

# AGENDA



# 3:00 P.M.

## CITY COUNCIL SPECIAL MEETING

## WEDNESDAY, FEBRUARY 12, 2020

### NOTES:

- Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.
- City Council Meeting Agenda Packets are available on the City's website at:

[www.SedonaAZ.gov](http://www.SedonaAZ.gov)

### GUIDELINES FOR PUBLIC COMMENT

#### PURPOSE:

- To allow the public to provide input to the City Council on a particular subject scheduled on the agenda.
- This is not a question/answer session.
- The decision to receive Public Comment during Work Sessions/Special City Council meetings is at the discretion of the Mayor.

#### PROCEDURES:

- Fill out a "Comment Card" and deliver it to the City Clerk.
- When recognized, use the podium/microphone.
- State your:
  1. Name and
  2. City of Residence
- Limit comments to **3 MINUTES**.
- Submit written comments to the City Clerk.

### 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

### 2. ROLL CALL

### 3. SPECIAL BUSINESS

LINK TO DOCUMENT =

- a. AB 2544 **Discussion/possible direction** regarding the Economic Diversification Plan.
- b. **Discussion/possible action** regarding future meetings/agenda items.

### 4. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice regarding matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action regarding executive session items.

### 5. ADJOURNMENT

Posted: \_\_\_\_\_

By: \_\_\_\_\_

Susan L. Irvine, CMC

City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at [www.SedonaAZ.gov](http://www.SedonaAZ.gov). The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

CITY COUNCIL CHAMBERS  
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.



**CITY COUNCIL  
AGENDA BILL**

**AB 2544  
February 12, 2020  
Special Business**

**Agenda Item:** 3a  
**Proposed Action & Subject:** Discussion/possible direction regarding the Economic Diversification Plan.

<b>Department</b>	Economic Development
<b>Time to Present</b>	1 hour
<b>Total Time for Item</b>	2 hours
<b>Other Council Meetings</b>	N/A
<b>Exhibits</b>	A. Copy of the Five-Year Economic Diversification Plan

<b>City Attorney Approval</b>	Reviewed 2/3/2020 SDC	<b>Expenditure Required</b>	\$ 0
<b>City Manager's Recommendation</b>	Discuss and provide direction on the draft Economic Diversification Plan.	<b>Amount Budgeted</b>	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

**Background:**

2016-2019- The Economic Development Program Action Plan:

The City's Economic Development Program/Department was created in 2016 and operated under a three-year action plan. Since that time, a director has been hired to implement strategies in the action plan, to set up a department, develop internal capacity, build business assistance programming, and further expand our business development reach. The goals of year three included creating a team of economic development advisors, expanding funding opportunities, identifying targeted industries, and considering larger-scale projects. The action plan has been completed and the department is ready to move forward with a five-year Economic Diversification Plan to further achieve our vision for "economic diversification".

2019-2020 – The Five-Year Economic Diversification Plan

In March of 2019, the Economic Development Department collaborated with APS to complete a five-year Economic Diversification Plan. (APS funded 75% of plan's cost in the amount of \$30,000. APS is actively involved in economic development efforts through the state.) The City and APS entered into an agreement with ESI Corporation to conduct research, interviews, draft an economic diversification strategy and lead three planning sessions. Judie Scalise, the

principal of ESI Corp, has built a career as an economic development professional and has led many similar economic development planning efforts.

Comprehensive stakeholder input was obtained during the planning process. One-on-one interviews were held with elected officials and key staff, and broader stakeholder input was also solicited through in-person and telephone interviews. Additionally, the economic development advisory committee met four times to provide input and guide the development of this plan.

The purpose of the attached plan is to present a clear plan of action over the next five years with the primary vision of economic diversification. The plan will guide the City in how to move forward over the next five years to achieve more economic diversification. This plan will be used to develop programming and future budget requests. The following beliefs and values shape the foundation of the plan with its goals and strategies: sustainability, embracing change, diversity, leveraging assets, focusing local, and creative placemaking. The economic diversification strategy was developed in collaboration with the City of Sedona policymakers, staff, and the economic diversification advisory committee. Community development, business development, economic gardening and entrepreneurship, and branding/marketing are the four key focus areas of the plan.

City staff, the ESI Corp consultant, and members of the economic diversification advisory committee will present to Council. Staff is seeking direction from the City Council on how to best move forward with this plan.

**Community Plan Consistent:** Yes - No - Not Applicable

The 2014 Community Plan includes six major outcomes to define and distinguish our overall community character. One main vision of the plan is “Economic Diversity”. The outcome of the vision for 2020 and beyond as stated in the City of Sedona Community Plan Summary is: “The Sedona economy is more diversified, thus becoming healthier, more robust, and less dependent on tourism. Business owners and professionals choose to live and do business in Sedona for our quality of life, focus on people, the arts, and the environment. Our public-private partnerships have provided much needed technological and business resources.”

**Board/Commission Recommendation:** Applicable - Not Applicable

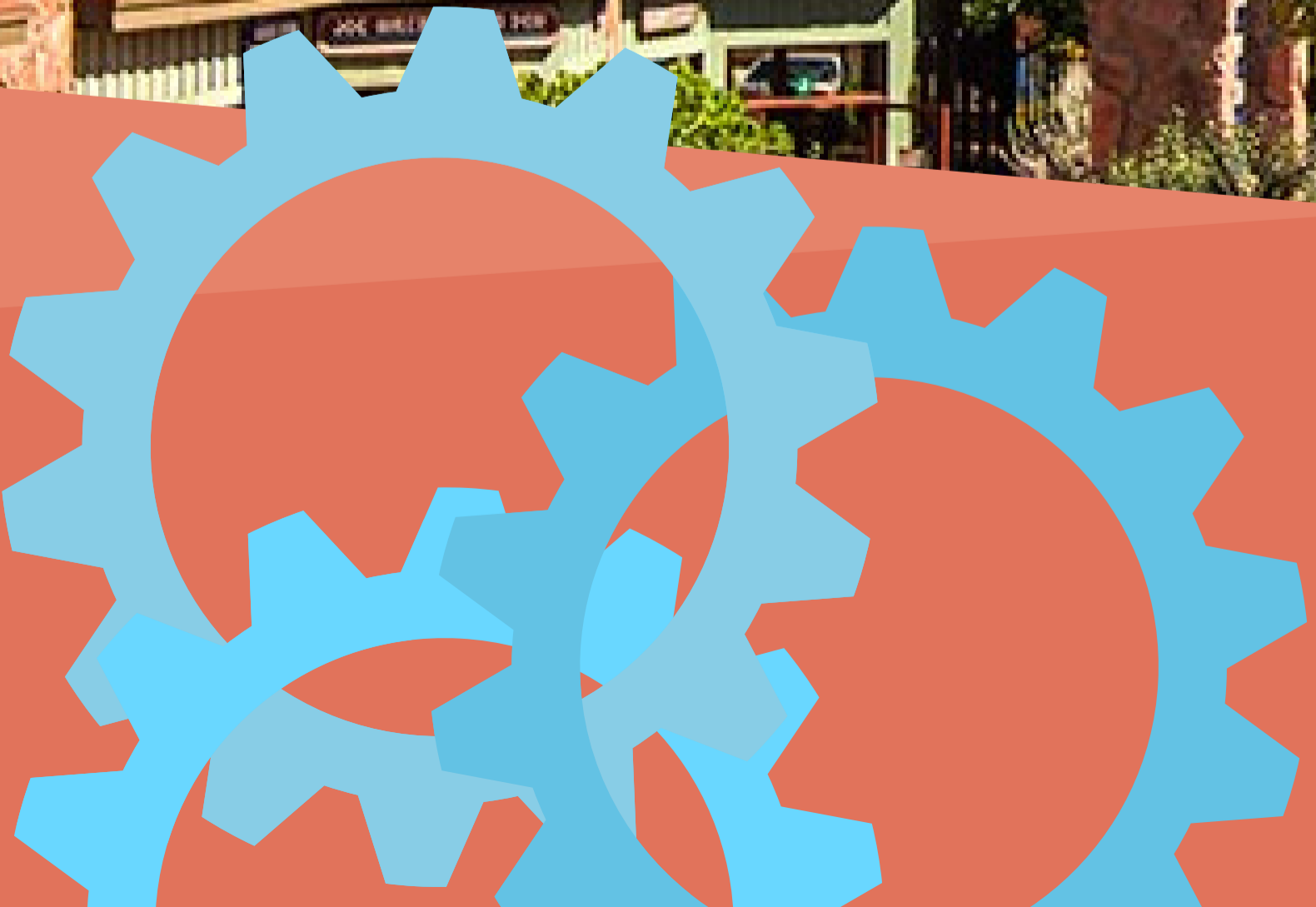
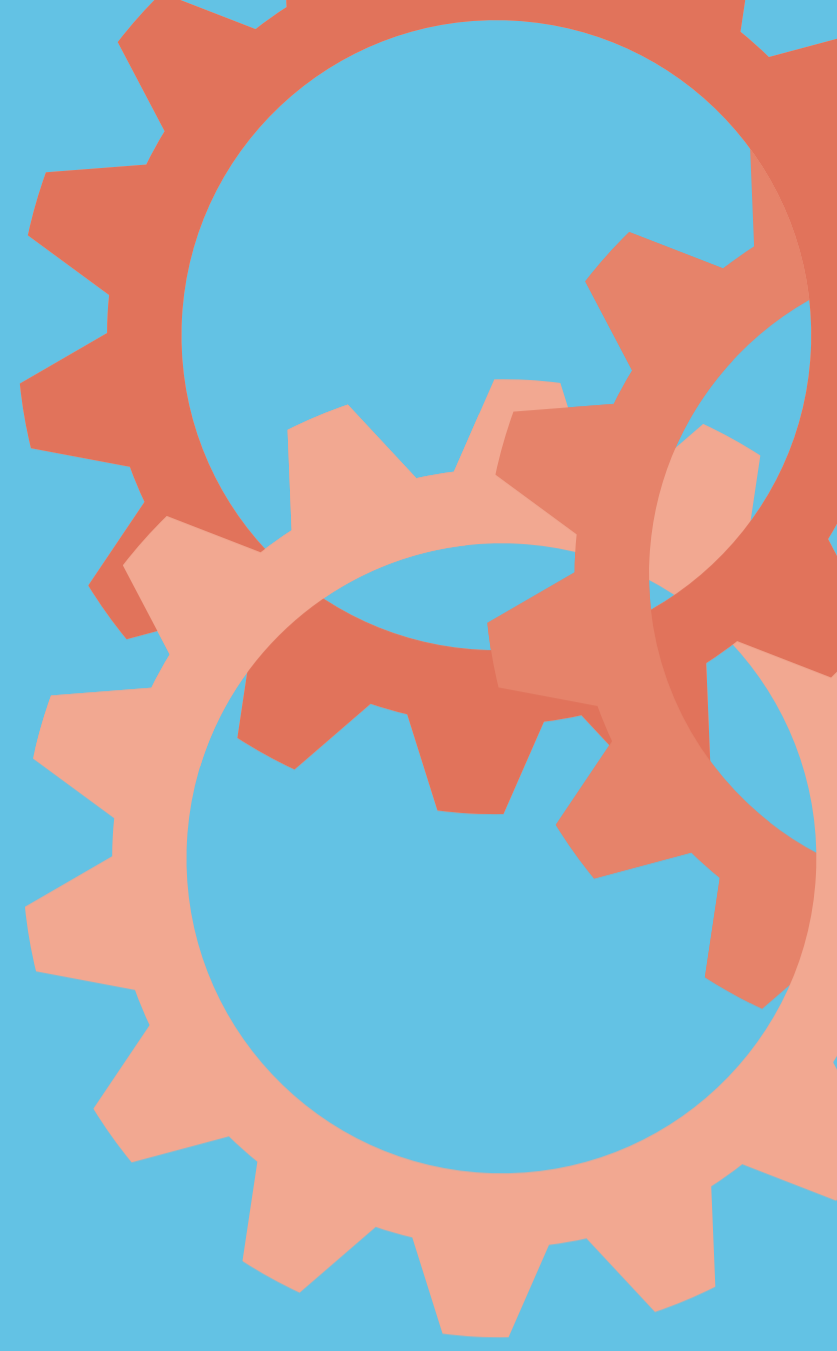
**Alternative(s):**

MOTION

**I move to:** for discussion and possible direction only.

The City of Sedona's

# ECONOMIC DIVERSIFICATION STRATEGIC PLAN



# Contents

Contents .....	i
Acknowledgements.....	iii
Acronyms .....	v
Plan Overview .....	1
Economic Assessment.....	5
Key Economic Assessment Findings.....	5
Population and Demographic Characteristics.....	7
Workforce Characteristics.....	9
Housing Characteristics.....	12
Target Industry Analysis, Opportunities & Trends.....	15
Industry Analysis .....	15
Short List .....	17
Key Occupations by Industry Cluster .....	19
Industry Supply Chain Findings .....	21
Transformative Projects.....	22
National Trends and Influences .....	23
Economic Diversification Plan.....	29
Core Assets and Challenges .....	29
Strategic Framework.....	31
Plan Execution and Monitoring.....	32
Strategic Action Plan .....	33
Appendix A – Sedona Industry Sector Analysis.....	42
Appendix B – Top 10 Occupations by Industry Cluster .....	48
Appendix C – Sedona Economic Diversification Strategy Plan Matrix.....	53

## List of Tables

Table 1 – Economic Diversification Strategy, Focus Areas and Goals.....	4
Table 2 – Sedona Student Test Scores .....	9
Table 3 – Top 10 Cities Where Workers Live and Work .....	12
Table 4 – Housing Occupancy and Tenure.....	12
Table 5 – Sedona Industry Targets.....	18
Table 6 – Yavapai County 2016-2026 Industry Employment Projections.....	19
Table 7 – Common Occupations by Industry Cluster.....	20
Table 8 – Verde Valley Supply Chain Analysis.....	21
Table 9 – Economic Diversification Strategy Plan Focus Area and Goals .....	33

## List of Figures

Figure 1 – Population Growth and Projections.....	7
Figure 2 – Age Breakdown Comparison.....	7
Figure 3 – Educational Attainment .....	8
Figure 4 – Median Earnings by Educational Attainment .....	8
Figure 5 – Civilian Employed Population, 16 Years and Older .....	9
Figure 6 – Civilian Employed Occupations, 16 Years and Older .....	10
Figure 7 – Employed Population by Age .....	10
Figure 8 – In and Out Commuting Characteristics .....	11
Figure 9 – Net Commuting Job Flows by Industry Sector, 2017 .....	11
Figure 10 – Owner Occupied Housing Value .....	13
Figure 11 – Owner Monthly Cost as a Percent of Income .....	13
Figure 12 – Gross Rent as a Percent of Income .....	14
Figure 13 – Sedona Employment by Sector, 2017 .....	16
Figure 14 – Sedona Employment Change, 2012-2017.....	16
Figure 15 – Sedona Employment Sector Location Quotients, 2017 .....	17
Figure 16 – Transformative Economic Development Projects .....	22

## Acknowledgements

Special thanks to the following individuals and organizations who participated in the Sedona Economic Diversification Strategy planning process. Their expertise and valuable insight helped guide the creation of the plan.

### City Council

Sandy Moriarty, Mayor  
John Martinez, Vice Mayor  
Bill Chisholm  
John Currivan  
Janice Hudson  
Scott Jablow  
Jessica Williamson

### City Staff

Justin Clifton, City Manager  
Karen Osburn, Assistant City Manager  
McKenzie Jones, Sustainability Coordinator  
Ryan Mortillaro, Assistant Engineer  
Molly Spangler, Economic Development Director  
Samantha Eves, Economic Development Assistant  
Lauren Browne, Citizen Engagement Coordinator

### Economic Development Advisory Committee

Tom Binnings, Senior Partner, Summit Economics  
Warren Campbell, Assistant Community Development Director, City of Sedona  
Justin Clifton, City Manager, City of Sedona  
Michelle Conway, Sedona Chamber of Commerce and Tourism Bureau  
Darla Deville, Community Relations, APS  
Darin Dinsmore, Founder Crowdbrite  
Chris Doyle, Commercial Banker, Wells Fargo  
Samantha Eves, City of Sedona Economic Development  
Daniel Garland, Indian Gardens and Garlands Coffee  
Scott Hathcock, President/CEO Moonshot at NACET  
Jeremy Hayman, Director of Sedona Golf Resort  
Richard Hernandez, Director of Regional Economic Development Center, Yavapai College  
Darcy Hitchcock, Chair of the Sustainability Alliance  
Karen Jones, Regional Economic Development Center, Yavapai College  
McKenzie Jones, Sustainability Coordinator, City of Sedona  
Ryan Mortillaro, Assistant Engineer, City of Sedona  
Kelly Patton, Economic Development and Client Relationship Manager, APS  
James Perey, Dean, Yavapai College, Verde Valley Campus  
Ed Rose, General Manager, City of Sedona Airport  
Luke Sefton, Sefton Engineering  
Molly Spangler, Economic Development Director, City of Sedona  
Marci Taylor, Mantra Sedona, Chair of Sedona XYZ  
Lisa Voss, Business Program Manager, Sustainability Alliance  
Mike Wise, Commercial Real Estate

**Stakeholder Interviews**

William Hamburg, Real Estate Agent  
Jennifer Chilton, Sedona Oak Creek School District  
Andrea Christelle, Sedona Philosophy Retreats  
Teri Drew, Northern Arizona Council of Governments  
Russell Fox, The Sedona Conservatory  
Kali Gajewski, Sedona Beer Company  
Chase Gilomen, Sedona Centre Development Group  
Scott Hathcock, NACET  
Darcy Hitchcock, Sustainability Alliance  
Eric Marcus, The NARBHA Institute  
Carole Peet, Northern Arizona Healthcare  
Ed Rose, General Manager, City of Sedona Airport  
Steve Segner, El Portal Sedona Hotel  
Marci Taylor, Mantra Sedona, Chair of Sedona XYZ  
Jennifer Wesselhoff, Sedona Chamber of Commerce and Tourism

A special Thanks to Arizona Public Service for the continuing financial and technical support focused on rural economic development efforts.



Economic Diversification Strategic Plan Prepared by ESI Corporation.





## Acronyms

ACA	Arizona Commerce Authority
AAID	Arizona Association for Economic Development
APS	Arizona Public Service
ASQ	Advance Sedona Quality
CD	Sedona Community Development Department
CEDS	Comprehensive Economic Development Strategies
CFA	Community Focus Area
CIP	Capital Improvement Plan
CM	Sedona City Manager's Office
DSL	Digital Subscriber Line
ED	Sedona Economic Development
EDAC	Economic Diversification Advisory Committee
IMPLAN	Impact Analysis for Planning
IT	Sedona Information Technology Department
LEHD	Longitudinal Employer-Household Dynamics
LQ	Location Quotient
M&E	Media and Entertainment
NACET	Northern Arizona Center for Entrepreneurship and Technology
NAH	Northern Arizona Healthcare
NAICS	North American Industrial Classification System
NCCIH	National Center for Complementary and Integrative Health
PW	Sedona Public Works Department
R&D	Research and Development
REDC	Regional Economic Development Center
SBDC	Small Business Development Center
UCLA	University of California Los Angeles
VACTE	Valley Academy for Career and Technology Education
VVREO	Verde Valley Regional Economic Organization

# Plan Overview

The purpose of this Economic Diversification Strategy is to present a clear plan of action over the next five years with the primary vision of economic diversification. The overarching principle of the strategy is a healthy and sustainable community. The plan is consistent with the City’s community plan adopted in 2014, as well as the Verde Valley Regional Economic Organization Strategic Plan adopted in 2018.

The diversification strategy plan consists of four key pillars that emphasize Community Development, Business Development, Economic Gardening/Entrepreneurship, and Marketing and Branding.



Comprehensive stakeholder input was obtained during the course of the planning process. One-on-one interviews were held with elected officials and key staff, and broader stakeholder input was also solicited through in person and telephone interviews. This input provides a clear picture of the vision and guiding principles of the strategy.

## Vision and Values

There are community beliefs and values that underpin the Vision of “Economic Diversification,” and the Guiding Principle of “Healthy and Sustainable Community.” Based on input from policy makers, staff, stakeholders and the Economic Diversification Advisory Committee (EDAC) the following beliefs and values shape the foundation of the plan with its goals and strategies.

- 1. Work Towards Sustainability** – A major focus of the adopted *Sedona Community Plan* transcends this economic diversification plan. The ideals behind sustainability include not only reducing the impact on the environment, but also creating policies and plans that lead to economic diversification and improving the collective quality of life for Sedona residents, which advances an equitable and prosperous community.
- 2. Embrace Change** – Maintaining the status quo will not lead to economic diversification that policy makers and stakeholders desire. Diversification of the economy requires a new approach to job and business creation by advancing fresh ideas and diversifying the expenditure of City funds. Planning for and budgeting economic development related projects will diversify the City’s portfolio of spending.
- 3. Welcome Diversity** – Social, ethnic, racial, age and cultural diversity of people and business is recognized and celebrated in Sedona. Everyone has strengths that they bring to the table, and their diverse community voices enhance the policy process. An appreciation of differences is a driver of sustainability and change, and leads to a stronger community.
- 4. Leverage Assets** – The strength of any economic development plan requires utilizing and leveraging existing assets. Sedona is rich in natural beauty with foundational assets such as outdoor recreation, higher education, healthcare, and arts and culture. There is mounting interest to focus on entrepreneurship, and promote an innovation economy by leveraging the tools and resources needed by existing business and residents to make a positive economic impact.
- 5. Focus on Local** – A strong locally owned business base is the foundation of economic sustainability. Strengthening and expanding the capacity of local business and entrepreneurs, by accessing financing and securing local contracts, will help accelerate and scale up local success.
- 6. Creative Placemaking** – Strengthen the connection between people and the places they share by incorporating placemaking principles across all facets of a development project. Through a collaborative process, placemaking will help facilitate social connections and the engagement of residents and businesses. Placemaking attributes will focus on access and connections, comfort and image, uses and activities, and sociability, as discussed on page 27. The result will foster diversity and inclusiveness by bringing people of different backgrounds together.

## Industry Targets

The Diversification Strategy includes a targeted industry analysis which identifies industry clusters that best fit Sedona and could also benefit from community and regional assets. The foundation of successful economic development is the identification of industry targets that provide a focused approach to the deployment of staff and financial resources. Industries at the four digit NAICS level within Sedona were evaluated and compared to Yavapai County.

A short list of industries was prepared to zero in on those present in Sedona today and are achieving job growth. The screening methodology assessed industries and assigned a score in four areas: industry growth, wages, market strength, and job presence in Sedona. Based on this analysis the City identified business targets that will help achieve diversification in the economy, create jobs and provide opportunities for entrepreneurs.

Some of the targets have little or no presence in Sedona today, however, community leaders believe that existing community assets and supply chains could be leveraged to stimulate the growth or introduction of this industry to the market. There are other targets which may not have the historical job growth and are predominately low wage, but the addition of this industry could be the focus of entrepreneurial growth and has the potential to round out the economy.

Below is the list of targeted industry clusters. A description of the industries within each cluster can be found in Table 5, and a list of business support services within the industry supply chain can be found in Table 8.

- Biopharmaceuticals
- Business Services & Information Technology
- Healthcare
- Food and Beverage Products
- Other Small-Scale Fabrication (Manufacturing)
- Video Production & Recording
- Supply Chain industries within Business Support Services (Table 8)

### Utilizing Your Assets

In addition to the list of industry targets, there are several transformative projects and economic development methods that could potentially fulfill the vision of diversification and the guiding principle of sustainability. These projects and methods may be considered bold, and a few represent a fresh approach to economic development for Sedona. Some can be implemented in the short term, while others will be long term in nature. These five projects/methods are noted below and discussed in the Target Industry chapter.

