



What is the Economic Development Department?

In spring of 2016, the City created an economic development program with the mission to “create and implement an economic development program aimed at diversifying Sedona’s economy by providing services that support the creation, expansion and location of quality businesses in Sedona.” This was in response to the City Council priorities and the 2014 Community Plan goals vision to have a resilient economy with diverse employment opportunities.

Our purpose is simple: to promote Sedona’s economic vitality. We do this by investing in efforts that diversify our economy and support local small businesses. Ultimately, our hope is to lay the groundwork for a sustainable economy that serves all of Sedona’s residents and workers.

What have we accomplished in the last six years?

A few of our accomplishments include:

- Established key relationships with organizations that provide business assistance and support to Sedona businesses such as business planning, training, and small business loans. This includes partners such as the Small Business Development Center (SBDC), Arizona Commerce Authority (ACA), and Verde Valley Regional Economic Organization (VVREO).
- Assisted over 150 local businesses and potential business start-ups with business financing, business planning, market data, and other technical assistance. This resulted in business loans totaling over \$17.5M and upwards of \$6.1M of additional private investment.
- Acquired grant funds to establish the region’s first entrepreneurial pitch competition, the Pioneer Pitch. In partnership with VVREO and Moonshot, this was an effort to identify and support entrepreneurs in the community.
- Completed a five-year Economic Diversification Strategic Plan in February of 2020. This plan is guided by the values and principles of working towards sustainability, embracing change, welcoming diversity, leveraging assets, focusing on local, and creative placemaking. The plan also identifies targeted industries such as healthcare, business services and tech, food and beverage products, and biopharmaceuticals. The plan can be found online through this [link](#). Currently, city staff is working on updating this plan.
- Hosted/partnered in hosting over 50 business workshops and trainings.
- Leveraged over \$2.3M of funds to support economic development and city projects. This includes \$1M of grant funds for the Shelby Road Improvement projects which were completed in 2022, and another \$900K for the city’s emergency operations center renovation/construction.
- Established the need for broadband as a priority. Formed regional broadband action items to aid in the development of broadband initiatives and grant requests. Currently working with internet service providers (ISPs), potential partners, and funders on potential solutions to expand/upgrade broadband in Sedona.
- Developed virtual incubation, coaching, and programming through a partnership with Moonshot. Sedona entrepreneurs can use this programming to start/expand their business efforts.
- Promoted workforce housing solutions both locally and regionally that eventually led to housing study publications, down payment assistance loans, hiring of an expert housing professional in 2021, and broader regional support for workforce housing.
- Filled a key role during the COVID-19 pandemic by providing information and resources to the city, businesses, and partners. Collaborated with Coconino County and Northern Arizona University to assess business recovery from the pandemic. Helped local businesses access over \$4M in federal disaster relief funding over the COVID-19 pandemic.
- Started the first rural Fuerza Local program in the state. [Fuerza Local](#) is a program through Local First Arizona that delivers entrepreneurial programming to our Spanish-speaking businesses and entrepreneurs.
- Formed a citizen work group to explore how to improve the provision of healthcare in Sedona. Healthcare is a targeted industry in Sedona that not only provides needed healthcare, but also diversifies the economy while offering higher-wage jobs.



Sedona doesn't need more growth. Why should I support economic development?

Sedona's overall future growth is determined by resident sentiment collected in the 10-year Community Plan and Council priorities. 80% of Sedona's available land has been developed, meaning, there is not much room for growth and the space that can be developed must be done so strategically and thoughtfully.

We recognize that growth for the sake of growth is not the right strategy for Sedona and its future. Instead, our department focuses on laying the groundwork for economic diversification and sustainable growth that promotes quality of life for all our residents and workers. This kind of development requires coordinating with departments like housing and sustainability, conducting economic and demographic research on trends that affect Sedona, and collaborating and engaging with a range of local stakeholders to better align our efforts with their needs.

We don't support tourism growth so why should we support economic development?

It's no secret that Sedona's largest economic engine is the tourism industry. While the city leverages the tourism revenue to reinvest in residential amenities like parks, roads, and safety, we do encounter the negative impacts of a tourism economy. This includes things like limited economic/business diversity, lower wage jobs, and lack of workforce housing. The economic development department works on these issues to address and counterbalance our local economy in the long term. The economic development department does not work on tourism attraction.

The economic development department proactively works on solutions for economic diversification by identifying targeted industries. For example, healthcare is a targeted industry; and the economic development department is working to improve access to healthcare services by researching demand data, understanding the barriers for healthcare businesses in the region, and talking with healthcare providers about their interest in investing in Sedona.

What are the department's priorities for FY23 (July 2022 – June 2023)?

- Continue to support and facilitate the access of internet infrastructure through exploring options to bring fiber to the home and better connectivity to the community. Explore strategies and seek funding for this project.
- Convene a citizen group to inform the city on potential recommendations for improving the quality and access of local healthcare.
- Update the Economic Diversification Plan to continue meeting the long-term economic development goals. This includes considering updated data (i.e. demographics, targeted industries, and national/regional trends) to inform how to best move forward with prioritizing economic development efforts over the next couple years.
- Engage the local immigrant community through a second and third cohort of Fuerza Local business accelerator programming.
- The fifth annual Pioneer Pitch competition is being planned for 2023.
- Continue to support and assist our local businesses and entrepreneurs by connecting them with resources, training, and financing opportunities.

How can I contribute to the long-term vitality of Sedona's economy?

Here is a list of our recommendations for contributing to Sedona's economic health:

- Participate in the Community Plan update. Go [here](#) to learn how to engage.
- Support local businesses by buying local, mentoring a local entrepreneur, and/or providing services to local businesses on a volunteer basis.
- If you can, consider renting residential space to a member of the local workforce.
- Reach out to the Economic Development Department office if you have a new business idea and need support.
- Turn your short-term rental into a long-term rental for local workers.