to ensure the plan is implemented.

- Acceptance. All economic development entities involved in the strategic planning process shall accept the Strategic Plan.

- Community Communication. The Focused Future II process involved a tremendous amount of public participation. Communication about the plan and progress is critical. Upon plan adoption, the specific goals and strategies should be communicated to the public and the plan made available to anyone for review.

- Plan Distribution and Presentations. There are many different organizations that can support and assist in the plan's implementation. It is very important for Prescott to announce to these agencies (Arizona Department of Commerce, federal agencies, municipalities, etc.) that the plan is in place. These groups must understand the community's vision and how they can assist Prescott in meeting its goals.

- Implementation Through Work Programs. Following acceptance of the Focused Future II Strategic Plan, each organization will work toward implementation of the recommendations outlined in this document by examining and aligning the focus areas, goals, and strategies with their respective organizational strategic plans.

- Performance Indicators Evaluation. Annually, Prescott should evaluate the progress it has achieved on each of the performance indicators. The purpose of the performance indicators is to measure the success the community is making toward implementing the Strategic Plan. A progress report will be developed and presented at the Economic Summit. The community indicators will be updated and expanded based on the discussions at the Economic Summit.

- Annual Economic Summit. Annually, the Mayor's Advisory Committee on Economic Development will conduct an Economic Summit to discuss, modify, and update the Focused Future II Strategic Plan. The Summit will review accomplishments, changes in the local economy, and recommended changes to the plan. Changes made to the plan will be presented to the various entities adopting the original plan for discussion, alignment, and possible inclusion in their organizational strategic plan.

- Work Program Funding. Each of the entities shall develop one-year budgets to fund and implement the work program. Annual budget requests shall be based on the strategies to implement the Action Plan.

Roles and Responsibilities

The Focused Future II Strategic Plan provides the foundation to build a diversified economy, expanded workforce, and improved quality of life. There are many stakeholder entities that are involved in achieving these objectives and strategies as envisioned in the strategic plan. Without partners such as the citizens, businesses, and educators, the primary organizations would not be successful in carrying out the economic development strategies.

The following organizations are "Lead Economic Development Organizations," which means that these groups are specifically responsible for implementing significant economic development strategies.

- City of Prescott
- Mayor's Advisory Committee on Economic Development
- Prescott Chamber of Commerce
- Prescott Downtown Partnership

However, it is important to recognize that the above organizations cannot achieve success without support from "Economic Development Partners." These organizations might get involved in economic development on a very specific strategy and must be supportive of the lead organizations' activities. These partnering organizations may include the following. It is important to note that this list may not be all-inclusive.

- Various Colleges
- Unified School District
- Utilities
- Social Service Agencies
- U.S. Forest Service
- Local Businesses
- Hospital
- State Agencies (Tourism, Commerce)
- Arts and Culture

Lead Economic Development Organization Matrix

	City of Prescott	Mayor's Economic Development Advisory Committee	Prescott Chamber of Commerce	Prescott Downtown Partnership
Review & accept the plan	L	L	L	L
Conduct Annual Economic Summit	S	L	S	
Focused Future work program funding	L	L	L	L
Biomedical/Biosciences Cluster	L	L	S	S
Medical Services Cluster	L		L	
Aviation-Related Businesses Cluster	L	L	S	
Advanced Technology & Manufacturing Cluster	L	S		
Business registry & database	L		S	
Building Bridges to Business Program	L		L	
Recruitment strategy for supportive businesses /suppliers	L			
Corporate Partnership Program		L		
Explore business energy conservation strategies	L		L	
Develop Small Business Ambassador's Program	City Manager			
Promote Enterprise Zone benefits	City Enterprise Zone Commission			
Review & revise Business Incentive Policy	L		S	

L = Lead Role for the Agency

S = Support Role for the Agency

Lead Economic Development Organization Matrix (continued)

