

## **Regional Economic Development: A Cooperative Effort is Essential**

It should be obvious to all that we have an employment problem in our region. We need jobs now.

According to Garner Economics, LLC in their “Progress Report: Job Growth in U.S. Metros” published in September 2010 the Prescott MSA lost 7700 jobs during the last five years. July 2010 employment was 55,500. The previous five year July peak employment was 63,200. The numbers indicate a 13.9% decrease in regional employment.

Potential lost wages are \$218,256,500 for each year those jobs don’t exist. This estimate is determined by multiplying the 7700 lost jobs by the median income for our region of \$28,345 as determined by the AZ Department of Commerce. These numbers are startling. Additional negative economic impact occurs as these dollars are not circulating through our local economy. This is a regional problem which requires a regional solution.

The quad city area has several entities performing some function of economic development (ED). Currently, there is very little coordination of effort between communities in the region. Each community and their ED entities develop and perform their own marketing and recruiting efforts. There are varying degrees of sophistication and funding for ED efforts between entities and communities.

Central AZ Partnership (CAP) supports the concept of cooperative regional ED in an effort to create and attract base jobs. Base jobs are defined as manufacturing or value added service jobs which bring new dollars into the community from other areas. Retailers are not included in this definition of base jobs as they, for the most part, spin dollars already existing in the community.

Recently the Yavapai County Industrial Development Authority provided a grant to fund and promote regional marketing efforts. CAP supports taking this process a step further by forming a regional ED entity. The cooperative regional ED effort should include ED practitioners, private sector individuals, and representatives from City of Prescott, Town of Prescott Valley, Town of Chino Valley, Town of Dewey Humboldt, Yavapai County, Yavapai Prescott Tribe, Yavapai College, Embry Riddle, and other educational institutions. All of these entities and individuals should participate in funding the regional ED effort. Efficiencies will be gained through coordinated efforts to market the region rather than a fractured individual municipal approach.

Some might argue that by marketing the region the unique character of each community is lost. The regional marketing goal should be to entice the potential site selector or business to physically visit the area. At that time each community under consideration can showcase its specific amenities. The final decision on where to locate in the region

can be determined, by the business, after site visits, incentive negotiations, and evaluation of other pertinent criteria.

A cooperative regional effort to market credible, current regional data will generate more interest in the area from potential businesses. Creating new base jobs and diversifying the regional economic base should be the ultimate goal. Let's get busy; we have 7700 jobs to create just to get back to where we were. CAP supports regional action to achieve that goal.

*Central AZ Partnership advocates responsible growth and promotes a balance between economic and ecological sustainability. CAP supports truthful examination and debate on matters of public importance relative to growth in the region. CAP was established by people who have a long standing history and commitment to our area. CAP works to ensure a prosperous and sustainable future for all of us.*

*Steve Rutherford is a member of the CAP Board of Directors.*