1. Agricultural Innovation Park
2. Co-Working Space
3. Economic Gardening (Entrepreneurship)
4. Health and Wellness
5. Sedona Cultural Park

### Strategic Framework

The economic diversification strategy was developed in collaboration with the City of Sedona policy makers, staff and the Economic Diversity Advisory Committee. For each pillar of the plan there are a series of goals that supports the vision, values and the guiding principle of the plan. The structure of each goal includes strategies and specific actions that the City and/or its partners can undertake. It also identifies the potential partners and timeframe for implementation. Achieving the goals of the Diversification Strategy will require an alignment of goals and funding priorities among City Departments and organizations who have a role to play in the City's Diversification Strategy.

Table 1 – Economic Diversification Strategy, Focus Areas and Goals

Pillars of the Plan	Goals
<b>Community Development</b>	<ul style="list-style-type: none"> <li>• Make investments in community projects and infrastructure that support economic diversification to achieve long term sustainability.</li> <li>• Remove and create policies that won't hinder sustainable economic development.</li> <li>• Implement creative placemaking principles that will shape the physical, social, cultural and economic identity of Sedona.</li> <li>• Look for ways to enhance/expand the educational curriculum and programs, which are in alignment with the economic diversification strategic plan.</li> </ul>
<b>Business Development</b>	<ul style="list-style-type: none"> <li>• Refine business retention and attraction efforts to reflect the framework of the targeted industry findings.</li> <li>• Facilitate economic diversity by taking steps to realize transformative projects.</li> </ul>
<b>Economic Gardening/ Entrepreneurship</b>	<ul style="list-style-type: none"> <li>• Develop an entrepreneurial landscape that fosters the growth of local entrepreneurs, freelancers and home-based business owners.</li> </ul>
<b>Marketing and Branding</b>	<ul style="list-style-type: none"> <li>• Establish a marketing program that builds awareness of Sedona as a business location.</li> </ul>

# Economic Assessment

An assessment of the demographic and economic factors for the City of Sedona was prepared and compared to Yavapai County. The purpose of the economic assessment is to identify demographic characteristics and trends for the City of Sedona as compared to Yavapai County as a whole. These findings are important to understand the city's competitive advantages and disadvantages as it relates to economic diversification and job creation. For example, the data helps the community understand what drives the local economy, its workforce characteristics and migration patterns, and current employment.

The findings of the economic assessment, combined with council, staff and stakeholder input, targeted industry analysis, national trends and influences, and Sedona's core assets and challenges, were all used to help create the economic diversification goals and potential transformative projects.

All of the data utilized in this analysis is from the U.S. Census, Arizona Department of Administration, or the Arizona Department of Education. Below are the key findings of this assessment.

## Key Economic Assessment Findings

### **Sedona is growing at a slower rate than Yavapai County**

- Since the year 2015, Sedona's population growth rate has lagged that of Yavapai County. In addition, population projections from the Arizona Office of Employment and Population Statistics also indicate a slower growth rate. The 2019 population estimate for Sedona is 10,347, which includes population in both Yavapai and Coconino Counties. By 2030 Sedona's population is projected to grow 4 percent to 10,777, compared to Yavapai County at 11 percent. This slower growth rate could, in part, be attributed to unaffordable housing.

### **Sedona has an older population than Yavapai County**

- The median age of Sedona's population is 58.7, with 1 in 3 residents being 65 years of age or older. Overall, Yavapai County is slightly younger with a median age of 52.2. Median age is an indicator of the availability of the working age population, since the prime working years are between the ages of 25-54. However, Sedona residents 55 years of age and older comprise 50 percent of the employed population, compared to the County at 33 percent.

### **Sedona has higher incomes and educational attainment levels**

- The median household income for Sedona residents is \$58,417 annually, compared to the County at \$48,259. Households with disposable income of \$100,000 or more represent 21 percent of all Sedona households, which is in stark contrast to Yavapai County residents at only 12 percent.
- When examining the talent pipeline in Sedona nearly 46 percent have a Bachelor's Degree or higher, compared to Yavapai County at 25 percent. Sedona's median household income reflects the higher educational attainment levels. Those with a Bachelor's Degree earn \$45,344 compared to those with some college or Associates Degree at \$25,455.

**Services and Arts and Entertainment are the leading source of employment for Sedona residents**

- The predominate business sectors in Sedona include Professional and Scientific services (18%), Educational and Healthcare services (19%), and Arts and Entertainment (18%), which includes accommodations and food services. These three sectors combined represent 55 percent of the civilian employment in Sedona. When compared to Yavapai County, a higher percentage of Sedona residents are employed in Professional and Scientific services at 18 percent compared to Yavapai County at 10 percent. Likewise, Sedona has a higher percentage of people employed in Arts, Entertainment and Recreation (18% vs. 13%).

**Nearly 41 percent of Sedona residents are employed in management, business, science and arts occupations**

- Compared to Yavapai County, a larger percentage of Sedona residents are employed in higher and middle skilled occupations that include management of organizations, architecture and engineering, education and training, and arts, design and entertainment (41% vs 32%). Nearly 27 percent of Sedona residents are also employed in sales and office occupations.

**Sedona is a net importer of labor**

- To successfully grow or attract new business it is critical that a talent pipeline be in place. When examining the data that represents the inflow-outflow of jobs, there are 5,929 people employed in Sedona. Of this amount, 74 percent (4,435) are coming from other communities for jobs in Sedona. In fact, the labor shed for Sedona reaches beyond the city limits with Cottonwood, Verde Village, the Village of Oak Creek, Camp Verde, and Flagstaff representing 37 percent of workers. The primary types of jobs that workers are in-commuting to Sedona include accommodations and food services, retail trade and other services.

**Sedona Housing is unaffordable to middle income workers**

- Per the U.S. Census, the median home value in Sedona is \$446,900 compared to Yavapai County overall at \$215,000. Nearly three-quarters of the housing units are owner occupied with an average household size of 2.23 people. According to Zillow, the median price of homes currently listed in Sedona is \$671,750, while the median price of homes that sold is \$506,700.<sup>1</sup> When evaluating the “cost burden” in terms on monthly income that goes towards a mortgage or rent, nearly 42 percent of owners spend 35 percent or more on their mortgage and 58 percent spend more than 35 percent on their monthly rent. As a HUD guideline you want to spend no more than 30 percent of your monthly gross income on housing.

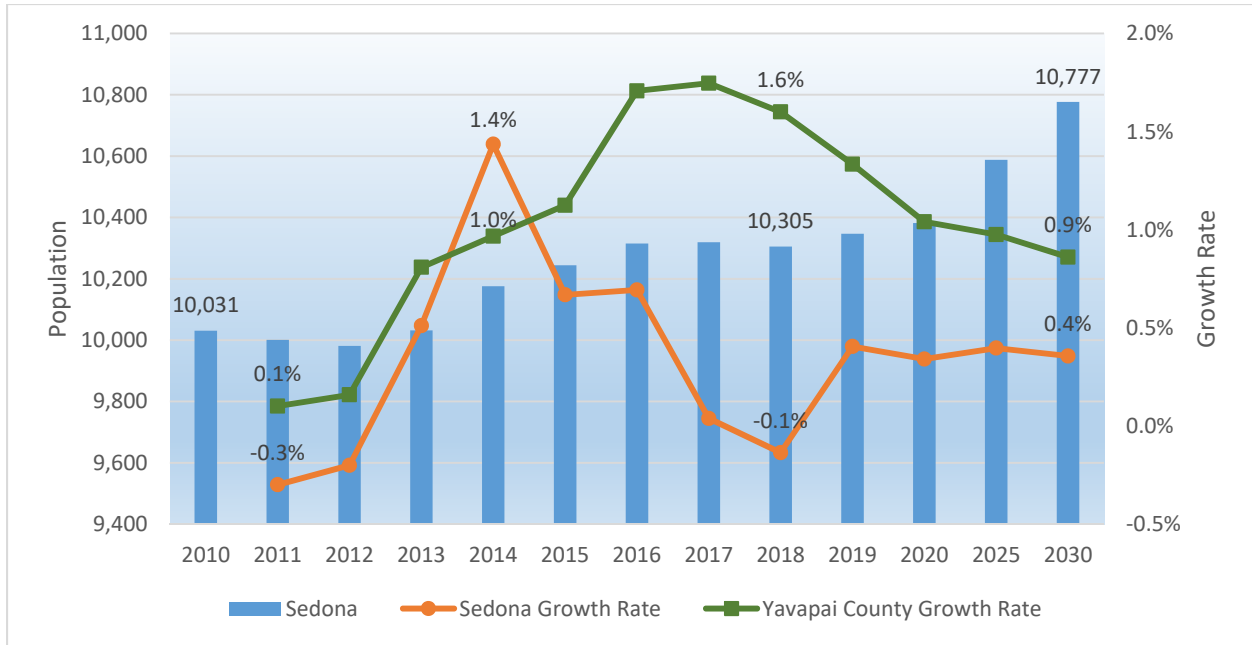
Sources of data discussed above and included in the following figures and tables comes from a variety of sources including: the Arizona Department of Administration, Office of Employment and Population Statistics; U.S. Census American Community Survey, 2017; Arizona Department of Education; and LEHD Origin-Destination Employment Statistics, 2017.

---

<sup>1</sup> Zillow, <https://www.zillow.com/sedona-az/home-values>, accessed September 15, 2019.

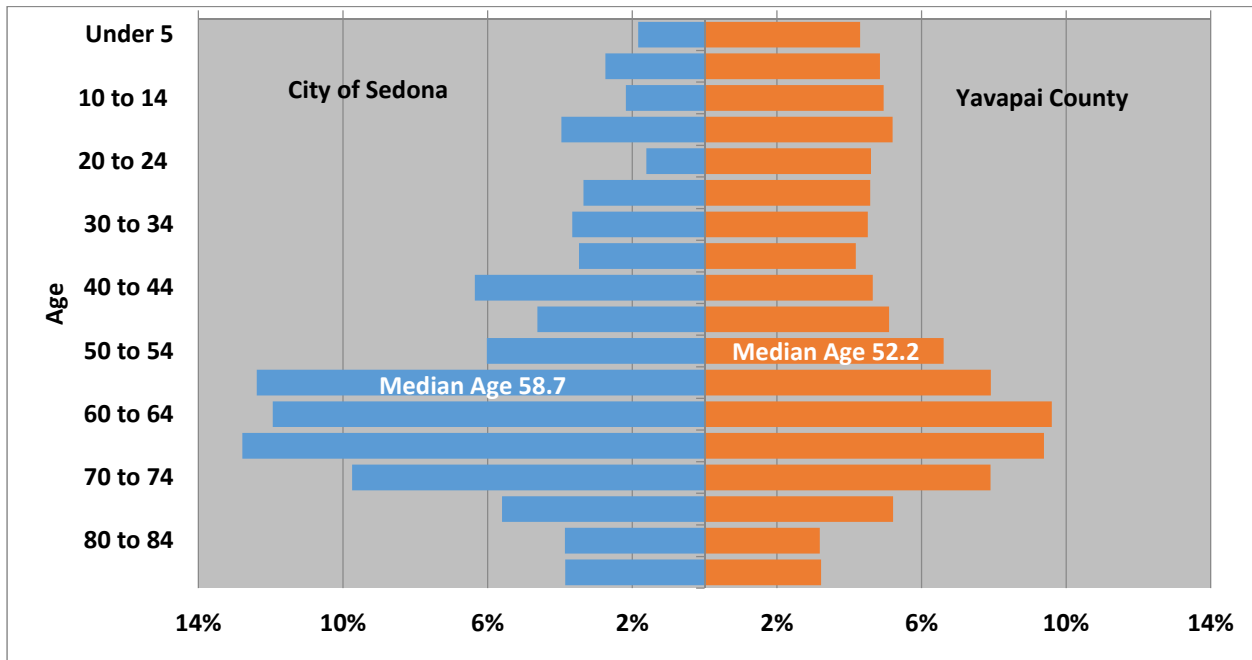
Population and Demographic Characteristics

Figure 1 – Population Growth and Projections



Source: Arizona Department of Administration, Office of Employment and Population Statistics

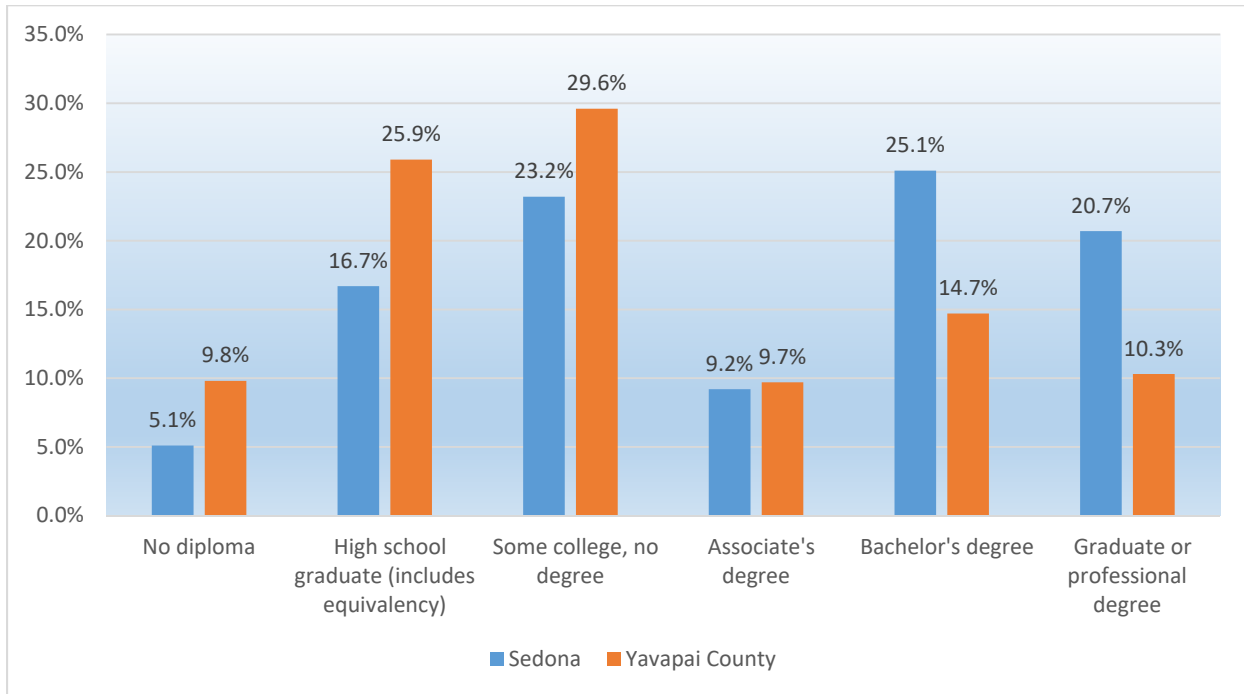
Figure 2 – Age Breakdown Comparison



Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

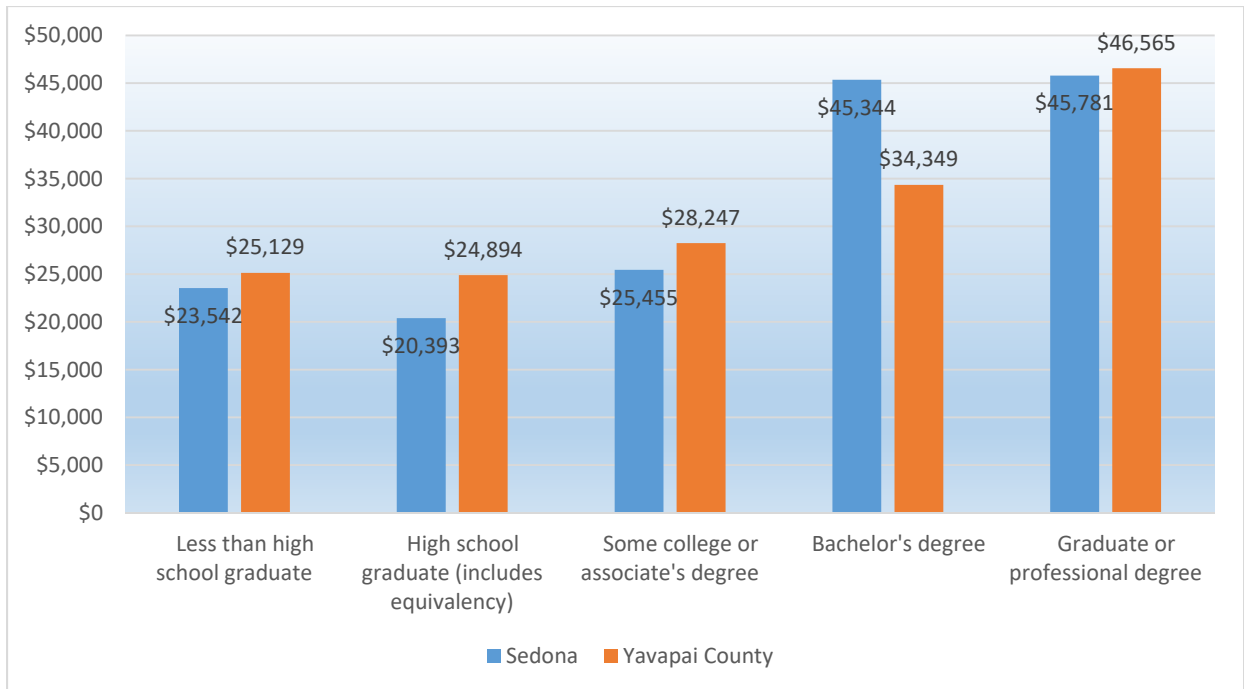


Figure 3 – Educational Attainment



Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

Figure 4 – Median Earnings by Educational Attainment



Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

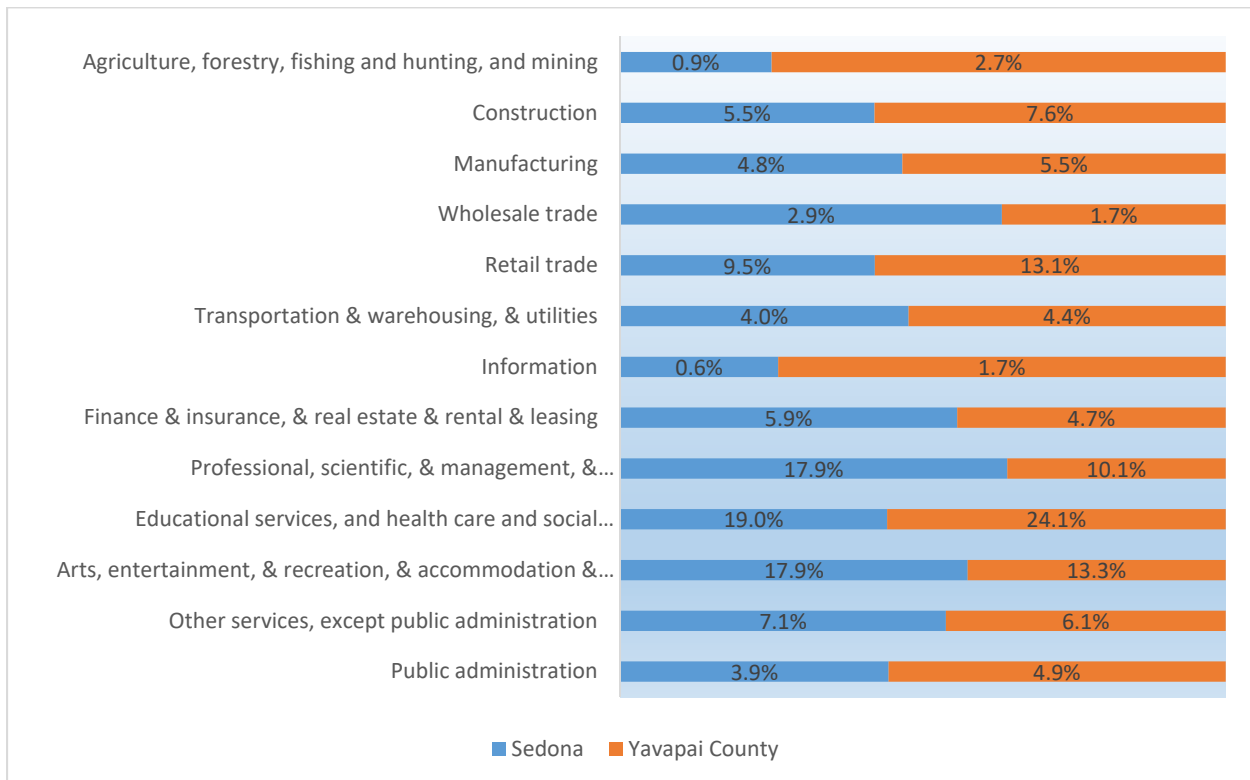
Table 2 – Sedona Student Test Scores

	% Passing ELA	% Passing Math	% Passing Science	School Grade
<b>State Score (All Schools)</b>	<b>41</b>	<b>41</b>	<b>51</b>	n/a
Yavapai County Score (All Schools)	42	38		n/a
<b>Sedona-Oak Creek JUSD #9 (all students)</b>	<b>37</b>	<b>29</b>	<b>40</b>	<b>n/a</b>
West Sedona Elementary School	28	23	30	C
Sedona Red Rock Junior/Senior High School	37	25	33	C
Red Rock Academy	*	*	--	--
Big Park Community School	54	54	60	--
<b>Charter Schools</b>				
Sedona Charter School, Inc.	59	59	73	B
PACE Preparatory Academy, Inc.	33	9	*	--