	City of Prescott	Mayor's Advisory Committee on Economic Development	Prescott Chamber of Commerce	Prescott Downtown Partnership
Annex land for business development	Community Develop. Department			
Infrastructure support for economic development	Public Works			
Develop & implement Infill Housing Policy	Community Develop. Department		S	S
Workforce housing development	Community Develop. Department		S	
Community revitalization strategies	L			
Regional solutions to address affordable housing	City Council		S	
Create workforce education partnerships			L	
Review effectiveness of educational institutions	L	S		
Entrepreneurial-friendly community		L		
Create Entrepreneur Center		L		
Seed capital fund		L	S	
Create Prescott Citizen's Leadership Academy	L		L	
Improve downtown aesthetics				L
Housing downtown	S – Commu-nity Develop. Dept.		L	L

L = Lead Role for the Agency

S = Support Role for the Agency

Lead Economic Development Organization Matrix (continued)

	City of Prescott	Mayor's Advisory Committee on Economic Development	Prescott Chamber of Commerce	Prescott Downtown Partnership
Downtown business database to monitor mix of businesses				L
Expand civic involvement opportunities	S		L	
Air quality strategies	L			
Market Prescott's recreational destinations	L			
Implement Parks & Recreation Master Plan	Parks & Recreation Dept.			
Improve traffic management & transportation alternatives	Public Works			
Expand recreational opportunities in forest	Parks & Recreation Dept.			
Pursue acquisition of permanent open space	City Council			
Develop & implement Ridgeline Protection Ordinance	City Council		S	
Compatible development with historic fabric	Community Develop. Dept.			S
Promote Prescott's quality of life	L		L	L
Maintain viable courthouse functions in downtown	Economic Develop. Dept.		S	S
Maintain County seat	City Council		S	

L = Lead Role for the Agency

S = Support Role for the Agency

Lead Economic Development Organization Matrix (continued)

	City of Prescott	Mayor's Advisory Committee on Economic Development	Prescott Chamber of Commerce	Prescott Downtown Partnership
Develop convention /conference center	L		S	
Attract more hotels	L			
Develop organized activities			L	
Support entertainment assets	City Council		S	
Feasibility study for municipal arts & culture center	Parks & Recreation Dept. with Support – Economic Develop. Dept.			
Expand arts & cultural activities & businesses			L	
Support Prescott Downtown Partnership initiatives			S	L
Organize & conduct Regional Planning Summit	L	L		
Explore formation of a Central Yavapai Leadership Council	L	L	S	
Dialogue to eliminate "competitive" attitudes & approaches	L	L	S	
University recruitment strategy	S	L	S	
Expand on-line education		L	S	

L = Lead Role for the Agency

S = Support Role for the Agency

Other Agencies' Roles and Responsibilities Matrix

STRATEGY	RESPONSIBILITY
Biomedical/Biosciences Cluster	Support – Embry-Riddle Aeronautical University & local/ regional businesses
Medical Services Cluster	Yavapai Regional Medical Center, Yavapai College, Northern Arizona University
Aviation-Related Business Cluster	Embry-Riddle Aeronautical University, airport staff
Create a mentoring program called Advanced Leadership Collaborative Outreach partnering retirees with local businesses	Yavapai College
Create workforce education partnerships	Northern Arizona Council of Governments & Yavapai College Small Business Development Center
Create Entrepreneur Center	Support – Yavapai College Small Business Development Center
Downtown aesthetic improvements	Prescott Preservation Commission
Air quality protection	Support – Yavapai County & Northern Arizona Council of Governments
Natural environment protection education	Prescott Unified School District
Market Prescott's recreational destinations	Prescott Area Coalition for Tourism
Improve traffic management & transportation alternatives	Prescott Alternative Transportation

Other Agencies' Roles and Responsibilities Matrix (continued)

STRATEGY	RESPONSIBILITY
Expand recreational opportunities	Support – U.S. Forest Service
Create & preserve compatible development with historic fabric	Support – Prescott Preservation Commission
Promote quality-of-life image	Prescott Area Coalition for Tourism
Maintain viable courthouse functions in downtown	Support – Yavapai County
Maintain the county seat in Prescott	Support - Yavapai County
Develop more organized activities	Support – U.S. Forest Service
University recruitment strategy	Support – Yavapai College
Expand alliances with four-year institutions	Yavapai College
Development of Joint Technology Education District for Career Training Facility	Countywide School Districts & Yavapai College
Consortium that encourages partnering with educational institutions for training & workforce development	County Schools Superintendents Support – Yavapai College
Create public/private/educational partnerships	Prescott Unified School District & Yavapai County
Support educational excellence	Prescott Unified School District
Develop more new K-12 facilities	Prescott Unified School District
Strengthen local computer literacy programs	Prescott Unified School District

V. Acknowledgements

The Prescott Strategic Plan for Community and Economic Development was produced through a collaborative effort from many different individuals, organizations, and businesses. Additionally, over a hundred of Prescott's citizens spent their time and provided their ideas for the Plan's creation. APS, through its Focused Future II Program, provided Prescott with technical support, consulting services, and production support as an investment in the community.