Source: Arizona Department of Education, AzMerit 2018

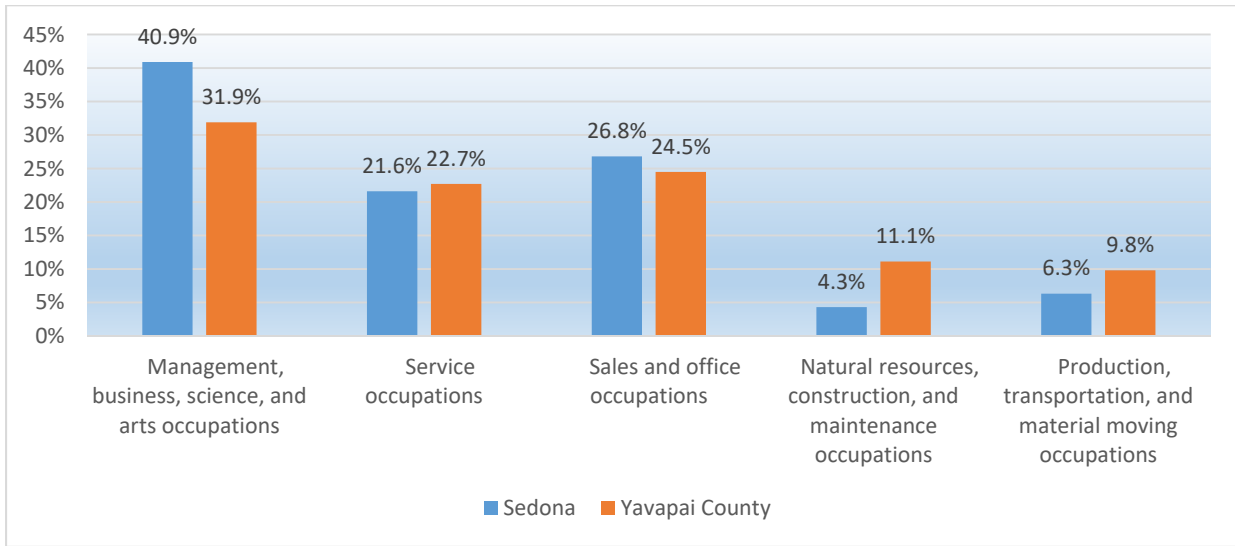
### Workforce Characteristics

Figure 5 – Civilian Employed Population, 16 Years and Older



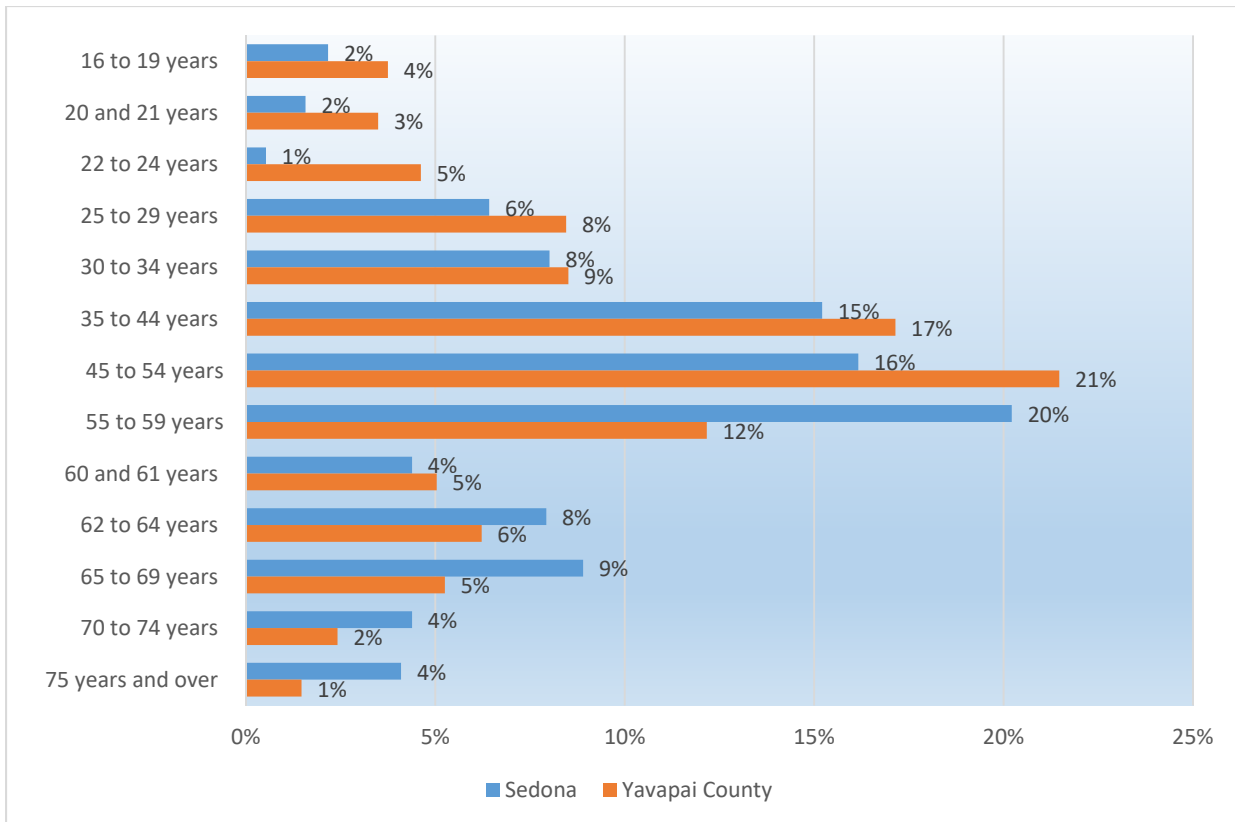
Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

Figure 6 – Civilian Employed Occupations, 16 Years and Older



Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

Figure 7 – Employed Population by Age



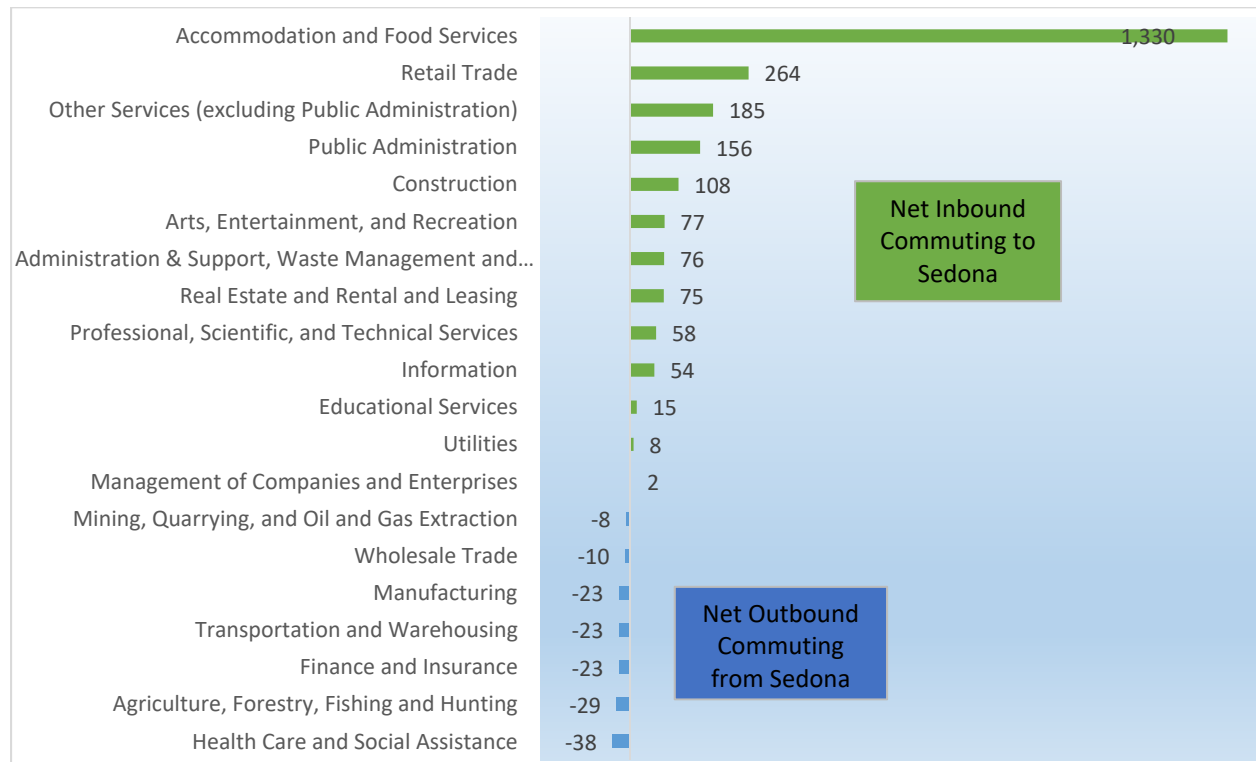
Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

Figure 8 – In and Out Commuting Characteristics



Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2017).

Figure 9 – Net Commuting Job Flows by Industry Sector, 2017



(Net flows = Inbound minus Outbound)

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2017).

Table 3 – Top 10 Cities Where Workers Live and Work

Where Workers Live who are Employed in Sedona			Where Workers are Employed who Live in Sedona		
	Count	Share		Count	Share
<b>Total All Jobs</b>	<b>5,979</b>	<b>100.0%</b>	<b>Total All Jobs</b>	<b>3,725</b>	<b>100.0%</b>
1 Sedona	1,544	41.4%	Sedona	1,544	25.8%
2 Phoenix	418	11.2%	Verde Village	637	10.7%
3 Flagstaff	211	5.7%	Cottonwood	615	10.3%
4 Scottsdale	115	3.1%	Village of Oak Creek	475	7.9%
5 Cottonwood	90	2.4%	Camp Verde	252	4.2%
6 Tempe	80	2.1%	Flagstaff	237	4.0%
7 Village of Oak Creek	74	2.0%	Phoenix	208	3.5%
8 Prescott	64	1.7%	Cornville	198	3.3%
9 Camp Verde	56	1.5%	Lake Montezuma	132	2.2%
10 Mesa	46	1.2%	Prescott Valley	106	1.8%
All Other Locations	1,575	26.3%	All Other Locations	1,027	27.6%

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2017).

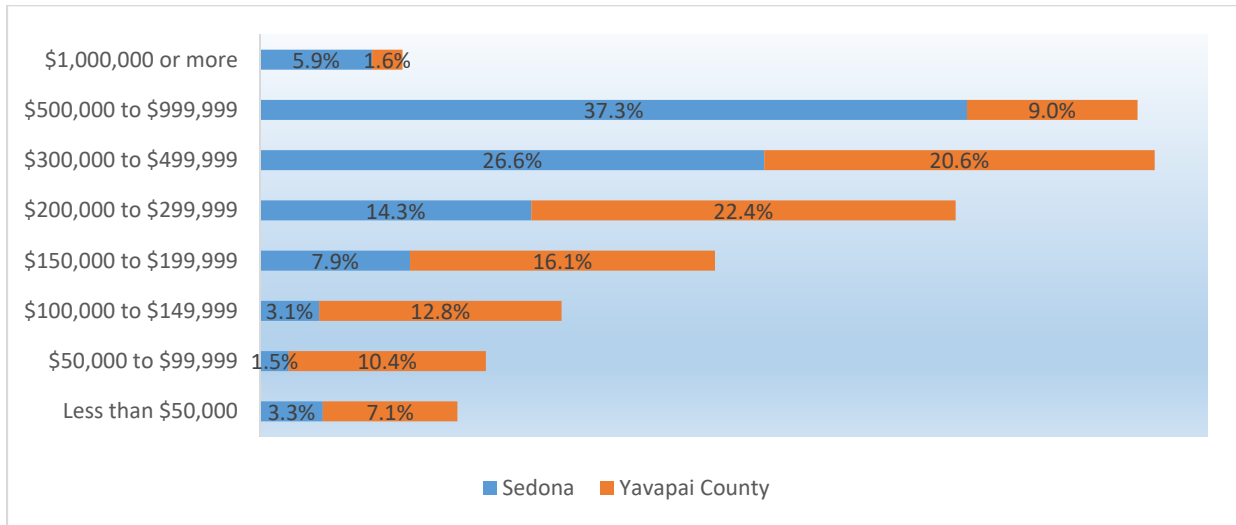
### Housing Characteristics

Table 4 – Housing Occupancy and Tenure

	Sedona	Yavapai County
<b>Total Housing Units</b>	<b>6,450</b>	<b>113,915</b>
Occupied housing units	80.9%	82.8%
Vacant housing units	19.1%	17.2%
<b>Occupied Housing Units</b>	<b>5,220</b>	<b>94,343</b>
Owner-occupied	73.3%	70.7%
Renter-occupied	26.7%	29.3%
<b>Average Household Size</b>		
Owner occupied	2.23	2.25
Renter occupied	2.41	2.39

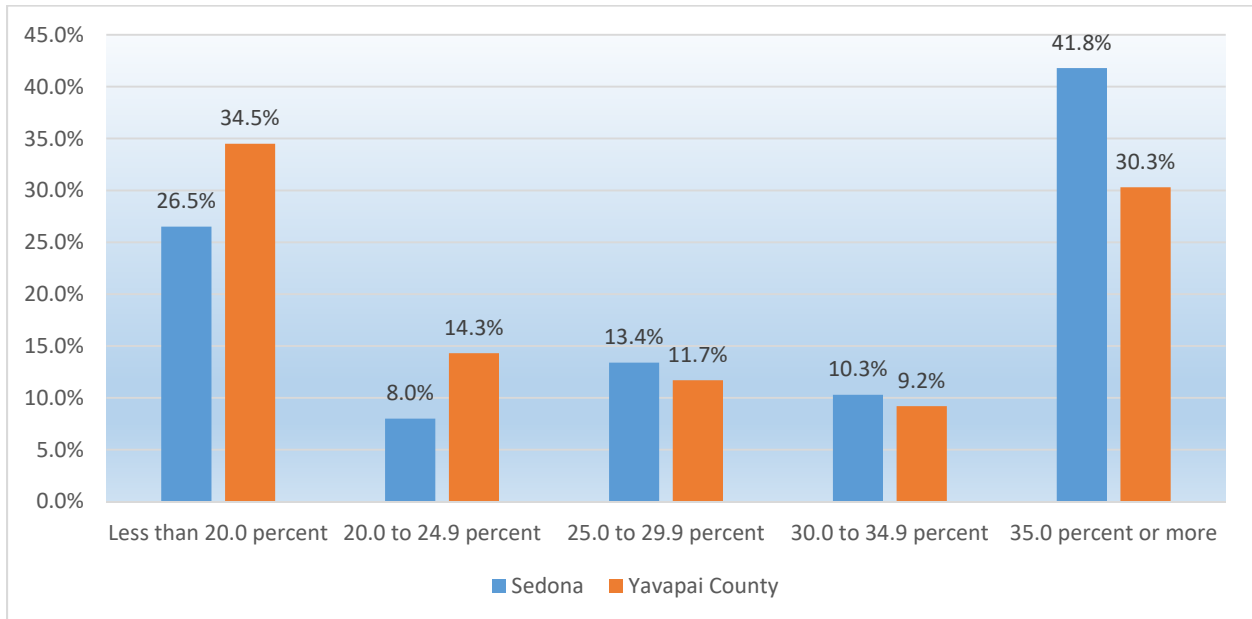
Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

Figure 10 – Owner Occupied Housing Value



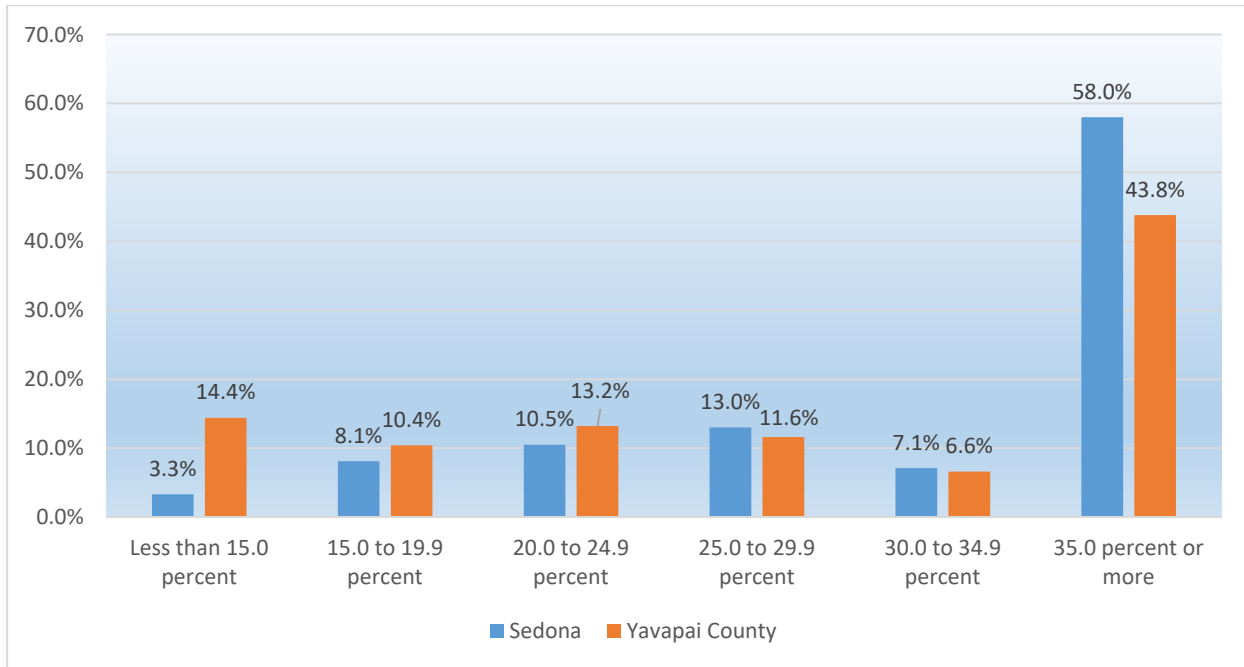
Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

Figure 11 – Owner Monthly Cost as a Percent of Income



Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

Figure 12 – Gross Rent as a Percent of Income

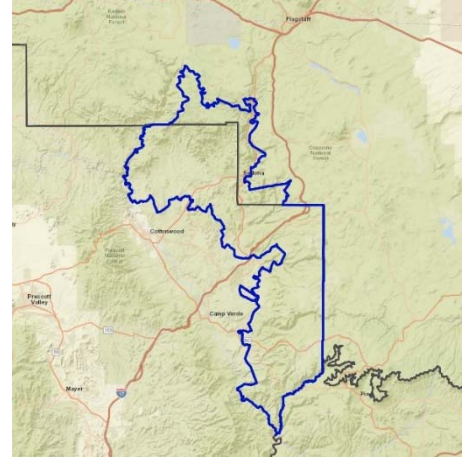


Source: U.S. Census Bureau, 2013-2017 American Community Survey Five Year Estimates

# Target Industry Analysis, Opportunities & Trends

In 2018 the Regional Economic Development Center (REDC) at Yavapai College prepared an industry target and supply chain analysis for the greater Verde Valley. The Sedona targeted industry analysis focuses on the City of Sedona to shine a spotlight on the local economic landscape and job growth. It identifies the industry clusters that best fit Sedona and which could also benefit from community and regional assets. The geographic area defined as the Sedona study area included five zip codes:

- 86336 Yavapai County
- 86339 Coconino County
- 86430 Yavapai County
- 86431 Yavapai County
- 86351 Sedona



A methodology was employed that utilizes IMPLAN<sup>2</sup> data and categorizes industries in Sedona at the four digit NAICS level by industry cluster. These industries were then evaluated and compared to Yavapai County.

## Industry Analysis

An aggregation of industry sectors was prepared to identify those sectors in Sedona’s economy that employ the greatest number of people, have the greatest historical job growth, and the largest location quotient as measured against Yavapai County. The location quotient (LQ) is presented as a ratio of the concentration of jobs that a specific industry has in the local market. A LQ of 1.0 represents the same share of total employment as the industry’s share of Yavapai County’s employment. A LQ greater than 1.0 signifies that the industry is more concentrated in Sedona and is presumed to have a comparative advantage. Likewise, if a LQ is less than 1.0, that means the industry has less concentration, but there may be opportunity for attraction.

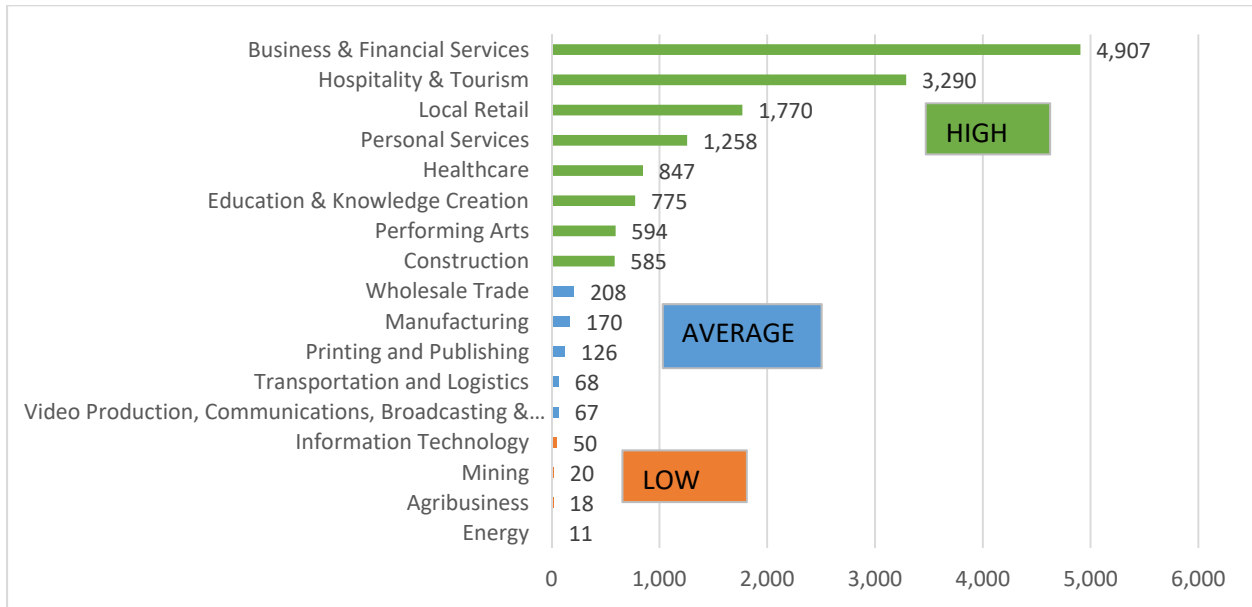
Figure 13 shows the sectors of the economy that employ the greatest number of workers. Business and financial services leads the way with 4,907 jobs, followed by hospitality and tourism at 3,290 jobs.

---

<sup>2</sup> Impact Analysis for Planning (IMPLAN) is a software program created in the early 1970’s for the U.S. government. It includes extensive databases used for economic impact modeling.



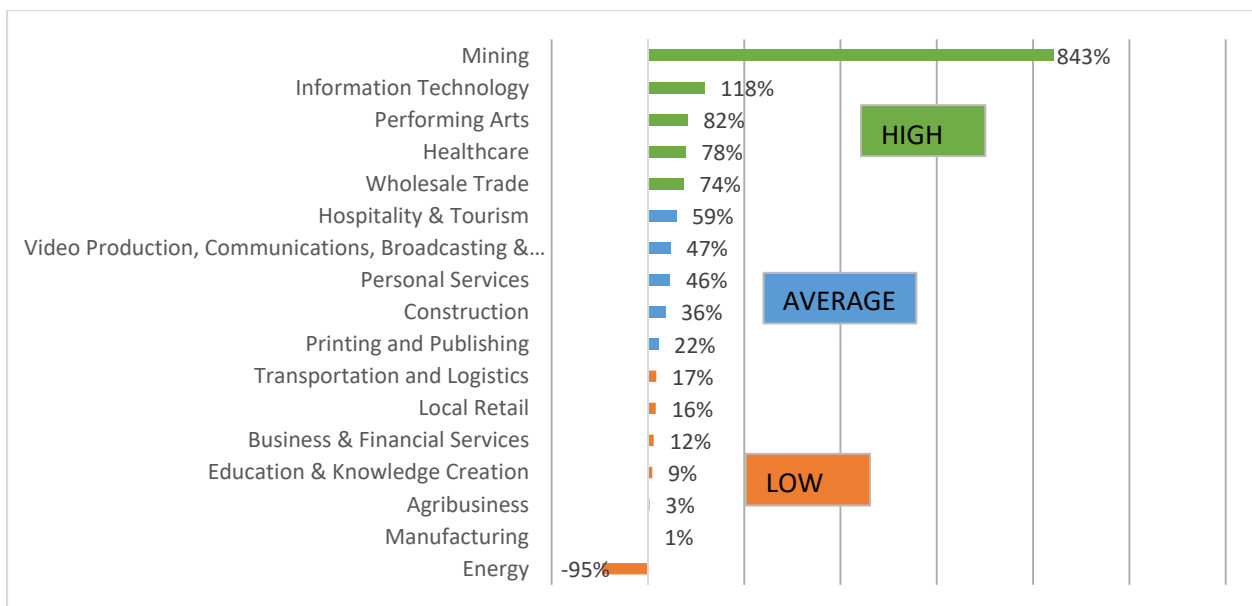
Figure 13 – Sedona Employment by Sector, 2017



Source: IMPLAN

When it comes to the percentage increase in job growth, mining and information technology lead the way, however, they employ the smallest number of workers. Business and financial services is Sedona’s largest employers, yet it only had a 12 percent job increase over the five-year time horizon. Performing arts, healthcare, and hospitality and tourism are some of Sedona’s larger employing sectors, and they experienced robust employment growth ranging from 59%-82% (Figure 14).

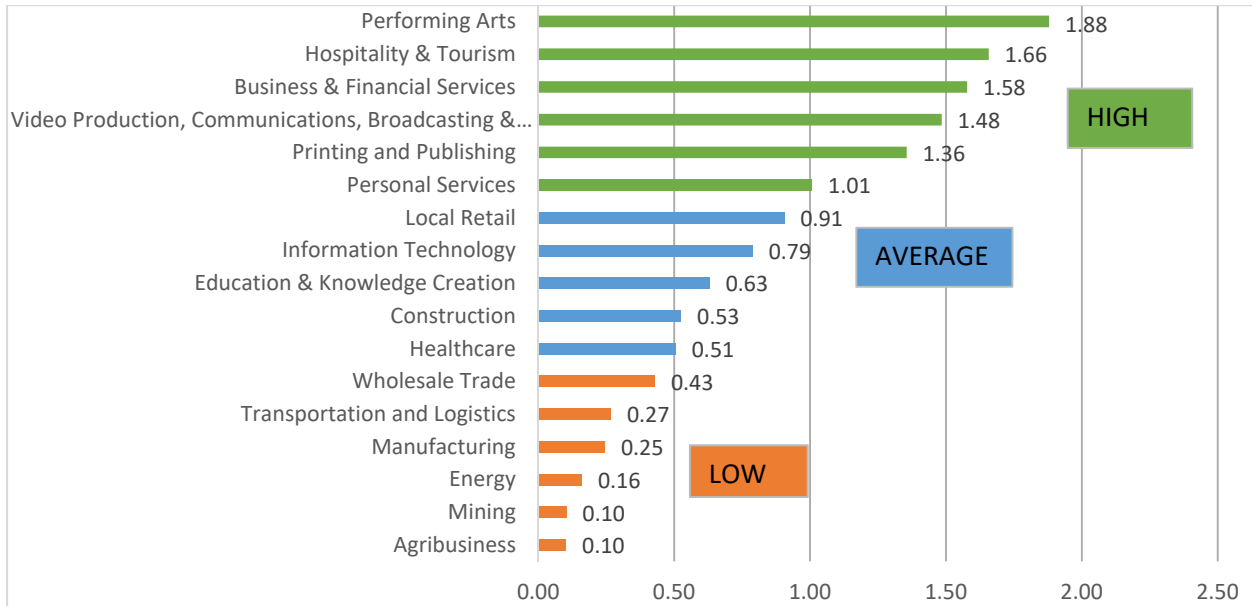
Figure 14 – Sedona Employment Change, 2012-2017



Source: IMPLAN

A review of each sector’s LQ paints another picture of economic strength (Figure 15). Performing arts, hospitality and tourism, and business and financial services all have a LQ above 1.50, which demonstrates their dominance in the market. On the other hand, healthcare has a LQ of .51, but it is still a significant employer in Sedona with strong job growth potential.

Figure 15 – Sedona Employment Sector Location Quotients, 2017



Source: IMPLAN

### Short List

The entire list of industries at the four digit NAICS code was evaluated and filtered utilizing a screening methodology that assessed employment growth over five years, wages, strength in the local market (LQ), and the presence of jobs in Sedona. There are six industry clusters with associated business targets that have been identified, which are the focus of the economic diversification plan (Table 5).

These business targets will help achieve diversification of the economy, create jobs and provide opportunities for entrepreneurs. Some of the targets have smaller presence in Sedona today, however, community leaders believe that existing community assets could be leveraged to stimulate the growth or introduction of this industry to the market. There are other targets which may not have the historical job growth and are predominately low wage, but the addition of this industry could be the focus of entrepreneurial growth and has the potential to round out the economy.

The full list of industries by NAICS code is included within Appendix A.

**City of Sedona Economic Diversification Strategic Plan**

*Table 5 – Sedona Industry Targets*

NAICS	Description	Industry Growth	Wages	Market Strength	Presence in Sedona
<b>Biopharmaceuticals</b>					
325411	Medicinal and botanical manufacturing	Very Strong	Average	Weak	None
325412	Pharmaceutical preparation manufacturing	Strong	High	Weak	Low
325414	Biological product (except diagnostic) manufacturing	Flat	High	Very Strong	Low
<b>Business Services &amp; Information Technology</b>					
541511	Custom computer programming services	Moderate	High	Weak	Moderate
541512	Computer systems design services	Very Strong	High	Weak	Strong
54151A	Other computer related services, including facilities management	Moderate	High	Weak	Moderate
5112	Software publishers	Very Strong	Low	Weak	Low
<b>Healthcare</b>					
6213	Offices of other health practitioners	Moderate	Average	Strong	Strong
6215	Medical and diagnostic laboratories	Very Strong	High	Strong	Moderate
6231, 6233	Nursing and community care facilities	Moderate	Average	Strong	Very Strong
<b>Food and Beverage Products</b>					
311352	Confectionery manufacturing from purchased chocolate	Flat	Low	Strong	Low
311811-2	Bread and bakery product, except frozen, manufacturing	Declining	Low	Weak	Strong
31212	Breweries	Declining	Low	Weak	Low
31213	Wineries	Very Strong	Average	Very Strong	Low
<b>Other Small Scale Fabrication (Manufacturing)</b>					
334519	Watch, clock, and other measuring and controlling device manufacturing	Very Strong	Average	Strong	Low
33991	Jewelry and silverware manufacturing	Very Strong	Low	Very Strong	Low
339112	Surgical and medical instrument manufacturing	Very Strong	Low	Weak	Low
<b>Video Production &amp; Recording</b>					
5121	Motion picture and video industries	Strong	Low	Weak	Moderate
5122	Sound recording industries	Very Strong	Low	Strong	Moderate

**Qualitative Ranking Legend**

Industry % Growth	Wages	Market Strength (LQ)	Presence in Sedona (Jobs)
<0.1% Declining	>\$45,000 High	>3.0 LQ Very Strong	0=none
0 = Flat	\$35,000-\$44,999 Average	>1.00 Strong	<16 low
<5% Weak	<\$35,000 Low	<1.00 Weak	<50 Moderate
<50% Moderate			<300 Strong
<100% Strong			>300 Very Strong
<300% Very Strong			

Additional data was collected to understand employment projections within Sedona’s targeted cluster/industry. The State of Arizona, in collaboration with the U.S. Bureau of Labor Statistics, prepares state and county long term employment projections through the year 2026. The names of the industry sub-sectors don’t line up exactly with the names of Sedona’s industry cluster, however, they are close enough to discern the employment growth potential. Table 6 provides a side-by-side comparison of Yavapai County’s employment projections to the State of Arizona’s. In Yavapai County, employment growth within the healthcare and beverage manufacturing industries exceeds the statewide projection. Taken as a whole, manufacturing, information technology and motion picture and sound recording all have strong employment growth potential in Arizona.

*Table 6 – Yavapai County 2016-2026 Industry Employment Projections*

<b>Industry</b>	<b>Yavapai County Projected Employment Change 2016-2026</b>	<b>Arizona Projected Employment Change 2016-2026</b>
Professional, Scientific, and Technical Services	13.3%	20.8%
Information	-3.0%	7.4%
Health Care and Social Assistance	62.4%	43.7%
Nursing and Residential Care Facilities	53.1%	47.7%
Beverage and Tobacco Product Manufacturing	19.1%	8.4%
Manufacturing	10.9%	12.0%
Computer and Electronic Product Manufacturing	-12.1%	18.3%
Chemical Manufacturing**	--	17.5%
Miscellaneous Manufacturing	-2.0%	13.6%
Motion Picture and Sound Recording Industries**	--	13.1%

Source: Arizona Office of Economic Opportunity in Cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics, July 2018.

\*\*Note: Data is not available for Yavapai County.

### Key Occupations by Industry Cluster

An examination of the top 10 occupations by each industry cluster was assembled, in part to identify occupations that are common to more than one industry, which could be a focus for education and workforce development training. Table 7 provides a list of the top common occupations amongst industry clusters. The complete list of the top 10 occupations by industry cluster is included as Appendix B.

Based on the targeted industries, business and healthcare occupations will continue to have an emphasis under the economic diversification plan. Yavapai College currently has curriculum addressing the education of this workforce with degrees being offered in accounting, management, nursing and allied health occupations. Additionally, the college has a few certificate programs in the healthcare field. However, training and certificate programs within small scale manufacturing occupations are not available, and within film and media there are only a couple of certificate programs. Finally, education and training within software development, which pervades all sectors of the economy today, is lacking within the Verde Valley.

Table 7 – Common Occupations by Industry Cluster

Top Occupations	Biopharmaceuticals	Professional Services	Info Technology	Medical & Diagnostic Labs	Assisted Living Facilities	Nursing Care Facilities	Offices of Other Health Practitioners	Food & Beverage	Small Scale Fabrication	Video Production	Sound Recording
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	X							X	X		
First-Line Supervisors of Production and Operating Workers	X							X	X		
Inspectors, Testers, Sorters, Samplers, and Weighers	X								X		
Software Developers, Applications		X	X								
Office Clerks, General		X					X			X	X
Customer Service Representatives			X	X							
General and Operations Managers		X	X						X	X	X
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive		X									X
Medical Secretaries				X			X				
Receptionists and Information Clerks				X			X				
Bookkeeping, Accounting, and Auditing Clerks		X			X	X					X
Personal Care Aides					X	X					
Nursing Assistants					X	X					
Food Servers, Nonrestaurant					X	X					
Licensed Practical and Licensed Vocational Nurses					X	X					
Maids and Housekeeping Cleaners					X	X					
Cooks, Institution and Cafeteria					X	X					
Registered Nurses					X	X					
Recreation Workers					X	X					
Maintenance and Repair Workers, General					X	X					
Packaging and Filling Machine Operators and Tenders								X	X		
Laborers and Freight, Stock, and Material Movers, Hand								X	X	X	
Audio and Video Equipment Technicians										X	X

Industry Supply Chain Findings

A targeted industry analysis was prepared for the Verde Valley by the Regional Economic Development Center (REDC) of Yavapai College in 2018. The list of Sedona’s industry targets are in alignment with the findings of the REDC. A supply chain analysis of the industry targets was also performed by REDC to identify the potential for import substitution by examining in-region and imported purchases. This analysis screened out industries that spend less than \$500,000 in order to focus on industries with larger expenditures. Table 8 depicts a list of spending by industry within each of the seven targeted clusters. The total value of import substitution is \$94.7 million, with business and professional services leading the way with \$31.6 million in spending.

Table 8 – Verde Valley Supply Chain Analysis

Industry	Agriculture & Food Processing	Advanced Manufacturing	Business & Professional Services	Healthcare Services	Hospitality & Tourism	Info Tech & Telecomm	Total by Industry
Temporary Help Services			\$6,257,819	\$2,811,952	\$1,399,187	\$517,330	\$10,986,287
Offices of Real Estate Agents and Brokers			\$2,577,729	\$3,233,506	\$2,998,824		\$8,810,059
Commercial Banking	\$534,116	\$671,193	\$4,428,448	\$1,700,385	\$1,015,515		\$8,349,657
Other Activities Related to Real Estate			\$2,314,259	\$2,975,444	\$2,645,852		\$7,935,554
Offices of Lawyers		\$585,181	\$1,608,594	\$2,074,578	\$2,207,237	\$524,290	\$6,999,881
Residential Property Managers			\$1,868,348	\$2,401,205	\$2,136,793		\$6,406,346
Animal Production and Aquaculture	\$5,588,468						\$5,588,468
Direct Property and Casualty Insurance Carriers			\$1,047,684	\$2,953,744	\$1,324,473		\$5,325,902
Janitorial Services			\$3,132,799	\$642,970	\$1,377,359		\$5,153,128
Wholesale Trade Agents and Brokers	\$820,057	\$1,620,671		\$1,059,718	\$1,345,409		\$4,845,854
Landscaping Services			\$2,514,092	\$510,022	\$1,107,203		\$4,131,316
Investment Advice			\$2,535,607	\$623,082			\$3,158,688
Data Processing, Hosting, and Related Services		\$847,497	\$1,251,082		\$586,314		\$2,684,893
Offices of Certified Public Accountants			\$577,140	\$679,332	\$1,284,869		\$2,541,341
Machine Shops		\$2,217,311					\$2,217,311
Adhesive Manufacturing		\$1,994,120					\$1,994,120
Limited-Service Restaurants			\$799,227	\$500,926	\$684,808		\$1,984,962
Computer Systems Design Services			\$703,687	\$590,279	\$554,841		\$1,848,808
Pharmaceutical Preparation Manufacturing				\$964,084			\$964,084
Breweries					\$959,945		\$959,945
Surgical Appliance and Supplies Manufacturing				\$956,961			\$956,961
Distilleries					\$941,070		\$941,070
<b>Total by Cluster</b>	<b>\$6,942,641</b>	<b>\$7,935,973</b>	<b>\$31,616,516</b>	<b>\$24,678,187</b>	<b>\$22,569,698</b>	<b>\$1,041,619</b>	<b>\$94,784,633</b>

Source: REDC, Yavapai College, 2018

Transformative Projects

In addition to the list of industry targets, there are several transformative economic development projects that could potentially fulfill the vision of economic diversification and the guiding principles of the plan. These projects may be considered bold, and a few represent a fresh approach to economic development for Sedona. Some can be implemented in the short term, while others will be long term in nature (Figure 16).

Figure 16 – Transformative Economic Development Projects

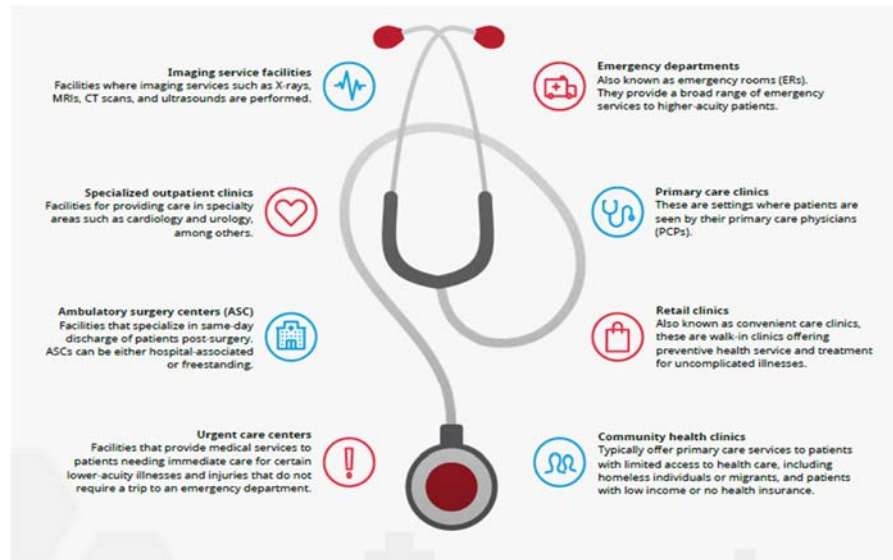
	<p><b>Agricultural Innovation Park</b> Positioning the City-owned property west of town on 89A (often referred to as “The Dells”) into an innovation park will create an opportunity to advance value added manufacturing in Sedona that could include hemp commodities and the associated R&amp;D and testing labs, as well as food and supplements.</p>
	<p><b>Co-Working Space</b> Repurposing the vacant school district building or another suitable property will give local entrepreneurs, freelancers, remote workers, and home-based business owners’ access to networks and resources, which will help them build their portfolio of work. Activities could include networking events, lectures, workshops, educational classes and programs and meetings.</p>
	<p><b>Economic Gardening</b> As a complement to Co-Working space is an approach to stimulate the startup and growth of small business. Utilizing techniques in economic gardening, such as providing basic market research and connecting entrepreneurs to business and financial resources, is a way to build the entrepreneurial landscape and diversify the local economy.</p>
	<p><b>Health &amp; Wellness</b> Healthcare delivery is driven by population health, clinical innovations and patient preferences, which is making way for economic development opportunities. To build upon Sedona’s image of spiritual healing, attract providers who blend the best of modern Western medicine with Traditional Chinese medicine with the creation of the “Sedona Center for East-West Medicine.”</p>
	<p><b>Sedona Cultural Park</b> A key asset located in the western gateway of the community is the Sedona Cultural Park, which has the potential to be a premier mixed used development that could be anchored by arts, culture, and entertainment. Collaboration, partnerships, and time will dictate the nature of success that can be achieved.</p>
	<p><b>Smart City</b> High speed internet is the backbone infrastructure that drives the economy today. Having fast and reliable internet service supports education, healthcare, public safety, and economic development. Leveraging public assets and policies to accelerate broadband deployment is a strategy that works to stimulate private investment and job creation.</p>

## National Trends and Influences

To develop an effective diversification plan there are several things we need to understand besides the socio-economic makeup of the city, key industry targets and transformative projects. We must also understand key national trends and influences that will impact the pathway to economic sustainability.

**Aging Population** - The year 2030 is an important demographic milestone in U.S. history. By 2030 all baby boomers will be older than 65 so that 1 in every 5 residents will be of retirement age. It is projected that within a couple of decades older people are projected to outnumber children under the age of 18 in the U.S.<sup>3</sup> With a median age of 58.7, Sedona has already surpassed this milestone with 1 in every 3 residents being 65 years of age or older, as compared to Arizona with 1 in every 6 residents of retirement age. The aging of Sedona’s population also impacts the availability of a local workforce. The importance of retaining and attracting a workforce is critical to the success of existing business as well as new business.

**Healthcare Delivery** - Healthcare is being driven by population health, clinical innovations, and patient preferences. This is prompting hospitals to move certain inpatient services to lower-acuity/outpatient facilities,<sup>4</sup> making way for economic development opportunities such as retail clinics, surgery centers, urgent care facilities, and imaging service facilities. Medical office today has a retail component to it, which is driven by consumer demand and shifts towards faster and more convenient medical services. As a real estate strategy, Healthcare is increasingly looking for highly visible retail locations with convenient parking for their customers.



Source: Deloitte Center for Health Solutions research.

There is a shift in healthcare delivery from curing disease to preventing and managing

disease. Opinion leaders are saying that social determinants of health, such as socioeconomic status, education, neighborhood and physical environment, employment and social support networks, are having a greater impact on health outcomes than does health care. Creating walkable communities and incorporating placemaking principles are a couple of strategies being used by cities to build healthy and prosperous communities.

There is also widespread interest in person-centered care of Western medicine integrated with Eastern medical concepts of personalized diagnosis and treatment. The result is a health care model based upon evidence based thinking and shared decision making, patient education, holistic diagnosis and

<sup>3</sup> U.S. Census,

<sup>4</sup> Deloitte, 2019 Global Health Care Outlook.



individualized treatment. Research on integrative approaches continues to grow as the use of these treatments become more common. According to the National Center for Complementary and Integrative Health (NCCIH), in the U.S. approximately 38 percent of adults use complementary and alternative medicine developed outside of conventional Western medicine. Doctors are also embracing evidence-based alternative therapies, often combining them with mainstream therapies to treat disease and maintain health.

UCLA is the world leader in integrative East-West Medicine. In 1993 UCLA founded the UCLA Center for East-West Medicine with a mission to improve health, well-being, and the quality of life of people by blending the best of Modern Western medicine with Traditional Chinese Medicine to provide healthcare that is safe, effective, affordable and accessible. The Center has established a model system of comprehensive care with emphasis on health promotion, disease prevention, treatment and rehabilitation through an integrated practice of East-West Medicine. Training programs have helped transform the thinking of clinical care.

A key challenge facing the healthcare industry today across the country is the shortage of skilled health care staff due to the aging of their workforce, rising demand for health care services, and reduction in physician working hours to achieve a work-life balance. The emergence of digital and automated technology in healthcare, such as AI, cognitive computing and robotics, will influence training models by redesigning healthcare pathways and equipping the workforce with more flexible skills. The entrance of millennials into the workforce, who desire a work-life balance and flexible careers, are a part of the solution.

The healthcare industry has a significant presence in Sedona comprised of healthcare practitioners in offices, outpatient facilities, medical and diagnostic laboratories, and nursing and community care facilities. This industry generates \$68.5 million in annual economic output in Sedona employing 847 workers. The economic sustainability of this industry sector is highly dependent upon having a local workforce.

**Job Shifts Due to Automation** - The future workforce will be reshaped by technology, which will lead to job displacement in occupations impacted by automation, such as manufacturing, office support, food service, customer service and retail sales; and job growth in other occupations such as healthcare, STEM occupations and business services. Almost 40 percent of Americans are in occupational categories that could shrink by 2030,<sup>5</sup> some due to attrition and reduced hiring. Men and women tend to cluster in different occupations and potential losses for men and women will be different. Women are well represented in the fast growing healthcare sector while more men are concentrated in machine operation and production work occupations, which are expected to decline due to automation.

The challenge facing employers is finding a way to equip people with the appropriate skills that will help them move into new roles. Communities across the U.S. will need to fine tune their workforce

---

<sup>5</sup> McKinsey Global Institute, "The Future of Work in America, July 2019."

development efforts by focusing on job matching, skills and training, economic development and job creation, and support for workers in transition.

Sedona has a heavy concentration of jobs in business services and healthcare, which are projected to grow. However, within the healthcare sector labor shortages and modification of training models are factors that could impact the community.

**Arts, Entertainment, and Recreation** – This industry sector consists of nine subsectors ranging from the performing arts to museums, to video and sound recording industries. This sector has benefited by strong growth in per capita disposable income spending on the consumer side, and innovated media delivery on the industry side. The purchasing potential of this industry is sizable and has significant economic impacts on other industries in the local economy. For example, 25 percent of all purchases by this industry are from the professional and business services sector, followed by educational services, healthcare and social assistance at 20 percent.<sup>6</sup>



When isolating the Arts and Culture subsector, the U.S Bureau of Economic Analysis latest estimates indicate that arts and culture contributes over \$800 billion a year to the U.S. economy and is expected to grow 8 percent in the next ten years. According to the Arizona Commission on the Arts, Arizona’s arts and culture industries contribute \$9 billion to the state’s economy, employing 90,000 Arizonans who earn \$4.9 billion annually, most of which is spent in the local economy.

Within the Media and Entertainment (M&E) industry subsector, M&E is projected to reach \$792 billion by 2022.<sup>7</sup> The fastest growing segments are virtual reality (VR), over-the-top (OTT) video, and internet advertising with combined revenues in 2017 of \$109.6 billion. The U.S. is currently the world’s leader in the VR market and the gaming industry accounts for a significant amount of the M&E industry, and revenues are expected to reach nearly \$26 billion in 2019.<sup>8</sup> Today’s consumers have access to multiple devices for gaming, including PCs, mobile phones, digital or physical consoles, and tablets. The sector is comprised of: physical, digital, and online games; mobile apps; and virtual and augmented reality (VR/AR). Electronic sports, also known as "eSports" or "e-sports", includes professional gaming, in which players compete before a live audience, and the industry is growing quickly: \$281 billion in 2019, more than double its size in 2016.

In Sedona, the arts and entertainment industry is a significant contributor to the economy with nearly \$48 million in economic output. This sector of the economy is supported by dozens of locally based arts and cultural establishments and associations. Motion picture, video and sound recording industries are key Sedona targets, which have strong growth potential and as existing presence in the community.

<sup>6</sup> Data USA

<sup>7</sup> PwC, “2018 Media & Entertainment Outlook.”

<sup>8</sup> Select USA and the U.S. International Trade Administration

**Hemp as an Agricultural Commodity** – Under the 2018 U.S. Farm Bill, cultivation of hemp has become legal and falls into nine submarkets: agriculture, textiles, recycling, automotive, furniture, food and beverages, paper, construction materials and personal care. There are endless products that can be commercially made from hemp including beer, sunscreen, shoes, clothes, rope, soap, hemcrete, protein powder, diapers, animal feed, and fuel. Hemp can be grown as a fiber, seed or dual-purpose crop.

The global industrial hemp market is projected to grow from \$4.6 billion in 2019 to \$26.6 billion by 2025.<sup>9</sup> In 2018 Asia Pacific held the largest market share, which is attributed to extensive production and consumption of hemp fiber in the textile and paper industry. It is also a booming market for cosmetics and personal care products. The legalization of industrial hemp in food supplements is estimated to drive the market growth. The product that investors are seeing financial returns is from a derivative of hemp called cannabinoid (CBD), which has promise for its therapeutic use as a pharmaceutical product. CBD is known for its relaxation, anxiety and pain aid, is being used in nutraceuticals and food products.