Mayor's Advisory Committee on Economic Development

- Joan Fleming
- Gary Buck
- Dan Carrell
- Joel Petersen
- Jane Bristol
- Dave Maurer
- Tim Barnett
- James Horton
- Karen Keller
- Dr. Norval Pohl
- Daniel Froetscher
- Arnold Gray
- Tom Thurman
- Ty Myers

Prescott Focused Future Action Team

- Mya Beckley
- Gary Edelbrock
- Tom Guice
- Rick Marcum
- Kathern Mitchell
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- Devi Stone
- Brandon Boyster
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- Joe Howard
- Sheri Miller
- Hector Riojas
- Marlene Slayton
- Rev. Dan Storvick
- Clint Bryan
- Karen Greenspoon
- Kevin Kapp
- Lindsey Mills
- Deborah Schaefer
- Steve Stazenski
- Don Yeager

Technical Support

- Sally Odette, APS
- Judie Scalise, ESI Corp Applied Economics
- Sarah Murley, Applied Economics
- Peggy Fiandaca, Partners for Strategic Action, Inc.

V. Appendices

Appendix A – Prescott Community Analysis

Community Strengths	Community Weaknesses
89 & 89A – some improvements made	89 & 89A – hasn't been completed
Cohesive City Council	Cost of land
City management excellent	Cost of development
Image by external people is positive	Housing choices limited
Water quantity – management & acquisition	Lack of transit
Historic downtown	Lack of funding to address issues and projects
Gateway Mall	Lack of JTED
Higher education available locally	Lack of air service, airport buildings inadequate, & carrier inadequate
Training opportunities locally	Infrastructure – needs to be improved for future development
Efforts in place to get JTED	Need to expand economic diversification
The area does have an airport	Lack of high-end destination resort & convention space
Infrastructure – what we have is good	Lack of available buildings for retail – fairly old – disparity between new & old
Opportunity for partnerships to bring in new businesses with higher educational institutions	Lack of understanding related to zoning issues – locationally what is acceptable?
Healthcare is very good & available	
Film production occurring in the region	
Some level of economic diversification occurring	
Tourism industry is very strong	
Historic preservation effort is very good	
Community engagement is very good	
Have some meeting space available	
Variety of retail	
Empty lots of downtown	

Community Opportunities	Community Threats
Location	State Facilities Board
Natural environment	Competing communities
State Facilities Board	Lack of available workforce
Quantity of water	Legislative mandates & laws
Dynamic region that is ever changing	Future retail leakage
Regional cooperation	Rural reimbursements for healthcare
	Legal issues related to water policy

Community Assets	Community Challenges
Diversity of the wonderful people	Availability of and trainability and retention of work force
Location, elevation, and scenery (climate)	Landlocked – what are we doing to ensure future growth?
Location is a big draw	Increase in cost of housing
Diversity in higher educational institutions in the area	Breadth and depth of "white collar" jobs available in the area
Growth is a big draw for retailers (the current and potential growth is a draw)	Cost of living; concerned about the lack of disposable income
Downtown Prescott	Traffic congestion in the downtown
Historic aspects that draw tourists; Prescott is a tourism destination	Court's relocation from the downtown area
The city's hunger for growth	Rental market has really gone up; prevailing wage has not kept up
Tourism draw of downtown Prescott; it provides character	Need to keep our kids in the community; after high school they move away and don't come home
General quality of life is good	Managing growth; balancing needed infrastructure with growth
Wholesomeness of the Prescott Area itself	Water availability and planning
Supportive government to economic development	Lack of workforce housing