**Healthy Food** – A major focus today is eating healthy by eliminating sugar and unnecessary additives in our diet. Within the health food industry are several trends such as:

- Infused water that includes new flavors, vitamins, minerals and prebiotics.
- Non-dairy milks, such as almond, soy and oat, now command 13 percent of the overall milk retail market in the U.S.
- Plant based meat is gaining popularity for those that want to reduce their meat intake, embrace sustainability and foster animal welfare. There has been an uptick in realistic faux meat alternatives including burgers, vegan jerky and meat crumbles as taco filling. There will be more innovations using nuts, extruded seeds, beans, water lentils and algae, which will be found in snack bars, chips, meat-free burgers or sausages and dairy-free yogurts and cheeses.
- Gut (digestive) health is at the forefront of the health and wellness industry by improving gut health through fiber, prebiotics and probiotics
- Cannabinoid (CBD) is now legal and one of the biggest trends within food processing is the use of CBD in food products. CBD is an extract from the cannabis plant, which produces no psychoactive effects because it doesn't contain THC. The CBD has been used in lotions and oils to help reduce inflammation and pain, and is finding its way into coffee, cocktails, and olive oil. CBD is being infused in sparkling water with flavors such as blackberry, peach and pomegranate. Future products could include yogurts, soups and even salad dressings.

**Value Added Agriculture** – This is a term defined by the USDA as the production of a product in a manner that enhances its value, such as organically produced products, or a change in its physical state, such as making strawberries into jam, tomatoes into salsa or grapes into wine. Locally grown and locally sourced products is a health and wellness consumer trend that complements value added manufacturing.

<sup>9</sup> Research and Markets, "Global Industrial Hemp Market Overview," July 3, 2019.

According to the National Restaurant Association, some of the top 10 food trends include locally grown and sourced produce, chef driven-fast-casual restaurant concepts, and environmental sustainability. A survey by Mazars USA Food and Beverage Group expect sales growth in 2020 to be driven by growing consumer interest in healthy nutritious, private label foods, allergen, gluten and Non-GMO free products, and plant based options.

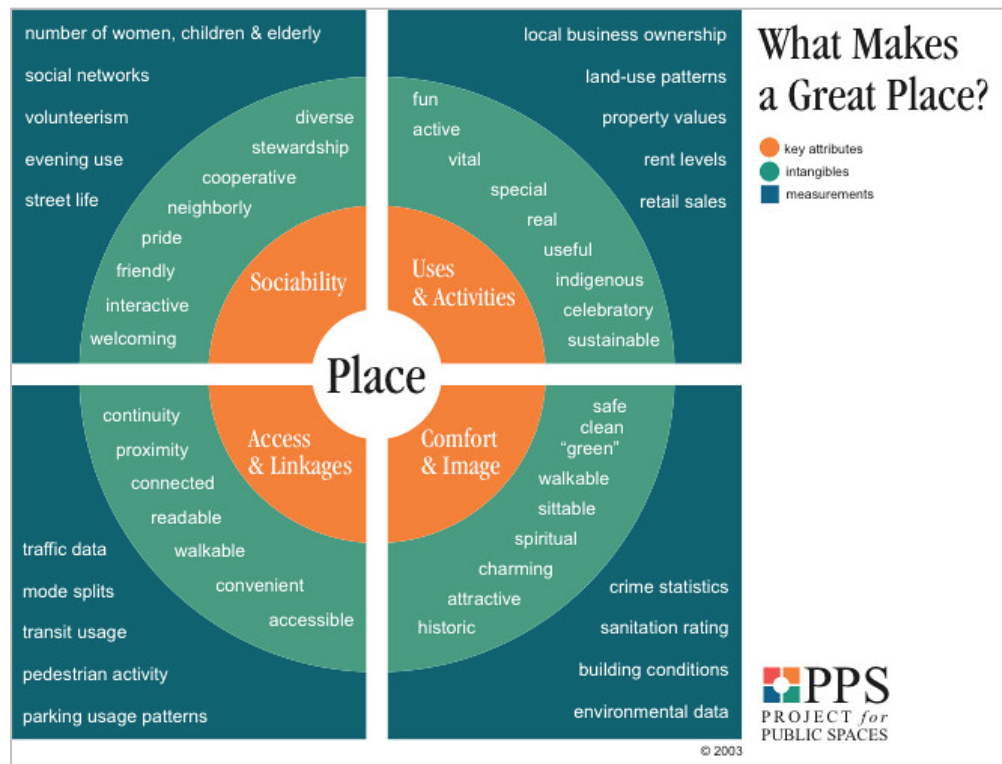
Sedona’s value added agriculture is a small segment of its economy today with annual economic output of \$14 million. This industry currently consists of confectionary manufacturing from purchased chocolate, bread and bakery products, frozen cakes and other pastries, and wineries.

**Creative Placemaking** – The term “placemaking” is not a new concept and was pioneered in the 1960’s as an overarching idea to design cities and neighborhoods for people, not just cars and shopping centers. Today, it refers to a collaborative process to promote better urban design and pays attention to the physical, cultural and social identities that define a place and support its ongoing evolution.<sup>10</sup> Communities and developers today are incorporating placemaking concepts into public spaces and development projects. What makes a great place includes four qualities:

Placemaking is about creating an environment that people want to visit and return to.

--CBRE

1. **Access and linkages** – a great public space is easy to get to, easy to enter and easy to navigate.
2. **Uses and activities** – having something to do gives people a reason to come and return to a place. A range of activities will attract a variety of people at different times of the day.



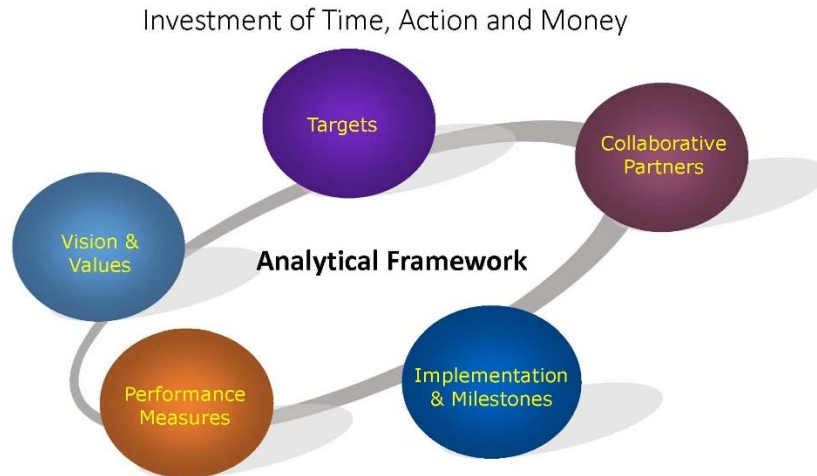
<sup>10</sup> Project for Public Spaces. “What is Placemaking.”

3. **Comfort and image** – A sense of comfort includes perceptions about safety, cleanliness and the availability of places to sit.
4. **Sociability** – the most important quality for a place to achieve, and one of the most difficult. A successful place becomes a favorite spot and allows people to meet each other, and take friends and family when they come to visit.

Best practices of placemaking show that success is dependent upon having a clear vision of what the place needs to achieve. It is about authenticity and making people feel connected to the place, a feeling that draws them to, and keeps them coming back to a place.

# Economic Diversification Plan

An effective economic development strategic plan requires a comprehensive understanding of an area’s ability to support and sustain existing business, foster new job creation, capture market trends, and provides guidance for future investments. The analytical framework of the strategic plan should steer the investment of time, action and money. Its underlying strength is grounded in a collaborative approach in which there is consensus on the economic development vision, and goals for the future, as well as support from policy makers and key stakeholders in the community.



The Sedona Economic Diversification Strategy Plan presents a clear plan of action over the course of the next five years, with the primary vision of “economic diversification” and the overarching principle “sustainability.” The strategy plan is based on the review of existing studies, reports and community surveys, identification of market trends, targeted industry analysis, and independent research. Comprehensive stakeholder input was obtained, which includes one-on-one interviews with elected officials and key City staff, and broader stakeholder input through in person and telephone interviews. This input provides a clear picture of the vision and guiding principles of the strategy, as well as the best prospects for growth.

## Core Assets and Challenges

The City of Sedona is an international tourist destination that is overflowing with its natural beauty and abundant outdoor recreation. There are many assets that would make it a desirable place to live and work, but there are several constraints that impact the future economic growth and health of the City. Among those assets and constraints include the following:

### Core Assets

- **Natural beauty of the area is a magnet for visitation.** Sedona is an international tourist designation with notable name recognition.

- **Outdoor recreation and trails are abundant.** A full complement of outdoor activities that will appeal to just about everyone are available in Sedona including mountain biking hiking, ATV adventures, yoga, and scenic tours.
- **Educating the workforce of the future.** Yavapai College offers a wide variety of degree and certificate programs geared towards the market, and Valley Academy Career and Technical Education offers programs at its site and partners with Yavapai College to bring CTE programs to Verde Valley high school students. Articulation agreements are in place between Yavapai College and the State Universities.
- **Proximity to Flagstaff.** The largest city closest to Sedona is Flagstaff with a population of nearly 70,000 people. The Flagstaff Pulliam Airport is located five miles south of the city and has regular and seasonal service to Denver, Dallas, Phoenix and Los Angeles. Northern Arizona University has a student body population of nearly 31,000, and there are 95 undergraduate degree programs and 76 graduate degree programs, with a pipeline to a younger demographic.

### Core Challenges

- **Lack of affordable and diverse housing options.** The City recognizes this barrier to entry and is currently undertaking a housing analysis to understand affordability and income gap. Findings from this report will help lay the groundwork for overcoming the affordability issue and could lead to policy decisions.
- **Aging population** - One in every three residents in Sedona are 65 years of age or older. The declining school enrollment has caused the closing of an elementary school, and there is a segment of the retiree population that is not supportive of the issuance of school bonds to support education. The prime working years are between the ages of 25 and 54. Having affordable housing to attract a younger demographic that includes younger families will foster social and economic sustainability.
- **Lack of existing buildings and shovel ready sites to accommodate new and expanding business.** The City has adopted the Sunset Live/Work Community Focus Area Plan in which approximately half of light industrial zoned property is located. The plan identifies recruitment goals and infrastructure improvements, such as road and wastewater access. This is an area of the city in which a mix of uses is encouraged including “production industries, makers, entrepreneurs, small start-ups, and live/work combinations.”
- **Transportation congestion affects mobility and quality of life.** Tourism is the primary economic generator in the City, contributing \$1 billion annually to the city’s economy and generating an estimated \$17 million in tax revenue during FY2018. The amount of traffic that is generated is negatively impacting the quality of life. Proposed solutions have included public transportation; the addition of trails and bike paths that connect neighborhoods to one another as well as places of work; and, finally, community walkability in general.
- **Inadequate broadband coverage.** According to the National Digital Inclusion Alliance, in 2017 (most recent data available) residential access to broadband such as cable, fiber optic or DSL in Sedona was between 70-80 percent. Three broadband providers have speeds of at least 25 Mbps downstream / 3 Mbps upstream, which is considered reasonable standard for streaming. However, with the continuing growth of connected devices, and the important advances to be made in diversifying the economy, Sedona will need to expand broadband coverage and encourage providers to increase their speeds in order to stay ahead of the technological curve and build a thriving economy.

### Strategic Framework

Based on what was learned from the background research, interviews with policy makers and stakeholders, and feedback from the EDAC, the economic diversification plan was prepared with a focus on providing solutions to overcome core challenges and seizing opportunities that leverage Sedona’s existing assets.

This diversification plan contains four key pillars: Community Development, Business Development, Economic Gardening/Entrepreneurship, and Marketing and Branding. The overarching vision of economic diversification is articulated in the *Sedona Community Plan*, and forms the foundation for the goals and strategies of this plan. This economic diversification plan is consistent with the City’s community plan, adopted in 2014, as well as the Verde Valley Regional Economic Organization Strategic Plan, which was adopted in 2018.

Each of the four pillars contain goals and strategies that focus on overcoming key challenges or leveraging opportunities. For example, the Community Development pillar recognizes the lack of affordable housing within the community and how this is preventing Sedona from attracting a younger working age population. It also promotes strategic capital improvements and policies to attract investment. The Business Development pillar is geared towards capitalizing on Sedona’s existing assets, retention and growth of local business, strategic attraction of new business and transformative projects, such improving broadband connections and speed.





The Economic Gardening pillar takes advantage of existing intellectual talent within Sedona by providing resources and tools entrepreneurs need to succeed, such as co-working space, education and training and venture capital. Finally, Marketing and Branding creates the “message” and marketing materials that assert Sedona as a place to do business. Collectively, the goals and strategies under these four pillars are devised to leverage Sedona’s existing assets, help diversify the economy, and create jobs.

There are community beliefs and values that underpin the Vision of “Economic Diversification,” and the Guiding Principle of “Healthy and Sustainable Community.” Based on input from policy makers, staff, stakeholders and the Economic Diversification Advisory Committee (EDAC) the following beliefs shape the foundation of the plan with its goals and strategies.

- 1. Work Towards Sustainability** – A major focus of the adopted *Sedona Community Plan* transcends this economic diversification plan. The ideals behind sustainability include not only reducing the impact on the environment, but also creating policies and plans that lead to economic diversification and improving the collective quality of life for Sedona residents, which advances an equitable and prosperous community.
- 2. Embrace Change** – Maintaining the status quo will not lead to economic diversification that policy makers and stakeholders desire. Diversification of the economy requires a new approach to job and business creation by advancing fresh ideas and diversifying the expenditure of City funds. Planning for and budgeting economic development related projects will diversify the City’s portfolio of spending.
- 3. Welcome Diversity** – Social, ethnic, racial, age and cultural diversity of people and business is recognized and celebrated in Sedona. Everyone has strengths that they bring to the table, and their diverse community voices enhance the policy process. An appreciation of differences is a driver of sustainability and change, and leads to a stronger community.
- 4. Leverage Assets** – The strength of any economic development plan requires utilizing and leveraging existing assets. Sedona is rich in natural beauty with foundational assets such as outdoor recreation, higher education, healthcare, and arts and culture. There is mounting interest to focus on entrepreneurship, and promote an innovation economy by leveraging the tools and resources needed by existing business and residents to make a positive economic impact.
- 5. Focus on Local** – A strong locally owned business base is the foundation of economic sustainability. Strengthening and expanding the capacity of local business and entrepreneurs, by accessing financing and securing local contracts, will help accelerate and scale up local success.
- 6. Creative Placemaking** – Strengthen the connection between people and the places they share by incorporating placemaking principles across all facets of a development project. Through a collaborative process, placemaking will help facilitate social connections and the engagement of residents and businesses. Placemaking attributes will focus on access and connections, comfort and image, uses and activities, and sociability, as discussed on page 27. The result will foster diversity and inclusiveness by bringing people of different backgrounds together.

### Plan Execution and Monitoring

The City’s role is to spearhead implementation by aligning its goals and funding priorities amongst the various City departments and collaborating with its partners on plan implementation. In addition, City staff will need to encourage organizations who have a role to play in the City’s economic diversification to also prioritize their goals in alignment of the diversification plan. Finally, City staff will collaborate with

its public and private sector partners throughout the region in order to carry out the actions recommended by the diversification plan.

It is suggested that the City establish an economic diversification committee that includes City staff and key community stakeholders and collaborative partners. Meeting on a regular basis to provide an update on plan implementation should be scheduled in order to stay on task and ensure forward progress.

### Strategic Action Plan

Based on the combination of key findings in the Economic Assessment chapter, the targeted industries and supply chain analysis, combined with the core assets and challenges, four key focus areas were identified followed by goals and strategies to foster economic diversification. These four high level categories reflect the vision and community values, and support the guiding principle of a healthy and sustainable community (Table 9). Each focus area has one or more goals, followed by strategies designed to realize the vision of economic diversification. Some of the initiatives reflect activity captured from other plans, some represent fundamental economic development activities that a community must commit to for economic growth, and others are intended to be transformative, which will have a more dramatic impact on the future of the City as a whole.

The plan includes performance measures to track progress, and identification of lead and supporting organizations taking responsibility for implementation.

*Table 9 – Economic Diversification Strategy Plan Focus Area and Goals*

Focus Areas	Goals
<b>Community Development</b>	<ul style="list-style-type: none"> <li>• Make investments in community projects and infrastructure that support economic diversification to achieve long term sustainability.</li> <li>• Remove and create policies that won't hinder sustainable economic development.</li> <li>• Implement creative placemaking principles that will shape the physical, social, cultural and economic identity of Sedona.</li> <li>• Look for ways to enhance/expand the educational curriculum and programs, which are in alignment with the economic diversification strategic plan.</li> </ul>
<b>Business Development</b>	<ul style="list-style-type: none"> <li>• Refine business retention and attraction efforts to reflect the framework of the targeted industry findings.</li> <li>• Facilitate economic diversity by taking steps to realize transformative projects.</li> </ul>
<b>Economic Gardening/ Entrepreneurship</b>	<ul style="list-style-type: none"> <li>• Develop an entrepreneurial landscape that fosters the growth of local entrepreneurs, freelancers and home-based business owners.</li> </ul>
<b>Marketing and Branding</b>	<ul style="list-style-type: none"> <li>• Establish a marketing program that builds awareness of Sedona as a business location.</li> </ul>

Following is a summary of the economic diversification plan. An implementation matrix is included as Appendix C. This matrix is designed to direct the work of the City and its partners.

## COMMUNITY DEVELOPMENT

**Goal 1: Make investments in community projects and infrastructure that support economic diversification to achieve long term sustainability.**

### Strategies and Actions

1. Identify and implement capital projects that support commerce and industry.
  - a. Prioritize the installation of key infrastructure within the CIP that supports the implementation of the Economic Diversification Plan, transformative projects and Community Focus Area plans.
  - b. Prioritize parking and transit solutions as delineated in the *Sedona in Motion Transportation Master Plan*.
  - c. Seek out champions and assess legacy funding opportunities for community priority projects.
  - d. Collaborate with the Sedona Airport and support infrastructure projects that will enhance job creation and economic development.
2. Identify community attributes and amenities needed in order to attract younger residents and business owners.
  - a. Conduct a focus group, or series of focus groups, with young business owners and residents to identify their concerns and needs.
  - b. Evaluate other communities who have a large group of young business owners.
3. Preserve the city's commercial and light industrial land inventory.
  - a. Consider the acquisition of key parcels to retain as industrial/commercial land use, i.e. CFA's and Sedona Airport
  - b. Review the City's industrial zoning code and modify to allow work/live land use. Support and facilitate access and expansion of high speed internet connectivity infrastructure in the city.
4. Identify or create policies that will facilitate the development of a diverse affordable housing stock.
  - a. Examine the expenditures of the City's affordable housing program for its effectiveness. Consider changes to align with affordable housing goals.
  - b. Research policy approaches used by other communities to facilitate the development and retention of affordable housing.
  - c. Continue to review zoning and other development guidelines, along with the community focus area plans to identify regulations that impede the development of affordable housing.
  - d. Identify and purchase properties for affordable housing.
  - e. Utilize the findings of the housing market study when completed, and refine the strategies and actions for facilitating affordable housing.
  - f. Partner with private developer and business to include housing in commercial developments.
5. Implement a pedestrian/bicycle circulation plan.
  - a. Evaluate a phased approach for implementation.
  - b. Identify funding sources such as grants and loans.

- c. Employ tactical urbanism and install a small project such as a pop-up bike lane, mini parklets, or crosswalks as a temporary demonstration project (2 to 7 days).
  - i. Identify the best location to increase neighborhood connections to services, and for the demonstration project
  - ii. Determine the surface treatment that will be used, any physical barriers (cylinders, planters, etc.) and temporary signs.
  - iii. Monitor and collect data to refine the approach for future permanent projects.

---

Tactical Urbanism is an approach to neighborhood building that uses short-term, low-cost, and scalable interventions and policies to catalyze long term change.

---

**Goal 2: Review and Create policies that will not hinder sustainable economic development.**

**Strategies and Actions**

- 1. Conduct a thorough review of regulatory policies to ensure consistencies and create opportunities that are in alignment with the Economic Diversification plan. (Cross reference Community Development Goal 1, Strategy 5.c).
  - a. Work with the development community and business owners to understand their concerns.
  - b. Review regulatory policies of other communities that are considered “business friendly.”
  - c. Evaluate how the timeframe from application to approval process can be streamlined, including better internal staff/department coordination.
  - d. Implement on-line permitting and tracking.
- 2. Ensure consistency among community plans and documents (Zoning ordinance, CFA’s, Econ Dev, CIP, etc.)
- 3. Establish a one-on-one liaison to facilitate targeted projects.

**Goal 3: Implement creative placemaking principles that will shape the physical, social, cultural and economic identify of Sedona.**

**Strategies and Actions**

- 1. Implement an applicant design-based approach for planning and development projects.
  - a. Establish a design center to facilitate the process.
  - b. Collect case studies and examples of desirable projects to use as visuals.
  - c. Establish an awards program to promote best projects.
- 2. Implement the placemaking goals and strategies of the Community Focus Areas (CFA) plans.
- 3. Survey residents to gain an understanding of their neighborhood needs, and identify projects that will enhance social cohesion and safer neighborhoods.

---

Places thrive when users have 10+ reasons to be there, such as a place to sit, playgrounds to enjoy, art to touch, music to hear, food to eat, history to experience, and people to meet.

--Project for Public Spaces

---

4. Identify and strengthen public spaces by engaging the public on their vision and desires.
  - a. Consider touring “best practice” places.
  - b. Develop one-page best practice case studies.
5. Utilize the local arts and cultural community to help shape the social, cultural, and economic identity of a project.
6. Encourage creative incremental development (pop up and small scale real estate projects) and gathering places to help strengthen commercial centers and neighborhoods.
7. Engage in partnerships between public and private sector, including the city, businesses, artists, community members to create and maintain thriving public places.
8. Pursue creative financing that could include resident and public-private sector donations, Tribal contributions and other philanthropy.

**Goal 4: Look for ways to enhance/expand the educational curriculum and programs, which are in alignment with the economic diversification strategy plan.**

**Strategies and Actions**

1. Work with Yavapai College to introduce an introductory course on integrative East-West medicine that will familiarize students with integrative healthcare and forms of complementary and alternative medicine. (Cross reference Business Development, Goal 2, Strategy 5.c.).
2. Encourage Valley Academy for Career and Technology (VACTE) and Yavapai College to add vocational entrepreneurship training certificates and curriculum to their programs.
  - a. Consider using existing entrepreneurship curriculum from other organizations such as Ramsey Education<sup>11</sup> which teaches students how to start and run their own business or VentureLab<sup>12</sup> which has curriculum, training and programs to empower kids. Deploy those locally.
3. Explore the creation of a dual enrollment program between Sedona Red Rocks High School and Yavapai College in computer sciences, which includes computer programming, cyber security, data analytics, etc.
4. Help identify the skills/trades that are needed in Sedona to support the targeted industries of this plan.
  - a. Work with Yavapai College Skills Trade Center to introduce the curriculum for those trades.
  - b. Establish apprenticeships and internships geared towards the targeted industries.
5. Work with the Helios Foundation<sup>13</sup> and launch a kids coding camp.

---

<sup>11</sup> Ramsey Education exists to equip educators across the country with the tools and resources they need to teach their students how to successfully manage their money and their lives. Over the last 10 years Ramsey Education has provided curriculum in personal finance and entrepreneurship.

<sup>12</sup>VentureLab is a nonprofit organization that is helping create the next generation of innovators and changemakers through entrepreneurial learning by making world-class entrepreneurship education accessible to kids all around the world.

<sup>13</sup>Helios Foundation is a philanthropic, public charity focused exclusively in Arizona and Florida. The Foundation's community investments are made across three impact areas: Early Childhood Education, the Transition Years and Postsecondary Education Success.

## BUSINESS DEVELOPMENT

**Goal 1: Refine business retention and attraction efforts to reflect the framework of the targeted industry findings.**

### Strategies and Actions

1. Facilitate the retention and growth of existing business.
  - a. Establish a formal business visitation and survey program to identify the needs of existing business.
  - b. Help build the capacity of local business and their employees with programs that could include leadership development, skills training, consultations, and networking.
  - c. Promote the awareness of current workforce training resources, workshops, and programs.
  - d. Collaborate with SBDC, NACET, Local First, and others to leverage their resources and expertise.
  - e. Utilize the findings of the REDC supply chain analysis (Table 8) and focus on import substitution within Sedona’s targeted industries to foster new business startup and expansion.
  - f. Assist businesses with succession planning. Encourage retiring business owners to create an employee buy-out program that will sustain the business operation into the future.
    - i. Conduct research on employee buyout best practices and create a working guide that local businesses could use.
2. Build local wealth by improving the process of buying and selling locally.
  - a. Identify the network of people, business, organizations and agencies that are a part of the value chain (hospitality, healthcare, arts and culture, etc.)
  - b. Develop a supplier database that can be used by business, entrepreneurs, and residents to source products and services locally,
  - c. Work with the local major employers to stage a regional “Doing Business with Local Employers” event.
    - i. Prepare a list of trade associations, relevant conferences/events and trade publications.
    - ii. Include organizations at the event whose function is to provide services that help build the capacity of local business such as SBDC, lenders, Local First, Yavapai College, etc. At the event have them make presentations about their programs and services designed to help local business and entrepreneurs.
3. Recruit new targeted businesses to the area through expanded marketing efforts.
  - a. Utilize the findings of the targeted industry analysis and identify 2-5 industries to attract.
    - i. Create a business case for each one that includes information on the workforce, supply chain, existing sites, etc.
  - b. Consider the tourism industry services supply chain in Sedona and the region as a potential target for business attraction.
  - c. Develop industry intelligence that will aid market understanding and networking.
    - i. Prepare a list of trade associations, relevant conferences/events and trade publications.

- d. Attend 1-2 relevant conferences, trade shows or events annually geared toward industry targets.
- 4. Become a destination for national or regional conferences and workshops on technology and wellness subjects, which will showcase Sedona as a business location to company representatives.
- 5. Place the business license program on line and make it a searchable GIS database.

**Goal 2: Facilitate economic diversity by taking steps to realize transformative projects.**

**Strategies and Actions**

- 1. Support and facilitate access and expansion of internet infrastructure connectivity in the city.
  - a. Collaborate with others in the Verde Valley and the ACA on the initiative.
  - b. Facilitate and reduce the cost of connectivity investments by creating a dig once policy.
  - c. Consider incentivizing broadband and cellular infrastructure through the creation of tax policies and incentives.
  - d. Work closely with APS on their rural *Strategic Fiber Program* as they provide access to their surplus fiber optic capacity, which is expected in 2020.
    - i. Identify and encourage local communication providers to partner with APS in order to enhance broadband capabilities within core commercial and industrial locations.
    - ii. Attempt to create a GIS database showing the location of fiber optic lines in the city.
- 2. Position the Dells Farm as an Agricultural Innovation Park to advance R&D, testing and production of industrial hemp and/or other products into value added commodities.
  - a. Conduct research to identify other markets pursuing this strategy and interview to learn their approach, resources needed, the pros and cons, etc.
  - b. Evaluate growing and soil conditions that are best suited for various crops.
  - c. Work with Community Development to integrate this strategy with a CFA plan.
  - d. Reach out to the University of Arizona Agricultural Extension Service and/or College of Agriculture to gauge their interest in helping to launch the Innovation Park.
- 3. Facilitate the creation of co-working space for entrepreneurs, remote-workers, freelancers, and home based business owners.
  - a. Identify potential location(s) for co-working space.
    - i. Begin discussions with the Sedona School District regarding utilization of their vacant administrative building for co-working space.
  - b. Create a plan that defines the business model and lists the amenities and services that will or could be included (i.e. high-speed internet, access to shared printer/scanner/copier, use of conference room, desk and chair, etc.).

---

High speed broadband network improves the productivity of existing businesses and attracts new businesses. It allows individuals to work from home more effectively, supports advanced healthcare and security systems, strengthens local housing markets, and represents long term social investments in the form of better-connected schools and libraries.

---

- c. Allocate funding on an annual basis and contract with a service provider to manage and market the space.
4. Research and identify the demand for a commercial production kitchen and cold storage facility.
  - a. Conduct outreach to determine what is missing in the market.
  - b. Explore the feasibility of entering into a collaborative agreement with Yavapai College.
  - c. Utilize the City of Sedona's food and beverage initiative for entrepreneurs.
  - d. Explore the adaptive reuse of the Jordan Road building for economic development.
5. Build upon health and wellness. Leverage Sedona's "spiritual healing" image by creating the Sedona Center for East-West Medicine.
  - a. Research other integrative medicine centers in the U.S. for ideas and support (exp. Andrew Weil Center for Integrative Medicine in Tucson operated by Banner).
  - b. Seek philanthropic support for the center.
  - c. Work with Yavapai College to introduce an introductory course on integrative East-West medicine that will familiarize students with integrative healthcare and forms of complementary and alternative medicine.
  - d. Become a destination for workshops, forums, summits, seminars and conferences on topics associated with integrative East-West medicine, such as herbal and botanical medicine, acupuncture and pain management, nutrition, etc.
  - e. Create a working group that includes NAH, Verde Valley Medical Center and other service providers to gain their support and further explore the concept.
6. Collaborate with the property owner of the Sedona Cultural Park to further strategize the development of the parcel.
  - a. Facilitate conceptual land use or concept plans that incorporate a mix of land uses, which could include the targeted industries, arts and entertainment, and health and wellness, and workforce housing.
  - b. Consider developing feasibility studies and/or RFP's to promote economic diversification. Solicit feedback to "ground truth" the concepts.
  - c. Upon completion the aforementioned bulleted items, consider reevaluating the vision and recommendation of the Western Gateway CFA.
7. Create a medical tourism attraction program by leveraging holistic health care.
  - a. Collaborate with the Sedona Chamber of Commerce and Northern Arizona Healthcare (NAH).
  - b. Tour other successful communities to learn about their programs and best practices.



## ECONOMIC GARDENING

**Goal 1: Develop an entrepreneurial landscape that fosters the growth of local entrepreneurs, freelancers and home-based business owners.**

### Strategies and Actions

1. Stimulate entrepreneurial activities and the startup of new business.
  - a. Connect entrepreneurs with established businesses to foster mutually beneficial partnerships.
  - b. Promote the small business lending capabilities of VVREO and other small business funding.
  - c. Utilize SBDC resources for entrepreneurs and connect entrepreneurs to the programs and resources provided by the community, county, its partners and the state.
  - d. Connect entrepreneurs and small business to online mentoring services such as MicroMentor<sup>14</sup> and Springboard Enterprises<sup>15</sup>.
2. Accelerate the work of local organizations and service providers that align with the goals of the economic diversification plan.
3. Collaborate with the Sedona Chamber of Commerce and create a business succession planning guidebook that includes employee buy-out.
4. Evaluate local regulations on home-based businesses, and identify and modify those that may be stifling growth.
5. Utilize the co-working space to further an entrepreneurial culture by staging networking events, educational and business seminars. Partner with the College and NACET to conduct entrepreneurial workshops.
6. Identify and meet with potential venture capitalists living in the City of Sedona to understand their investment objectives, and encourage the creation of a pooled venture capital investment fund.
7. Collaborate with the SBDC to offer training programs and seminars directed at young and startup companies to help facilitate their growth and expertise. Training sessions could include: basic finance, taxes and management, business plan development, website design/analysis, press release writing/dissemination, utilization of social media, and marketing and sales.
8. On a regular basis, gather data and market intelligence to help refine and direct economic gardening activities.
  - a. Begin tracking location neutral business by including questions in the city's bi-annual survey
  - b. Begin tracking location neutral home based business through the on-line portal.

---

<sup>14</sup> MicroMentor is an online search engine which was established to help entrepreneurs find mentors, or mentors find entrepreneurs.

<sup>15</sup> Springboard's mission is to accelerate the growth of entrepreneurial companies led by women through access to essential resources and a global community of experts. It is the leading network of influencers, investors and innovators dedicated to building high-growth companies led by women who are transforming industries in technology and life science.

## MARKETING AND BRANDING

**Goal 1: Establish a marketing program that builds awareness of Sedona as a business location.**

### **Strategies and Actions**

1. Create an economic development marketing plan that lays out a program for branding Sedona as a business destination. This may include:
  - a. Identify and develop messages that reflects Sedona’s unique value proposition for business, dispel negative perceptions, and brand Sedona as a welcoming place to do business.
  - b. Create a social media and digital branding strategy.
  - c. Create a content editorial calendar.
  - d. Prepare a monthly social media marketing calendar.
  - e. List the marketing channels that could be used, such as social and print media.
  - f. Create a marketing budget that supports the plan.
2. Identify the target audience that you want to attract along with their geographic location.
3. Create customized marketing material content geared towards targeted industries, such as one-page profiles.
4. Implement a bi-annual economic development e-newsletter that highlights programs, projects and new business expansions or locates in Sedona.
  - a. Help change the perception of Sedona by promoting local success stories.
5. Enhance the existing economic development website to more effectively reach the targeted audience. Begin monitoring web traffic.
6. Collaborate with regional economic development partners to attract an entrepreneurial minded younger demographic.
7. Work with regional partners and build relationships with real estate brokers, developers, site location consultants and others who influence business location decisions.
8. Attend 1-2 major conferences to promote Sedona as a destination for investment. (Cross reference Business Development, Goal 1, Strategy 3.d).

## Appendix A – Sedona Industry Sector Analysis

Sedona Industry Sector Analysis

NAICS	Description	Sedona			Yavapai County			Industry Assessment				
		Emp Growth	Average Wage	Jobs	Emp Growth	Wages	LQ	Jobs	Industry Growth	Market Strength	Presence in Sedona	Industry Target
		27.4%	\$30,773	1,00	15,925	22.9%	\$38,422	1.00	98,537			
	<b>Agribusiness</b>											
111331-2, 111331-4, 1114, 1125*	Fruit farming	New	\$8,191	0.06	1	3875.2%	\$8,540	1.95	101	Strong	Low	Low
11211, 11213	Greenhouse, nursery, and floriculture production	-41.6%	\$25,859	0.08	2	-41.7%	\$25,861	2.04	142	Strong	Strong	Low
1123	Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	0.0%	\$4,579	0.16	9	11.5%	\$3,254	2.20	355	Moderate	Low	Low
1122, 1124, 1125*, 11	Poultry and egg production	0.0%	\$27,734	0.00	0	-18.0%	\$27,851	1.29	2	Declining	Strong	None
1133	Animal production, except cattle and poultry and eggs	375.8%	\$13,562	0.14	3	443.5%	\$9,949	3.42	128	Very Strong	Low	Low
1142	Commercial logging	0.0%	\$0	0.21	0	0.0%	\$12,198	1.19	11	Flat	Strong	Low
	Commercial hunting and trapping	-100.0%	\$16,437	0.00	0	50.6%	\$120,719	2.65	24	Strong	Strong	None
	<b>Biopharmaceuticals</b>											
325411	Medicinal and botanical manufacturing	0.0%	\$0	0.00	0	235.7%	\$35,942	0.96	11	Very Strong	Average	None
325412	Pharmaceutical preparation manufacturing	84.9%	\$51,240	6.19	10	84.9%	\$51,240	0.21	10	Strong	High	None
325414	Biological product (except diagnostic) manufacturing	0.0%	\$116,193	0.10	2	0.0%	\$116,193	27.22	105	Flat	High	Low
	<b>Business &amp; Financial Services</b>											
5231-2	Securities and commodity contracts intermediation and brokerage	45.5%	\$21,145	0.99	36	50.8%	\$21,145	0.51	229	Strong	Low	Moderate
5239	Other financial investment activities	77.8%	\$7,258	1.17	281	40.6%	\$7,258	1.11	1490	Moderate	Low	Strong
5242	Insurance agencies, brokerages, and related activities	17.7%	\$27,856	1.08	114	29.4%	\$27,330	0.62	652	Moderate	Low	Strong
525	Funds, trusts, and other financial vehicles	-100.0%	\$0	0.00	0	16.3%	\$17,203	1.17	401	Moderate	Low	None
531	Real estate	-2.8%	\$15,489	2.31	2464	17.1%	\$15,441	1.32	6598	Moderate	Low	Very Strong
533	Lessors of nonfinancial intangible assets	94.0%	\$10,808	6.19	136	94.7%	\$10,789	2.00	136	Strong	Low	Strong
5411	Legal services	23.8%	\$36,924	0.43	40	26.0%	\$36,924	0.91	579	Moderate	Average	Moderate
5412	Accounting, tax preparation, bookkeeping, and payroll services	70.5%	\$28,542	0.65	107	45.1%	\$28,542	1.36	107	Moderate	Low	Strong
5413	Architectural, engineering, and related services	45.0%	\$41,666	1.49	147	39.3%	\$41,501	0.75	609	Moderate	Average	Strong
5414	Specialized design services	425.5%	\$19,590	2.26	83	115.2%	\$19,590	1.26	227	Very Strong	Low	Strong
541511	Custom computer programming services	-13.6%	\$46,744	1.20	49	25.5%	\$46,744	0.40	254	Moderate	High	Moderate
541512	Computer systems design services	3495.2%	\$85,458	2.80	108	240.5%	\$85,458	0.55	238	Very Strong	High	Very Strong
54151A	Other computer related services, including facilities management	176.0%	\$61,822	2.48	24	40.8%	\$61,822	0.25	61	Moderate	High	Moderate
54161	Management consulting services	6.9%	\$26,504	1.38	159	58.0%	\$26,504	0.72	713	Strong	Low	Strong
54162-9	Environmental and other technical consulting services	37.8%	\$38,582	1.39	22	46.0%	\$38,582	0.63	98	Moderate	Average	Moderate
5418	Advertising, public relations, and related services	-19.8%	\$20,052	1.72	45	34.5%	\$20,052	0.48	161	Moderate	Low	Moderate
54192	Photographic services	178.7%	\$19,008	2.25	116	169.7%	\$19,008	2.50	318	Very Strong	Low	Strong
54191, 54193, 54199	Marketing, research and all other misc. professional, scientific, and technical services	-15.3%	\$19,286	1.60	214	45.3%	\$19,286	1.10	827	Moderate	Low	Strong
55	Management of companies and enterprises	235.5%	\$29,229	1.35	51	115.7%	\$29,229	0.24	235	Very Strong	Low	Strong
5611	Office administrative services	10.5%	\$29,995	1.29	92	8.0%	\$29,344	0.68	443	Moderate	Low	Strong
5614	Business support services	23.3%	\$21,235	0.88	34	-3.4%	\$21,235	0.19	235	Declining	Low	Moderate
56171-2, 56174-9	Services to buildings	19.2%	\$19,076	1.80	388	14.0%	\$19,076	1.00	1336	Moderate	Low	Very Strong
56173	Landscape and horticultural services	-13.6%	\$23,824	0.48	76	31.7%	\$23,824	1.35	981	Moderate	Low	Strong
562	Waste management and remediation services	-36.6%	\$65,436	0.45	21	12.6%	\$65,436	1.63	291	Moderate	High	Moderate
	<b>Construction</b>											
23*	Health care structures	-26.9%	\$45,159	0.54	14	-35.1%	\$45,139	1.22	155	Declining	High	Low
23*	Manufacturing structures	62.0%	\$44,302	0.54	24	43.8%	\$44,300	1.15	278	Moderate	Average	Moderate
23*	Power and communication structures	33.0%	\$53,539	0.54	48	18.1%	\$53,541	1.43	551	Strong	High	Moderate
23*	Educational and vocational structures	18.9%	\$45,788	0.54	27	5.7%	\$45,755	1.32	313	Moderate	High	Moderate
23*	Highways and streets	-39.3%	\$45,044	0.54	30	-46.1%	\$45,026	1.21	341	Declining	High	Moderate
23*	Commercial structures, including farm structures	122.4%	\$43,684	0.54	57	97.4%	\$43,678	1.17	652	Strong	Average	Strong
23*	Other nonresidential structures	25.9%	\$44,574	0.54	100	11.9%	\$44,562	1.23	1144	Moderate	Average	Strong
23*	Single-family residential structures	55.8%	\$40,608	0.50	79	57.9%	\$40,608	1.23	980	Strong	Average	Strong
23*	Multifamily residential structures	207.1%	\$45,341	0.50	17	211.3%	\$45,341	1.24	215	Very Strong	High	Moderate
23*	Other residential structures	40.9%	\$49,947	0.50	62	42.9%	\$49,947	1.74	768	Moderate	High	Strong
23*	Nonresidential maintenance and repair	14.3%	\$45,577	0.54	74	1.5%	\$45,552	1.25	341	Weak	High	Strong
23*	Residential maintenance and repair	349.8%	\$45,260	0.50	27	356.0%	\$45,260	1.23	341	Very Strong	High	Moderate
23*	Maintenance and repair of highways, streets, bridges, and tunnels	89.6%	\$45,577	0.54	26	68.4%	\$45,552	1.25	302	Strong	High	Moderate

Sedona Industry Sector Analysis

	Sedona				Yavapai County				Industry Assessment				
	Emp Growth	Average Wage	LQ	Jobs	Emp Growth	Wages	LQ	Jobs	Industry Growth	Wages	Market Strength	Presence in Sedona	Industry Target
<b>Education and Knowledge Creation</b>													
5417	10.6%	\$63,180	2.53	237	23.2%	\$63,180	0.84	581	Moderate	High	Weak	Strong	✓
6111	11.5%	\$31,940	0.63	102	6.8%	\$31,940	1.42	1006	Moderate	Low	Strong	Strong	
6112-3	0.0%	\$0	0.00	0	21.1%	\$63,637	2.14	961	Moderate	High	Strong	None	
	-9.0%	\$53,807	0.50	298	-7.7%	\$53,807	0.98	3704	Declining	High	Weak	Strong	
<b>Energy</b>													
211111	-95.1%	\$7,136	0.21	11	43.7%	\$7,140	3.41	321	Moderate	Low	Very Strong	Low	
213111	-100.0%	\$5,968	0.00	0	43.7%	\$7,107	1.28	39	Moderate	Low	Strong	None	
213112	0.0%	\$0	0.00	0	-5.1%	\$23,540	2.95	29	Declining	Low	Strong	None	
2212	0.0%	\$0	0.00	0	New	\$91,929	0.94	28	New	High	Weak	None	
<b>Healthcare</b>													
54194	7.5%	\$40,158	0.48	29	28.9%	\$40,158	1.86	382	Moderate	Average	Strong	Moderate	
6211	40.4%	\$73,855	0.54	117	9.5%	\$73,855	0.79	1348	Moderate	High	Weak	Strong	
6212	5.2%	\$53,626	0.72	77	19.7%	\$53,839	1.19	664	Moderate	High	Strong	Strong	
6213	2.8%	\$38,017	0.63	102	39.6%	\$38,017	1.43	1010	Moderate	Average	Strong	Strong	✓
6214	-14.0%	\$55,341	0.13	20	72.2%	\$55,341	1.39	954	Strong	High	Strong	Moderate	
6215	-11.8%	\$46,658	0.39	25	176.0%	\$46,658	1.73	402	Very Strong	High	Strong	Moderate	✓
6216	18.3%	\$36,398	0.41	49	42.8%	\$36,398	0.94	728	Moderate	Average	Weak	Moderate	
6219	0.0%	\$0	0.00	0	2.2%	\$45,792	1.02	331	Weak	High	Strong	None	
622	0.0%	\$0	0.00	0	14.4%	\$83,289	0.75	1924	Moderate	Average	Weak	None	
6231, 6233	311.3%	\$39,466	1.21	399	7.6%	\$39,466	1.89	2043	Moderate	Average	Strong	Very Strong	✓
6232, 6239	951.9%	\$40,552	0.31	29	172.3%	\$40,552	1.22	575	Very Strong	Average	Strong	Moderate	
<b>Hospitality &amp; Tourism</b>													
487, 488	27.4%	\$35,321	3.27	160	-24.8%	\$35,321	0.76	302	Declining	Average	Weak	Strong	
5615	150.4%	\$39,652	4.29	262	230.8%	\$39,652	1.39	364	Very Strong	Average	Strong	Strong	
712	-2.8%	\$32,636	1.48	24	12.1%	\$29,939	1.30	99	Moderate	Low	Strong	Moderate	
7132	-37.2%	\$21,020	0.03	2	41.8%	\$17,566	1.57	386	Moderate	Low	Strong	Low	
71391-3, 71399	62.2%	\$18,233	1.43	97	-1.4%	\$18,233	1.20	420	Declining	Low	Strong	Strong	
71394	-56.5%	\$10,778	0.43	23	6.9%	\$10,778	0.96	327	Moderate	Low	Weak	Moderate	
71395	New	\$22,773	0.29	2	20.3%	\$22,773	1.36	43	Moderate	Low	Strong	Low	
<b>Hospitality &amp; Tourism (Continued)</b>													
72111-2	72.1%	\$22,683	3.79	847	45.1%	\$22,683	1.62	1383	Moderate	Low	Strong	Very Strong	
72119, 7212-3	83.7%	\$9	2.91	139	28.9%	\$9	4.66	295	Moderate	Low	Very Strong	Strong	
722511	49.8%	\$28,062	1.81	1276	30.6%	\$28,062	1.53	4362	Moderate	Low	Strong	Very Strong	
7223-4, 722514-5	128.9%	\$34,360	0.50	140	44.1%	\$34,246	1.25	1720	Moderate	Low	Strong	Strong	
<b>Information Technology</b>													
5112	678.5%	\$12,137	3.10	8	120.1%	\$12,159	0.12	17	Very Strong	Low	Weak	Low	✓
<b>Local Retail</b>													
441	-34.9%	\$46,891	0.05	8	19.3%	\$46,891	1.03	917	Moderate	High	Strong	Low	
442	32.3%	\$48,528	1.33	60	15.8%	\$48,528	0.88	280	Moderate	High	Weak	Strong	
443	-37.5%	\$39,295	0.54	24	-19.2%	\$39,295	0.76	270	Declining	Average	Weak	Moderate	
444	-4.0%	\$31,631	0.26	47	10.6%	\$31,631	1.57	1130	Moderate	Low	Strong	Moderate	
445	45.4%	\$34,347	1.40	436	9.8%	\$34,347	1.31	1919	Moderate	Low	Strong	Very Strong	
446	135.6%	\$30,183	0.87	99	17.6%	\$30,183	1.05	698	Moderate	Low	Strong	Strong	
447	20.9%	\$26,691	0.57	52	8.5%	\$26,691	1.14	565	Moderate	Low	Strong	Strong	
448	-25.8%	\$17,970	2.24	225	-3.0%	\$17,970	0.85	622	Declining	Low	Weak	Strong	
451	31.7%	\$24,093	0.70	46	32.6%	\$24,093	1.03	405	Moderate	Low	Strong	Moderate	
452	-5.2%	\$30,971	0.09	31	10.0%	\$30,971	1.28	2165	Moderate	Low	Strong	Moderate	
453	23.2%	\$20,374	2.38	521	21.4%	\$20,038	1.45	1353	Moderate	Low	Strong	Very Strong	
454	13.0%	\$8,502	0.78	224	45.7%	\$7,976	1.26	1774	Moderate	Low	Strong	Strong	