Community Assets	Community Challenges
Fiscal responsibility of city government	Promoting retirees has caused issues with labor force and housing; doesn't help with promoting economic development
Everyone's hometown feeling	Accessibility to transportation
Feeling of small town with services of a city	Needs to be a place for families
History of the community	Lack of land for growth
Prescott is within a few steps of very rural areas	Lack of rail
Community involvement and families	No business license program making it difficult to understand the number and type of businesses operating in Prescott
Retired folks with a lot of skills that could be tapped as a resource	Road system – congestion; need for mass transit
The hospital is a top 20 ranked medium-sized hospital; medical staff is excellent	Prop. 400 implications
Close to the Phoenix Metropolitan Area	As Prescott is becoming more gentrified we are losing the middle class
Large number of volunteers	Level of jobs within the area
Located within a strong, growing region	Ability of the healthcare industry to keep up with the growth
Airport	Lack of airport service
Large bank deposits per capita	Lack of a duplicate route to/from Phoenix
Global image of Prescott due to the large amount of tourism	Maintaining the positive image
Physical environment	Ability of the community to shape the growth so that we do not destroy that feeling that drew all of us
Tourism is way up	Keeping small businesses successful within the global environment
5 major colleges (Old Dominion, NAU, Prescott College, Embry-Riddle Aeronautical University, and Yavapai College)	Demographics of the labor force
	Financial educational support
	Average age is high; not enough young people moving into the area, which impacts business recruitment

Appendix B – Indicators Methodology and Data Collection

Business Development

Focus Area: Business Development
Goal: Diversification of Business Activity
Data: Percentage of Countywide Total Establishments in Major Economic Sectors

Number of establishments and employment class (ranges of the number of employees) data is collected by Zip Code annually by the Bureau of the Census. The Zip Codes defined as Prescott's are: 86301; 86302; 86303; 86304; 86305; 86313; and 86330. A limitation of this data is that Zip Codes can change with short notice and care must be taken to continue to look at the Zip Code or codes which encompass the town for a given year. If the Prescott zip codes were to be subdivided into two smaller zip codes, it would be appropriate to include both in future years of comparable data. The landlocked (surrounded by other incorporated areas) nature of Prescott minimizes the concern that future year data is measuring a similar area. This data source was the Bureau of the Census Business Zip Code Patterns.

Zip Code Business Patterns (and the related County Business Patterns) exclude data on self-employed individuals, employees of private households, railroad employees, agricultural production employees, and most government employees.

Due to concerns about the possibility of disclosing data regarding an individual business, data collected at this small level of geography does not include specific employment counts. Although it is possible to use aggregate total employment to estimate the total employment in each of the sectors, structural differences in average employment among the various economic sectors and higher levels of variability for smaller areas limit the validity of such an activity.

The time lag on this data is at least two years. For this reason, the previous five-year target was dated 2005, as opposed to 2006 or 2007 as is the case with the majority of the other indicators (in 2007 the most recent available data will be from 2005).

Focus Area: Business Development
Goal: Ensure Stable Revenue Base
Data: Sales Tax Revenues

Sales tax revenue data was provided by the Finance Department and aggregated into fiscal years. Changes to the tax base (the pool of items which are taxed) or tax rates (the percentage of the value of the item accruing to sales tax) can impair the comparability of this data across time.

Focus Area: Business Development
Goal: Ensure Stable Revenue Base
Data: Downtown Business District Sales Tax Revenues

Sales tax revenue data for the Downtown Business District was provided by the Finance Department and aggregated into fiscal years. Changes to the tax base (the pool of items which are taxed) or tax rates (the percentage of the value of the item accruing to sales tax) can impair the comparability of this data across time.

Focus Area: Business Development
Goal: Maintain Commercial Leadership in Yavapai County
Data: Percentage of Sales Taxes collected in Yavapai County, Per Capita Sales Tax Receipts

Per capita sales tax receipts were calculated using DES population projections and tax receipt information form the City of Prescott. Total sales tax receipts used in the calculation were found by summing retail sales taxes, restaurant/bar tax revenue, and hotel/motel tax revenue.

Data was obtained from the Arizona Department of Revenue (DOR), econometrics division. The DOR collects sales taxes for many of the smaller municipalities in Arizona, as well as the counties. There are two variable activities contained within the concept of tax collections; the tax base and the tax rate.

One possible future concern relative to updating this data is that if Prescott becomes sufficiently large enough to take on the activity of sales tax collection, then "standard" definitions of taxable activities could become different for the different communities. This would be referred to as a change in the tax base. For example, if Prescott decided to levy a tax on prescription drugs next year, tax revenues would increase even without any change in purchases.

Another concern is the changing tax rates. DOR data is collected to include the tax rate that was applicable to the majority of transactions during that fiscal year (FY). When any community increases its tax rate, revenues can be expected to increase (again without any change in behavior by those taxed). If Prescott increased its tax rate and other communities in Yavapai County did not, then Prescott's percentage of total taxable activity in Yavapai County would be artificially low.

Healthy Communities

Focus Area: Community Image and Quality of Life
Goal: Address Social Issues
Data: FBI Crime Statistics

Crime statistics for the calendar years of 2001 to 2005 were collected from the FBI Unified Crime Reports. The crimes are divided into two sections: Violent and Property Crime. The data provided by the FBI is reported by local jurisdictions from any community with populations of 10,000 or more. Data gaps will be identified by blanks in data queries. Data can be queried as a rate per 100,000 population, but for these purposes Arizona Department of Economic Security population estimates were used for consistency with other indicators data.

Focus Area: Community Image and Quality of Life
Goal: Healthcare Availability
Data: YRMC Employment, YRMC Salaries/Wages Paid

Yavapai Regional Medical Center (YRMC) figures were supplied by the City of Prescott. This data included the number of employees working at YRMC per year, as well as the salaries those employees received. This data is used to analyze how the YRMC is growing in comparison to the number of residents in the City of Prescott. Figures were divided by population estimates in order to see "real" growth in operations at YRMC. Combining the number of employees with their salaries paid, and figuring in population growth, one can begin to see if operations have grown adequately enough to address the influx of new residents in the area.

Educational Excellence

Focus Area: Youth Development
Goal: Ensure Better Educated Youth
Data: AIMS Scores

The AIMS is a Standards-Based test administered to students in grades 2 through 12 at all schools in Arizona. Scores are available for Reading, Math, and Writing, as well as composite scores, at: http://www.ade.state.az.us/profile/publicview/. Scores are tracked by schools as well as districts, counties, and the state as a whole. The measures reported are totals for 5th and 11th graders for the Prescott Unified School District based on the number of test scores recorded for each test in each district for that grade level. These scores are benchmarked against county averages to track relative progress.

The AIMS Test is a norm-referenced test administered to students in grades 3 through 11 at all schools in Arizona. A norm-referenced test compares each student's achievement to the achievement of a representative sample of public school students of the same age and grade (the norm group) at a particular point in time (1995 is the norm year for the Ninth Edition of the Stanford Achievement Test).

Scores are available from the Arizona Department of Education for Reading, Math, and Writing, as well as composite scores, at: http://www.ade.state.az.us/profile/publicview/. Scores are tracked by schools as well as districts, counties, and the state as a whole. These scores are benchmarked against state averages to track relative progress.

Focus Area: Educational Excellence
Goal: Improved Educational Attainment
Data: Graduation Rates

Graduation Rate: Expressed as a percentage of class membership and represents the proportion of the cohort class that received a high school diploma by their 4th year spring commencement.

Dropout Rate: Percentage of students counted as withdrawn due to chronic illness, expulsion, or dropping out during the school year, to include activity during the summer of the school year. This rate includes students who were withdrawn after 10 consecutive days of unexcused absences or were coded by the school as "status unknown."

This data is reported by each public school in the State of Arizona to the Arizona Department of Education on an annual basis. Schools legally have five years to amend reported totals and these amendments are not reflected in the static database, which is the source of this information so some divergence from reported values for individual districts is possible. Dropout rates calculated in individual states and sub-state areas are not strictly comparable to those reported by the National Center for Education Statistics (NCES). For a detailed description of the differences in data definitions and methodology, see http://www.ade.az.gov/researchpolicy/DropoutInfo/.

Focus Area: Educational Excellence
Goal: Improved Educational Attainment
Data: Student/Teacher Ratios

Student/teacher ratios were calculated from data concerning the number of students and teachers provided by the Prescott Unified School District Administration Department.