Sedona Industry Sector Analysis

	Sedona				Yavapai County				Industry Assessment				
	Emp Growth	Average Wage	LQ	Jobs	Emp Growth	Wages	LQ	Jobs	Industry Growth	Wages	Market Strength	Presence in Sedona	Industry Target
<b>Manufacturing - Aircraft</b>													
336413	0.0%	\$0	0.00	0	0.0%	\$70,025	1.44	169	Flat	High	Strong	None	
<b>Manufacturing - Automotive &amp; Motor Homes</b>													
33635	0.0%	\$0	0.00	0	20.9%	\$49,858	4.99	16	Moderate	High	Very Strong	None	
336214	0.0%	\$0	0.00	0	-32.1%	\$35,081	3.73	14	Declining	Average	Very Strong	None	
<b>Manufacturing - Chemical Products</b>													
32551	0.0%	\$0	0.10	0	1609.4%	\$44,841	2.89	23	Very Strong	Average	Strong	Low	
<b>Manufacturing - Communications &amp; Recording</b>													
33429	0.0%	\$0	0.00	0	493.3%	\$76,423	3.88	23	Very Strong	High	Very Strong	None	
3343	0.0%	\$0	0.10	0	0.0%	\$41,159	0.92	21	Flat	Average	Weak	Low	
334614	0.0%	\$0	0.00	0	0.0%	\$50,525	0.99	3	Flat	High	Weak	None	
<b>Manufacturing - Construction Materials and Components</b>													
32731	0.0%	\$0	0.00	0	206.6%	\$91,302	7.75	85	Very Strong	High	Very Strong	None	
32732	0.0%	\$0	0.00	0	85.4%	\$65,994	1.30	91	Strong	High	Strong	None	
327331	80.9%	\$77,664	0.10	1	204.2%	\$77,664	3.33	73	Very Strong	High	Very Strong	Low	
32742	New	\$66	6.19	4	-70.3%	\$66	1.04	4	Declining	Low	Strong	Low	
327991	0.0%	\$0	0.00	0	22.1%	\$37,246	4.15	91	Moderate	Average	Very Strong	None	
332322	0.0%	\$0	0.00	0	188.6%	\$39,543	1.10	79	Very Strong	Average	Strong	None	
<b>Manufacturing - Electrical Equipment &amp; Components</b>													
335314	0.0%	\$0	0.00	0	231.3%	\$31,771	3.63	22	Very Strong	Low	Very Strong	None	
335999	0.0%	\$92,484	0.10	1	81.8%	\$92,484	1.75	64	Strong	High	Strong	Low	
<b>Manufacturing - Food Processing</b>													
311352	New	\$20,696	4.17	3	0.0%	\$20,696	1.99	5	Flat	Low	Strong	Low	✓
311811-2	176.1%	\$34,104	4.56	92	-7.6%	\$34,104	0.59	124	Declining	Low	Weak	Strong	✓
311813	0.0%	\$33,448	0.00	0	9.9%	\$33,448	1.30	8	Moderate	Low	Strong	None	
311942	0.0%	\$0	0.00	0	1675.7%	\$22,423	17.70	16	Very Strong	Low	Very Strong	None	
31212	-100.0%	\$0	0.00	0	-63.2%	\$7,536	0.60	9	Declining	Low	Weak	None	✓
31213	66.2%	\$42,642	0.19	4	208.1%	\$42,642	14.98	137	Very Strong	Average	Very Strong	Low	✓
<b>Manufacturing - Foundries &amp; Forging</b>													
33152	-100.0%	\$0	0.00	0	151.9%	\$50,856	14.80	280	Very Strong	High	Very Strong	None	
332111	0.0%	\$0	0.10	0	New	\$5,444	11.08	4	New	Low	Very Strong	Low	
<b>Manufacturing - Glass and Ceramics</b>													
327110	0.0%	\$0	0.00	0	39.6%	\$4,122	5.09	23	Moderate	Low	Very Strong	None	
327215	-100.0%	\$0	0.00	0	-30.4%	\$9,519	1.02	20	Declining	Low	Strong	None	
<b>Manufacturing - Industrial Machinery</b>													
333242	New	\$72,886	0.10	1	New	\$72,886	1.98	44	New	High	Strong	Low	
33271	New	\$38,006	0.07	3	0.9%	\$38,006	2.42	299	Weak	Average	Strong	Low	
333111	-73.6%	\$0	0.10	0	-55.7%	\$30,207	7.24	13	Declining	Low	Very Strong	Low	
333318	0.0%	\$0	0.00	0	281.9%	\$45,097	5.28	83	Very Strong	High	Very Strong	None	
333612	0.0%	\$0	0.00	0	41.8%	\$64,800	25.17	19	Moderate	High	Very Strong	None	
333922	-100.0%	\$0	0.00	0	124.4%	\$35,278	31.62	62	Very Strong	Average	Very Strong	None	
<b>Manufacturing - Instrument</b>													
334511	0.0%	\$0	0.00	0	-34.3%	\$91,250	0.91	132	Declining	High	Weak	None	
334512	0.0%	\$0	0.10	0	0.0%	\$61,628	1.06	18	Flat	High	Strong	Low	
334513	0.0%	\$0	0.00	0	New	\$53,498	0.50	8	New	High	Strong	None	
334519	0.0%	\$41,840	6.19	13	518.7%	\$41,840	1.61	13	Very Strong	Average	Strong	Low	✓
<b>Manufacturing - Jewelry and Precious Metals Products</b>													
33991	200.4%	\$25,959	1.41	13	154.2%	\$25,959	4.94	59	Very Strong	Low	Very Strong	Low	✓
<b>Manufacturing - Air Handling Equipment</b>													
333415	New	\$30,468	0.10	1	New	\$30,468	1.40	34	Very Strong	Low	Strong	Low	

Sedona Industry Sector Analysis

	Sedona				Yavapai County				Industry Assessment				
	Emp Growth	Average Wage	LQ	Jobs	Emp Growth	Wages	LQ	Jobs	Industry Growth	Wages	Market Strength	Presence in Sedona	Industry Target
<b>Manufacturing - Medical Instruments, Equipment and Supplies</b>													
334510	-100.0%	\$0	0.00	0	-29.1%	\$58,778	1.10	14	Declining	High	Strong	None	
339112	165.4%	\$12,878	6.19	5	165.4%	\$12,878	0.68	5	Very Strong	Low	Weak	Low	✓
339114	0.0%	\$0	0.00	0	New	\$26,223	6.68	4	Weak	Low	Very Strong	None	
<b>Manufacturing - Metal Products, Processing &amp; Metalworking</b>													
32791	New	\$78,356	0.10	1	0.0%	\$78,356	19.55	33	Flat	High	Very Strong	Low	
331315	0.0%	\$0	0.00	0	489.0%	\$68,990	25.96	124	Very Strong	High	Very Strong	None	
331318	-100.0%	\$0	0.00	0	9.1%	\$58,087	6.38	103	Moderate	High	Very Strong	None	
332316	0.0%	\$0	0.00	0	-100.0%	\$0	0.00	0	Declining	Low	Weak	None	
332311	-83.9%	\$0	0.10	0	-73.0%	\$60,028	1.53	21	Declining	High	Strong	Low	
332321	0.0%	\$0	0.00	0	-92.5%	\$8,795	0.18	10	Declining	Low	Weak	None	
332323	0.0%	\$0	0.00	0	101.4%	\$18,292	1.47	44	Very Strong	Low	Strong	None	
33242	0.0%	\$0	0.00	0	46.6%	\$15,515	2.27	6	Moderate	Low	Strong	None	
3325	0.0%	\$0	0.00	0	67.0%	\$18,162	3.71	8	Strong	Low	Very Strong	None	
332813	0.0%	\$0	0.00	0	142.5%	\$28,563	1.29	22	Very Strong	Low	Strong	None	
332999	New	\$15,422	2.06	2	0.0%	\$15,422	0.40	7	Flat	Low	Weak	None	
333511	0.0%	\$0	0.00	0	21.4%	\$21,891	2.07	21	Moderate	Low	Strong	None	
<b>Manufacturing - Misc. Manufacturing</b>													
33995	0.0%	\$0	0.00	0	183.6%	\$37,710	1.39	95	Very Strong	Average	Strong	None	
339992	76.8%	\$36,681	0.10	1	197.3%	\$36,681	10.70	37	Very Strong	Average	Very Strong	Low	
339999	0.0%	\$0	0.00	0	-4.9%	\$24,436	3.31	125	Declining	Low	Very Strong	None	
<b>Manufacturing - Motorcycles and Bicycles</b>													
336991	0.0%	\$0	0.00	0	20.8%	\$48,287	3.73	15	Moderate	High	Very Strong	None	
<b>Manufacturing - Paper and Packaging</b>													
32222	0.0%	\$0	0.00	0	-61.5%	\$146,264	1.50	22	Declining	High	Strong	None	
<b>Manufacturing - Plastics Products, Materials &amp; Resins</b>													
326130	-100.0%	\$0	0.00	0	-91.8%	\$53,383	3.72	11	Declining	High	Very Strong	None	
326160	0.0%	\$0	0.00	0	425.7%	\$47,303	3.18	32	Very Strong	High	Very Strong	None	
326190	0.0%	\$0	0.00	0	454.8%	\$52,246	4.56	343	Very Strong	High	Very Strong	None	
<b>Manufacturing - Rubber Products</b>													
326220	New	\$46,069	0.10	1	365.7%	\$46,069	23.55	67	Very Strong	High	Very Strong	Low	
<b>Manufacturing - Small Arms and Ammunition</b>													
332994	0.0%	\$0	0.00	0	53.6%	\$71,615	6.64	249	Strong	High	Very Strong	None	
<b>Manufacturing - Sporting Goods, Games &amp; Toys</b>													
33992	0.0%	\$0	0.00	0	-9.0%	\$49,365	1.30	56	Declining	High	Strong	None	
<b>Manufacturing - Textile Manufacturing</b>													
31321	0.0%	\$0	0.10	0	New	\$16	2.76	3	New	Low	Strong	Low	
314999	-76.8%	\$0	6.19	11	-76.8%	\$21	0.95	11	Declining	Low	Weak	Low	
31521	0.0%	\$0	0.10	0	0.0%	\$367	1.98	30	Flat	Low	Strong	Low	
3169	0.0%	\$0	0.00	0	89.7%	\$12,807	4.90	57	Strong	Low	Very Strong	None	
<b>Manufacturing - Wood Products</b>													
321113	211.8%	\$40,925	0.10	0	424.3%	\$40,925	4.53	23	Very Strong	Average	Very Strong	Low	
321918	0.0%	\$0	0.00	0	428.4%	\$54,069	1.43	13	Very Strong	High	Strong	None	
321999	0.0%	\$0	0.00	0	273.6%	\$51,866	4.72	50	Very Strong	High	Very Strong	None	
33711	-100.0%	\$0	0.00	0	80.7%	\$44,161	3.09	223	Strong	Average	Very Strong	None	
337215	0.0%	\$0	0.00	0	-11.1%	\$32,794	1.97	16	Declining	Low	Strong	None	

Sedona Industry Sector Analysis

	Sedona			Yavapai County			Industry Assessment				
	Emp Growth	Average Wage	Jobs	Emp Growth	Wages	LQ	Industry Growth	Wages	Market Strength	Presence in Sedona	Industry Target
<b>Mining</b>											
212221 Gold ores	0.0%	\$0	0	-44.5%	\$222,157	3.74	Declining	High	Very Strong	None	
212231 Lead and zinc ores	New \$108,593	0.21	17	New \$108,593	3.68	3.67	Very Strong	High	Very Strong	Moderate	
212234 Copper ores	0.0%	\$0	0	-46.3%	\$108,559	3.67	Declining	High	Very Strong	None	
21231 Stone mining and quarrying	0.0%	\$0	0	-2.2%	\$35,302	5.26	Declining	Average	Very Strong	None	
21231-4 Sand and gravel	0.0%	\$0	0	266.3%	\$35,746	2.42	Very Strong	Average	Strong	None	
212393 Other chemical, fertilizer mineral mining	-56.6%	\$74,792	0	-56.6%	\$74,792	2.63	Declining	High	Strong	Low	
213114 Metal mining services	200.0%	\$25,150	3	197.6%	\$25,150	2.37	Very Strong	Low	Strong	Low	
<b>Performing Arts</b>											
7111 Performing arts companies	-7.1%	\$7,868	54	33.0%	\$7,868	0.98	Moderate	Low	Weak	Strong	
71121 Racing and Track Operation	0.0%	\$0	0	-93.2%	\$65,778	0.02	Declining	High	Weak	Low	
7113-4 Promoters of performing arts and sports and agents for public figures	198.6%	\$13,259	30	15.2%	\$10,686	1.00	Moderate	Low	Strong	Moderate	
7115 Independent artists, writers, and performers	97.7%	\$4,880	509	99.8%	\$4,880	2.98	1613	Low	Strong	Very Strong	
<b>Personal Services</b>											
5321 Automotive equipment rental and leasing	-18.9%	\$77,053	9	-29.8%	\$77,053	0.17	Declining	High	Weak	Low	
53221-2, 53229, 532 General and consumer goods rental except video tapes and discs	27.7%	\$79,532	168	2.7%	\$79,532	1.12	Weak	High	Strong	Moderate	
53223 Video tape and disc rental	0.0%	\$0	0	-21.3%	\$109,544	1.51	Declining	High	Strong	None	
6242-3 Community food, housing, and other relief services, including rehabilitation services	715.4%	\$30,829	29	1.3%	\$30,829	1.65	Weak	Low	Strong	Moderate	
6244 Child day care services	16.4%	\$15,578	9	11.7%	\$15,578	1.06	Moderate	Low	Strong	Low	
81111-2, 811191, 811 Automotive repair and maintenance, except car washes	-9.7%	\$50,234	049	16.4%	\$50,103	1.49	Moderate	High	Strong	Strong	
8112 Electronic and precision equipment repair and maintenance	0.0%	\$0	0	32.6%	\$47,011	0.94	Moderate	High	Weak	None	
8113 Commercial and industrial machinery and equipment repair and maintenance	0.0%	\$0	0	-1.2%	\$51,354	0.50	Declining	High	Weak	None	
8114 Personal and household goods repair and maintenance	126.8%	\$48,883	078	50.0%	\$48,883	1.29	Moderate	High	Strong	Strong	
8121 Personal care services	135.8%	\$23,415	187	67.2%	\$23,415	0.92	Strong	Low	Weak	Strong	
8122 Death care services	-37.3%	\$36,633	020	-23.4%	\$36,633	0.90	Declining	Average	Weak	Low	
8129 Other personal services	81.3%	\$22,554	177	56.4%	\$22,554	0.14	Strong	Low	Strong	Very Strong	
8131 Religious organizations	3.6%	\$45,657	185	-31.9%	\$51,427	0.14	Declining	High	Weak	Moderate	
8132-3 Grantmaking, giving, and social advocacy organizations	191.6%	\$30,249	114	65.2%	\$28,648	0.84	Strong	Low	Weak	Moderate	
81391-2 Business and professional associations	-2.9%	\$40,484	333	-9.0%	\$40,484	1.39	Declining	Average	Strong	Strong	
8134, 81393-9 Labor and civic organizations	-35.6%	\$16,514	212	-8.9%	\$16,100	0.90	Declining	Low	Weak	Strong	
<b>Printing and Publishing</b>											
32311 Printing	-92.2%	\$42,170	006	-0.1%	\$42,170	1.10	Declining	Average	Strong	Low	
51111 Newspaper publishers	-12.3%	\$30,787	089	-29.1%	\$30,787	2.10	Declining	Low	Strong	Moderate	
51112 Periodical publishers	1.6%	\$26,356	181	31.5%	\$26,356	2.27	85	Moderate	Low	Moderate	
51113 Book publishers	4.9%	\$36,634	108	44.1%	\$36,877	1.51	24	Moderate	Average	Low	
51114, 511199 Directory, mailing list, and other publishers	0.0%	\$0	0	-47.5%	\$34,790	2.25	Declining	Low	Strong	None	
51911-2, 51919 News syndicates, libraries, archives and all other information services	172.0%	\$41,988	619	172.0%	\$41,988	3.12	61	Very Strong	Average	Strong	
51913 Internet publishing and broadcasting and web search portals	0.0%	\$22,442	309	107.6%	\$22,442	0.34	24	Very Strong	Low	Low	
<b>Video Production, Communications, Broadcasting &amp; Recording</b>											
5121 Motion picture and video industries	33.6%	\$15,475	146	53.5%	\$15,475	0.67	127	Strong	Weak	Moderate	✓
5122 Sound recording industries	219.4%	\$8,519	413	139.3%	\$8,509	2.42	27	Very Strong	Low	Moderate	✓
5151 Radio and television broadcasting	-36.3%	\$205,085	040	-11.1%	\$205,085	1.08	114	Declining	High	Low	
5152 Cable and other subscription programming	91.1%	\$175,846	619	91.1%	\$175,846	0.50	12	Strong	High	Low	
<b>Wholesale trade</b>											
42 Wholesale trade	73.9%	\$50,128	043	33.8%	\$49,713	0.98	2992	Moderate	High	Strong	

Industry Assessment Scale

**Industry Growth**  
 <0.1% Declining  
 0 = Flat  
 0.1% - 5% Weak  
 6% - 50% Moderate  
 51% - 100% Strong  
 >100% Very Strong

**Wages**  
 <\$35,000 Low  
 \$35,000-\$44,999 Average  
 >\$45,000 High

**Market Strength**  
 <1.00 Weak  
 1.00 - 2.99 Strong  
 >3.0 Very Strong

**Presence in Sedona**  
 0 = None  
 1-16 Low  
 17-50 Moderate  
 51-300 Strong  
 >300 Very Strong



## Appendix B – Top 10 Occupations by Industry Cluster

## Top 10 Occupations by Industry Cluster

### **BIOPHARMACEUTICALS**

#### **Pharmaceutical and Medicine Manufacturing**

Packaging and Filling Machine Operators and Tenders  
Chemists  
Inspectors, Testers, Sorters, Samplers, and Weighers  
Mixing and Blending Machine Setters, Operators, and Tenders  
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products  
Chemical Equipment Operators and Tenders  
First-Line Supervisors of Production and Operating Workers  
Medical Scientists, Except Epidemiologists  
Industrial Engineers  
Chemical Technicians

### **PROFESSIONAL SERVICES/INFORMATION TECHNOLOGY**

#### **Professional, Scientific, and Technical Services**

Accountants and Auditors  
Lawyers  
Software Developers, Applications  
Office Clerks, General  
Management Analysts  
General and Operations Managers  
Paralegals and Legal Assistants  
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive  
Computer Systems Analysts  
Bookkeeping, Accounting, and Auditing Clerks

#### **Info Technology**

Software Developers, Applications  
Telecommunications Equipment Installers and Repairers, Except Line Installers  
Customer Service Representatives  
Sales Representatives, Services, All Other  
Producers and Directors  
Computer User Support Specialists  
Telecommunications Line Installers and Repairers  
Advertising Sales Agents  
Editors  
General and Operations Managers

## Top 10 Occupations by Industry Cluster

### HEALTHCARE

#### Medical & Diagnostic Labs

Clinical Laboratory Technologists and Technicians  
Phlebotomists  
Radiologic Technologists  
Customer Service Representatives  
Couriers and Messengers  
Magnetic Resonance Imaging Technologists  
Diagnostic Medical Sonographers  
Medical Secretaries  
Receptionists and Information Clerks  
Billing and Posting Clerks

#### Continuing Care Retirement Communities and Assisted Living Facilities

Personal Care Aides  
Nursing Assistants  
Home Health Aides  
Food Servers, Nonrestaurant  
Licensed Practical and Licensed Vocational Nurses  
Maids and Housekeeping Cleaners  
Cooks, Institution and Cafeteria  
Registered Nurses  
Recreation Workers  
Maintenance and Repair Workers, General

#### Nursing Care Facilities

Nursing Assistants  
Licensed Practical and Licensed Vocational Nurses  
Registered Nurses  
Maids and Housekeeping Cleaners  
Food Servers, Nonrestaurant  
Cooks, Institution and Cafeteria  
Recreation Workers  
Personal Care Aides  
Medical and Health Services Managers  
Maintenance and Repair Workers, General

#### Offices of Other Health Practitioners

Physical Therapists  
Receptionists and Information Clerks  
Medical Assistants  
Medical Secretaries  
Physical Therapist Assistants  
Office Clerks, General  
Speech-Language Pathologists  
Occupational Therapists  
Massage Therapists  
Chiropractors

## Top 10 Occupations by Industry Cluster

### **FOOD AND BEVERAGE PRODUCTS**

#### **Sugar and Confectionery Product Manufacturing**

Food Batchmakers  
Packaging and Filling Machine Operators and Tenders  
Packers and Packagers, Hand  
Retail Salespersons  
Laborers and Freight, Stock, and Material Movers, Hand  
First-Line Supervisors of Production and Operating Workers  
Industrial Machinery Mechanics  
Food Cooking Machine Operators and Tenders  
Maintenance and Repair Workers, General  
Helpers--Production Workers

#### **Bakeries and Tortilla Manufacturing**

Bakers  
Food Batchmakers  
Packaging and Filling Machine Operators and Tenders  
Packers and Packagers, Hand  
Cashiers  
Retail Salespersons  
Helpers--Production Workers  
First-Line Supervisors of Production and Operating Workers  
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop  
Janitors and Cleaners, Except Maids and Housekeeping Cleaners

#### **Beverage Manufacturing**

Packaging and Filling Machine Operators and Tenders  
Separating, Filtering, Clarifying, Precipitating, and Still Machine Setters, Operators, and Tenders  
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products  
Bartenders  
Demonstrators and Product Promoters  
Retail Salespersons  
Waiters and Waitresses  
Laborers and Freight, Stock, and Material Movers, Hand  
Industrial Truck and Tractor Operators  
Driver/Sales Workers

### **OTHER SMALL SCALE FABRICATION (MANUFACTURING)**

Assemblers and Fabricators, All Other, Including Team Assemblers  
First-Line Supervisors of Production and Operating Workers  
Inspectors, Testers, Sorters, Samplers, and Weighers  
Laborers and Freight, Stock, and Material Movers, Hand  
Machinists  
Packaging and Filling Machine Operators and Tenders  
Welders, Cutters, Solderers, and Brazers  
Electrical, Electronic, and Electromechanical Assemblers, Except Coil Winders, Tapers, and Finishers  
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products  
General and Operations Managers

## Top 10 Occupations by Industry Cluster

### **VIDEO PRODUCTION & RECORDING**

#### **Motion Picture and Video Industries**

Ushers, Lobby Attendants, and Ticket Takers  
Producers and Directors  
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop  
Actors  
Film and Video Editors  
Cashiers  
Audio and Video Equipment Technicians  
Office Clerks, General  
Laborers and Freight, Stock, and Material Movers, Hand  
General and Operations Managers

#### **Sound Recording Industries**

Sound Engineering Technicians  
Producers and Directors  
Audio and Video Equipment Technicians  
General and Operations Managers  
Office Clerks, General  
Market Research Analysts and Marketing Specialists  
Sales Representatives, Services, All Other  
Agents and Business Managers of Artists, Performers, and Athletes  
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive  
Bookkeeping, Accounting, and Auditing Clerks

## Appendix C – Sedona Economic Diversification Strategy Plan Matrix

## CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN

### COMMUNITY DEVELOPMENT

Goal 1: Make investments in community projects and infrastructure that support economic diversification to achieve long term sustainability.						
Strategies and Actions						
Strategies and Actions	Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric	
1. Identify and implement capital projects that support commerce and industry.						
a. Prioritize the installation of key infrastructure within the CIP that supports the implementation of the Economic Diversification Plan, transformative projects and Community Focus Area plans.	Lead: ED Support: PW and CD	x	x		Completed projects that facilitate economic diversification	
b. Prioritize parking and transit solutions as delineated in the <i>Sedona in Motion Transportation Master Plan</i> .	Lead: CD and PW Support: Chamber	x			10-year implementation plan	
c. Seek out champions and assess legacy funding opportunities for community priority projects.	Lead: ED Support: AZ Community Foundation			x	Identification of champions and projects with a shared vision	
d. Collaborate with the Sedona Airport and support infrastructure projects that will enhance job creation and economic development.	Lead: ED Support: Sedona Airport and Yavapai County	x			Completed projects that facilitate economic diversification	
2. Identify community attributes and amenities needed to attract younger residents and business owners.	Lead: XYZ Support: ED, Chamber, Verde Valley School, Local First				Identified projects and strategies and have a shared marketing approach; Number of hosted groups. Identified projects and strategies	
a. Conduct a focus group, or series of focus groups, with young business owners and residents to identify their concerns and needs.		x	x			
b. Evaluate other communities who have a large group of young business owners.						