Mean averages for elementary and high schools, respectively, were derived from dividing the total enrollment by the total teacher data provided.

Number of students reflects October enrollment and the number of teachers excludes teacher aides. School year ends in the year listed (e.g. SY05 begins in 2004 and ends in 2005). Data per school and year was collected using the Arizona Department of Education School Report Cards (http://www.ade.az.gov/srcs/find_school.asp).

Focus Area: Educational Excellence
Goal: Improved Educational Attainment
Data: Post-Secondary Enrollment

Total Full-Time Equivalent enrollment figures for post-secondary educational institutions in the Prescott area were collected from each school's respective institutional research department. The comprehensive list of secondary education institutions measured in this report includes:

- Prescott College
- Yavapai Community College
- Embry-Riddle
- NAU/Prescott Branch
- Old Dominion University

Appendix C – Glossary of Terms

Action Team	The Prescott Action Team was appointed by the City of Prescott to develop the Prescott Focused Future II Strategic Plan for Economic Development. An Action Team comprising the various key staff members from the primary economic development organizations will be responsible for monitoring the plan's implementation.
Basic Industry	Business activities that bring new dollars into the community.
Business Retention	An activity that works with existing businesses to keep them a viable and growing part of the community.
Creative Class	Those individuals who think for a living (e.g., scientists, lawyers, artists, designers, and architects) and are attracted to an area that offers a variety of economic opportunities, a stimulating environment, and amenities for every possible lifestyle.
Community Indicators	Quantitative measures of activities that are important to Prescott.
Enterprise Zone	A designated area that provides tax incentives for businesses within the zone. The program is administered by the City Enterprise Zone Commission.
Focused Future	A community and economic strategic development planning process that was developed by APS.
Focused Future II	An advanced strategic planning process developed by APS that was used to develop the Prescott Focused Future Strategic Plan.
Focus Areas	Strategic initiatives that the community will address when working toward implementing Prescott's vision.
Focus Groups	An interview that is a qualitative research technique used to solicit feelings and opinions about issues and possibilities.
Future Search Conference	Half-day event where participants discussed economic development opportunities and strategies.
Goals	Describe a fundamental direction or broad course of action; desired achievements.
Industry Clusters	Groups of linked or related industries that have strong employment or revenue bases.
Infill Housing Policy	A city policy that encourages infill development at higher densities and a mix of uses.
Infrastructure	The fundamental public facilities such as roads, water and sewer systems, power and phone lines, and airports that transform raw land into a quality place to live and do business.

Leakage	The amount of revenues leaving the community due to the lack of services and retail being provided locally. Residents go to the Valley to purchase goods and services and those communities receive the sales tax revenues.
Mayor's Advisory Committee on Economic Development	Appointed by the Mayor to work closely with the City on economic development activities.
Mini-Summit	Half-day event held on April 11, 2007, where outside experts made presentations on various community and economic development topics.
Quad-Cities	Refers to Prescott, Prescott Valley, Chino Valley, and Dewey-Humboldt.
Seed Capital Fund	A fund to assist start-up business operations.
Strategies	Specific tasks that will be accomplished to assist in implementing the related goal.
Values	Principles or standards that the community is unwilling to compromise.
Vision	An ideal and unique image of the future state of the community. It incorporates a view of the future condition that is better in some important ways than what now exists.

Appendix D – Acronyms

ADOT	Arizona Department of Transportation
AERO	Arizona Economic Resource Organization
APS	Arizona Public Service Company – the largest energy provider in Arizona
B3	Building Bridges to Business Program
CIP	Capital Improvement Plan
CTEC	Career and Technical Education Center at Yavapai College
DES	Arizona Department of Economic Security
DOR	Arizona Department of Revenue
FY	Fiscal year (ends June 30 of the year)
NACOG	Northern Arizona Council of Governments
NAICS	North American Industrial Classification System
PACT	Prescott Area Coalition for Tourism
PAAHC	Prescott Area Arts and Humanities Council
SCORE	Service Corps of Retired Executives
SLIM	Specialty Light Industrial Manufacturers
SBDC	Small Business Development Center
SR	State Route
USD	Unified School District
USFS	United States Forest Service
YRMC	Yavapai Regional Medical Center