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>COMMUNITY DEVELOPMENT (Continued)</b>					
	<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
<b>Strategies and Actions</b>					
3. Preserve the city's commercial and light industrial land inventory. a. Consider the acquisition of key parcels to retain as industrial/commercial land use, i.e. CFA's and Sedona Airport. b. Review the City's industrial zoning code and modify to allow work/live land use.	Lead: CD Support: ED	x	x		Number of industrial/commercial acres
4. Identify or create policies that will facilitate the development of a diverse housing stock, including affordable housing.	Lead: CD	x	x		Policies are in place.
a. Examine the expenditures of the City's affordable housing program for its effectiveness. Consider changes to align with affordable housing goals.	Lead: CD Support: Housing committee, ED	x	x		Data is being tracked and studied.
b. Research policy approaches used by other communities to facilitate the development and retention of affordable housing.	Lead: CD Support: Housing committee, ED	x	x		Policy approaches are researched and considered.
c. Continue to review zoning and other development guidelines, along with the community focus area plans to identify regulations that impede the development of affordable housing.	Lead: CD Support: Housing committee, ED	x			Regulations are reviewed, and a process has begun to make changes if necessary.
d. Identify and purchase properties for affordable housing.	Lead: CD Support: Housing committee		x		Properties are identified and researched for this purpose.
e. Utilize the findings of the housing market study when completed, and refine the strategies and actions for facilitating affordable housing. f. Partner with private developer and business to include housing in commercial developments.	Lead: CD Support: Housing committee		x		Solutions are planned and/or implemented



**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>COMMUNITY DEVELOPMENT (Continued)</b>					
<b>Strategies and Actions</b>	<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
5. Implement a pedestrian/bicycle circulation plan	Lead: PW Support: CD		x		Plan is implemented
a. Evaluate a phased approach for implementation.	Lead: PW Support: CD		x		Phased approach is evaluated.
b. Identify funding sources such as grants and loans.	Lead: ED Support: City Clerk		x		Funding opportunities are researched.
c. Employ tactical urbanism and install a small project such as a pop-up bike lane, mini parklets, or crosswalks as a temporary demonstration project (2 to 7 days).	Lead: CD and PW				Complete demonstration project; locations identified; needs are identified
i. Identify the best location to increase neighborhood connections to services, and for the demonstration project.			x		
ii. Determine the surface treatment that will be used, any physical barriers (cylinders, planters, etc.) and temporary signs.					
iii. Monitor and collect data to refine the approach for future permanent projects	PW				Data is collected and monitored
<b>Goal 2: Review and create policies that will not hinder sustainable economic development.</b>					
1. Conduct a thorough review of regulatory policies to ensure consistency and create opportunities in alignment with the Economic Diversification plan. (Cross reference Community Development Goal 1, Strategy 5.c).	Lead: CD Support: ED		x		Completion of the review New projects
a. Work with the development community and business owners to understand their concerns.	Lead: CD, ED	x			Routinely engaged in such conversations.
b. Review regulatory policies of other communities that are considered "business friendly."	Lead: CD, ED	x			Annually review policies for this purpose.

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>COMMUNITY DEVELOPMENT (Continued)</b>					
<u>Strategies and Actions</u>	Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric
<ul style="list-style-type: none"> <li>c. Evaluate how the timeframe from application to approval process can be streamlined, including better internal staff/department coordination.</li> <li>d. Implement on-line permitting and tracking.</li> </ul>	Lead: CD Support: ED, ASQ	x	x		Timeframe is streamlined for efficiency and better coordination  Permitting is online
2. Ensure consistency among community plans and documents (Zoning ordinance, CFA's, Econ Dev, CIP, etc.)	Lead: CD Support: ED		x		Completion of the review New projects
3. Establish a one-on-one liaison to facilitate targeted projects.	Lead: CD Support: ED	x	x		The process is established.
<b>Goal 3: Implement creative placemaking principles that will shape the physical, social, cultural and economic identity of Sedona.</b>					
1. Implement an applicant design-based approach for planning and development of projects. <ul style="list-style-type: none"> <li>a. Establish a design center to facilitate the process.</li> <li>b. Collect case studies and examples of desirable projects to use as visuals.</li> <li>c. Establish an awards program to promote best projects.</li> </ul>	Lead: CD Support: PW, ED		x		Establishment of a collaborative design process
2. Implement the placemaking goals and strategies of the Community Focus Areas (CFA) plans.	Lead: CM and CD Support: ED		x		Survey complete and clarity on the needs
3. Survey residents to gain an understanding of their neighborhood needs, and identify projects that will enhance social cohesion and safer neighborhoods.					
4. Identify and strengthen public spaces by engaging the public on their vision and desires. <ul style="list-style-type: none"> <li>a. Consider touring "best practice" places</li> <li>b. Develop one-page best practice case studies</li> </ul>	Lead: CM and CD Support: ED			x	Survey results and more consensus on projects Documented best practices
5. Utilize the local arts and cultural community to help shape the social, cultural, and economic identity of a project.	Lead: CM Support: CD, ED	x			Incorporating ideas

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>COMMUNITY DEVELOPMENT (Continued)</b>					
<b>Strategies and Actions</b>	<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
6. Encourage creative incremental development (pop up and small-scale real estate projects) and gathering places to help strengthen commercial centers and neighborhoods.	Lead: CD		x		Track the progress
7. Engage in partnerships between public and private sector, including the city, businesses, artists, community members to create and maintain thriving public places.	Lead: ED and CD Support: Chamber		x		Partnerships leveraged
8. Pursue creative financing that could include resident and public-private sector donations, Tribal contributions and other philanthropy.	Lead: ED		x		Financing identified and secured
<b>Goal 4: Look for ways to enhance/expand the educational curriculum and programs, which are in alignment with the economic diversification strategy plan.</b>					
<b><u>Strategies and Actions</u></b>					
1. Work with Yavapai College to create an introductory course on integrative East-West medicine that will familiarize students with integrative healthcare and forms of complementary and alternative medicine. (Cross reference Business Development, Goal 2, Strategy 5.c.).	Lead: ED and REDC Support: chamber, healthcare providers			x	Creation of a course

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>COMMUNITY DEVELOPMENT (Continued)</b>					
<b>Strategies and Actions</b>	<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
<p>2. Encourage Valley Academy for Career and Technology (VACTE) and Yavapai College to add vocational entrepreneurship training certificates and curriculum to their programs.</p> <p>a. Consider using existing entrepreneurship curriculum from other organizations such as Ramsey Education<sup>1</sup> which teaches students how to start and run their own business or VentureLab<sup>2</sup> which has curriculum, training and programs to empower kids. Deploy those locally.</p>	Lead: REC and VACTE Support: ED			x	Creation of curriculum
<p>3. Explore the creation of a dual enrollment program between Sedona Red Rocks High School and Yavapai College in computer sciences, which includes computer programming, cyber security, data analytics, etc.</p>	Lead: REDC and Red Rock High Support: ED		x		Dual enrollment is considered and ideas are planned and implemented
<p>4. Help identify the skills/trades that are needed in Sedona to support the plan's targeted industries.</p>	Lead: REDC Support: ED	x	x		Needs are identified
<p>a. Work with Yavapai College Skills Trade Center to introduce the curriculum for those trades.</p>	Lead: REDC Support: ED		x		New curriculum in place
<p>b. Establish apprenticeships and internships geared towards the targeted industries.</p>	Lead: REDC Support: ED		x		Number of interns and apprentices
<p>5. Work with the Helios Foundation<sup>3</sup> or another organization to launch a kid coding camp.</p>	Lead: Parks & Rec Support: ED			x	Kids camp established

<sup>1</sup>Ramsey Education exists to equip educators across the country with the tools and resources they need to teach their students how to successfully manage their money and their lives. Over the last 10 years Ramsey Education has provided curriculum in personal finance and entrepreneurship.

<sup>2</sup>VentureLab is a nonprofit organization that is helping create the next generation of innovators and changemakers through entrepreneurial learning by making world-class entrepreneurship education accessible to kids all around the world.

<sup>3</sup>Helios Foundation is a philanthropic, public charity focused exclusively in Arizona and Florida. The Foundation's community investments are made across three impact areas: Early Childhood Education, the Transition Years and Postsecondary Education Success.

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

**BUSINESS DEVELOPMENT**

		Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric
<b>Goal 1: Refine business retention and attraction efforts to reflect the framework of the targeted industry findings.</b>						
<b>Strategies and Actions</b>						
1.	Facilitate the retention and growth of existing business.	Lead: ED Support: Chamber	x			Number of businesses retained/expanded
a.	Establish a formal business visitation and survey program to identify the needs of existing business.	Lead: ED Support: Chamber	x	x		Number of business visitations
b.	Help build the capacity of local business and their employees with programs that could include leadership development, skills training, consultations, and networking.	Lead: ED and Chamber	x	x		Number of programs and participants
c.	Promote the awareness of current workforce training resources, workshops, and programs.	Lead: ED Support: Yavapai College, Chamber	x	x		This will be included in the overall marketing strategy.
d.	Collaborate with SBDC, NACET, Local First, and others to leverage their resources and expertise.	Lead: ED	x	x		Programs and participants
e.	Utilize the findings of the REDC supply chain analysis (Table 8) and focus on import substitution within Sedona's targeted industries to foster new business startup and expansion.	Lead: ED Support: REDC, Chamber, VVREO		x		Number of business established and retained
f.	Assist businesses with succession planning. Encourage retiring business owners to create an employee buy-out program that will sustain the business operation into the future. <ul style="list-style-type: none"> <li>i. Conduct research on employee buyout best practices and create a working guide that local businesses could use.</li> </ul>	Lead: ED Support: SBDC, Chamber, Sustainability Alliance			x	Research is completed and working guide is created

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

**BUSINESS DEVELOPMENT (Continued)**

Strategies and Actions	Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric
<p>2. Build local wealth by improving the process of buying and selling locally (local/regional supply chain).</p> <p>a. Identify the network of people, business, organizations and agencies that are part of the value chain (hospitality, healthcare, arts and culture, etc.)</p> <p>b. Develop a supplier database that can be used by businesses, entrepreneurs, and residents to source products and services locally.</p>	<p>Lead: ED and Chamber Support: NACET, VVREO</p>	<p align="center">x</p>	<p align="center">x</p>		<p>Creation of database</p>
<p>c. Work with the local major employers to stage a regional "Doing Business with Local Employers" event.</p> <p>i. Prepare a list of trade associations, relevant conferences/events and trade publications.</p> <p>ii. Include organizations at the event whose function is to provide services that help build the capacity of local business such as SBDC, lenders, Local First, Yavapai College, etc. At the event have them make presentations about their programs and services designed to help local business and entrepreneurs.</p>	<p>Lead: ED and Chamber Support: NACET, VVREO</p>	<p align="center">x</p>	<p align="center">x</p>		<p>Number of events and participants</p>
<p>3. Recruit new targeted businesses to the area through expanded marketing efforts.</p> <p>a. Utilize the findings of the targeted industry analysis and identify 2-5 industries to attract.</p> <p>i. Create a business case for each one that includes information on the workforce, supply chain, existing sites, etc.</p>	<p>Lead: ED Support: Chamber</p>			<p align="center">x</p>	<p>Number of new business</p>

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

**BUSINESS DEVELOPMENT (Continued)**

Strategies and Actions	Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric
b. Consider the tourism industry services supply chain in Sedona and the region as a potential target for business attraction.	Lead: ED and Chamber		x		Supply chain targets identified
c. Develop industry intelligence that will aid market understanding and networking. <ul style="list-style-type: none"> <li data-bbox="435 300 597 499">i. Prepare a list of trade associations, relevant conferences/events and trade publications.</li> </ul>	Lead: ED and Chamber		x		Supply chain targets identified
d. Attend 1-2 relevant conferences, trade shows or events annually geared toward industry targets.	Lead: ED Support: Chamber			x	Supply chain targets identified
4. Become a destination for national or regional conferences and workshops on technology and wellness subjects, which will showcase Sedona as a business location to company representatives.	Lead: Chamber Support: ED			x	Number of conferences held
5. Place the business license program on line and make it a searchable GIS database.	Lead: IT Support: ED		x		Program is online

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

**BUSINESS DEVELOPMENT (Continued)**

Strategies and Actions		Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric
<b>Goal 2: Facilitate economic diversity by taking steps to realize transformative projects.</b>						
<b>Strategies and Actions</b>						
1.	Support and facilitate access and expansion of internet infrastructure connectivity in the city.	Lead: ED and CM Support: CD, PW, XYZ		x		Upload and download speed improved Increased provider choice and availability
a.	Collaborate with others in Verde Valley and the ACA on the initiative.	Lead: PW				Policy is in place
b.	Facilitate and reduce the cost of connectivity investments by creating a dig once policy.			x		
c.	Consider incentivizing broadband and cellular infrastructure through the creation of tax policies, leveraging grants/loan assistance, and incentives.	Lead: ED				Incentive and leveraged funds are researched and understood.
d.	Work closely with APS on their rural Strategic Fiber Program as they provide access to their surplus fiber optic capacity, which is expected in 2020. <ul style="list-style-type: none"> <li>i. Identify and encourage local communication providers to partner with APS in order to enhance broadband capabilities within core commercial and industrial locations.</li> <li>ii. Attempt to create a GIS database showing the location of fiber optic lines in the city.</li> </ul>	Lead: ED and IT Support: APS, ACA, VVREO		x		Providers and partners are identified. The database is in place.



**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>BUSINESS DEVELOPMENT (Continued)</b>		<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
<u><b>Strategies and Actions</b></u>						
2. Position the Dells as an Agricultural Innovation Park to advance R&D, testing and production of industrial hemp and/or other products into value added commodities.		Lead: ED Support: Wastewater, CD			TBD	
a. Conduct research to identify other markets pursuing this strategy and interview to learn their approach, resources needed, the pros and cons, etc.					TBD	
b. Evaluate growing and soil conditions that are best suited for various crops.						
c. Work with Community Development to integrate this strategy with a CFA plan.					TBD	
d. Reach out to the University of Arizona Agricultural Extension Service and/or College of Agriculture to gauge their interest in helping to launch the Innovation Park.					TBD	
3. Facilitate the creation of co-working space for entrepreneurs, remote-workers, freelancers, and home-based business owner's.		Lead: ED Support: NACET, Chamber, VVREO		x		Creation of space
a. Identify potential location(s) for co-working space.		Lead: ED				Location selected
i. Begin discussions with the Sedona School District regarding utilization of their vacant administrative building for co-working space.				x		
b. Create a plan that defines the business model and lists the amenities and services that will or could be included (i.e. high speed internet, access to shared printer/scanner/copier, use of conference room, desk and chair, etc.).		Lead: ED		x		Plan created
c. Allocate funding on an annual basis and contract with a service provider to manage and market the space.		Lead: ED		x		Funding budgeted

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>BUSINESS DEVELOPMENT (Continued)</b>		<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
<u><b>Strategies and Actions</b></u>						
4.	<p>Research and identify the demand for a commercial production kitchen and cold storage facility.</p> <p>a. Conduct outreach to determine what is missing in the market.</p> <p>b. Explore the feasibility of entering into a collaborative agreement with Yavapai College.</p>	<p>Lead: ED</p> <p>Support: NACET, REDC</p>		x		Facility developed
c.	Utilize the City of Sedona’s food and beverage initiative for entrepreneurs.	<p>Lead: ED</p> <p>Support: NACET, REDC</p>		x		Number of entrepreneurs in the program.
d.	Explore the adaptive reuse of the Jordan Road building for economic development.	<p>Lead: ED</p> <p>Support: Chamber</p>		x		Options explored
5.	<p>Build upon health and wellness. Leverage Sedona’s “spiritual healing” image by creating the Sedona Center for East-West Medicine.</p> <p>a. Research other integrative medicine centers in the U.S. for ideas and support (e.g. Andrew Weil Center for Integrative Medicine in Tucson operated by Banner).</p> <p>b. Seek philanthropic support for the center.</p> <p>c. Work with Yavapai College to create an introductory course on integrative East-West medicine that will familiarize students with integrative healthcare and forms of complementary and alternative medicine.</p> <p>d. Become a destination for workshops, forums, summits, seminars and conferences on topics associated with integrative East-West medicine, such as herbal and botanical medicine, acupuncture and pain management, nutrition, etc.</p> <p>e. Create a working group that includes NAH, Verde Valley Medical Center and other service providers to gain their support and further explore the concept.</p>	<p>Lead: ED</p>			TDB	

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

<b>BUSINESS DEVELOPMENT (Continued)</b>					
<b>Strategies and Actions</b>	<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
<p>6. Collaborate with the property owner of the Sedona Cultural Park to further strategize the development of the parcel.</p> <ul style="list-style-type: none"> <li>a. Facilitate conceptual land use or concept plans that incorporate a mix of land uses, which could include the targeted industries, arts and entertainment, and health and wellness, and workforce housing.</li> <li>b. Consider developing feasibility studies and/or RFP's to promote economic diversification. Solicit feedback to "ground truth" the concepts.</li> <li>c. Upon completion the aforementioned bulleted items, consider reevaluating the vision and recommendation of the Western Gateway CFA.</li> </ul>	Lead: CD & ED	x	x		Plans are solidified
<p>7. Create a medical tourism attraction program by leveraging holistic health care.</p> <ul style="list-style-type: none"> <li>a. Collaborate with the Sedona Chamber of Commerce and Northern Arizona Healthcare (NAH).</li> <li>b. Tour other successful communities to learn about their programs and best practices.</li> </ul>	Lead: ED Support: Chamber NAH  Lead: ED Support: Chamber			x  x	Creation of an attraction program A partnership is in place  Best practices are researched and communities are toured.

## CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN

### ECONOMIC GARDENING

		Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric
<b>Goal 1: Develop an entrepreneurial landscape that fosters the growth of local entrepreneurs, freelancers and home based business owners.</b>						
<b>Strategies and Actions</b>						
1.	Stimulate entrepreneurial activities and the startup of new business.	Lead: ED	x			Number of activities
a.	Connect entrepreneurs with established businesses to foster mutually beneficial partnerships.	Lead: ED, NACET Support: VVREO, REDC, SBDC, XYZ	x			Number of entrepreneurs connected
b.	Promote the small business lending capabilities of VVREO and other small business funding.	Lead: ED Support: SBDC, VVREO	x			Incorporate loan funding in marketing plan.
c.	Utilize SBDC resources for entrepreneurs and connect entrepreneurs to the programs and resources provided by the community, county, its partners and the state.	Lead: ED Support: SBDC, VVREO	x			Number of entrepreneurs connected
d.	Connect entrepreneurs and small business to online mentoring services such as MicroMentor <sup>4</sup> and Springboard Enterprises <sup>5</sup> .	Lead: ED	x	x		Number of entrepreneurs connected
2.	Accelerate the work of local organizations and service providers that align with the goals of the economic diversification plan.	Lead: ED Support: APS and other service providers	x	x		Number of connections
3.	Collaborate with the partners and create a business succession planning guidebook that includes employee buy-out.	Lead: ED Support: NACET, Chamber, SBDC			x	Guidebook created.

<sup>4</sup> MicroMentor is an online search engine which was established to help entrepreneurs find mentors, or mentors to find entrepreneurs.

<sup>5</sup> Springboard's mission is to accelerate the growth of entrepreneurial companies led by women through access to essential resources and a global community of experts. It is the leading network of influencers, investors and innovators dedicated to building high-growth companies led by women who are transforming industries in technology and life science.

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

**ECONOMIC GARDENING (Continued)**

Strategies and Actions	Lead and Support	Ongoing	1 to 3 years	3 to 5 years	Performance Metric
4. Evaluate local regulations on home-based businesses, and identify and modify those that may be stifling growth.	Lead: CD and ED	x	x		Regulations are evaluated annually.
5. Utilize the co-working space to further an entrepreneurial culture by staging networking events, educational and business seminars. Partner with Yavapai College and NACET to conduct entrepreneurial workshops.	Lead: ED Support: REDC, SBDC, NACET, Chamber		x		Number of events by partners at the co-working space.
6. Identify and meet with potential venture capitalists living in the City of Sedona to understand their investment objectives, and encourage the creation of a pooled venture capital investment fund.	Lead: ED Support: NACET, Bankers			x	Number of investors identified. Fund created.
7. Collaborate with the SBDC and/or NACET to offer training programs and seminars directed at young and startup companies to help facilitate their growth and expertise. Training sessions could include: basic finance, taxes and management, business plan development, website design/analysis, press release writing/dissemination, utilization of social media, and marketing and sales.	Lead: ED, SBDC, NACET Support: VVREO	x	x		Number of trainings
8. On a regular basis, gather data and market intelligence to help refine and direct economic gardening activities.	Lead: ED Support: Chamber, REDC	x			Data is routinely collected and current.
a. Begin tracking location neutral business by including questions in the city's bi-annual survey					
b. Begin tracking location neutral home based business through the on-line portal.					

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

**MARKETING AND BRANDING**

<b>Goal 1: Establish a marketing program that builds awareness of Sedona as a business location.</b>		<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
<b>Strategies and Actions</b>						
1.	<p>Create an economic development marketing plan that lays out a program for branding Sedona as a business destination. This may include:</p> <ul style="list-style-type: none"> <li>a. Identify and develop messages that reflects Sedona’s unique value proposition for business, dispel negative perceptions and brand Sedona as a welcoming place to do business.</li> <li>b. Create a social media and digital branding strategy.</li> <li>c. Create a content editorial calendar.</li> <li>d. Prepare a monthly social media marketing calendar.</li> <li>e. List the marketing channels that could be used, such as social and print media.</li> <li>f. Create a marketing budget that supports the plan.</li> </ul>	Lead: ED	x	x		Plan is created
2.	Identify the target audience to attract along with their geographic location.	Lead: ED	x	x		Target audience is identified.
3.	Create customized marketing material content geared towards targeted industries, such as one-page profiles.	Lead: ED	x	x		Marketing materials are created.
4.	<p>Implement a bi-annual economic development e-newsletter that highlights programs, projects and new business expansions or locates in Sedona.</p> <ul style="list-style-type: none"> <li>a. Help change the perception of Sedona by promoting local success stories.</li> </ul>	Lead: ED	x	x		Success stories are collected. Newsletter is in place.
5.	Enhance the existing economic development website to more effectively reach the targeted audience. Begin monitoring web traffic.	Lead: ED	x	x		Website is live and routinely tracked.

**CITY OF SEDONA ECONOMIC DEVELOPMENT DIVERSIFICATION PLAN**

**MARKETING AND BRANDING (Continued)**

<b>Strategies and Actions</b>	<b>Lead and Support</b>	<b>Ongoing</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>Performance Metric</b>
6. Collaborate with regional economic development partners to attract an entrepreneurial minded younger demographic.	Lead: ED Support: Flagstaff, VVREO, NACET			x	Collaboration is in place
7. Work with regional partners and build relationships with real estate brokers, developers, site location consultants and others who influence business location decisions.	Lead: ED Support: ACA, VVREO, AAED	x		x	Relationships are in place.
8. Attend 1-2 major conferences to promote Sedona as a destination for investment. (Cross reference Business Development, Goal 1, Strategy 3. d).	Lead: ED		x		Number of conferences attended and contacts made.

**LEAD AND SUPPORT LEGEND**

ACA	Arizona Commerce Authority	IT	Sedona Information Technology Department
AAID	Arizona Association for Economic Development	NACET	Northern Arizona Center for Entrepreneurship and Technology
APS	Arizona Public Service	NAH	Northern Arizona Healthcare
ASQ	Advance Sedona Quality	PW	Sedona Public Works Department
CD	Sedona Community Development Department	REDC	Regional Economic Development Center
CFA	Community Focus Area	SBDC	Small Business Development Center
CM	Sedona City Manager's Office	VACTE	Valley Academy for Career and Technology Education
ED	Sedona Economic Development	VVREO	Verde Valley Regional Economic Organization
EDAC	Economic Diversification Advisory Committee		