



**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL BUSINESS ENTERPRISE GRANT FUNDED**

**THIS
ECONOMIC DEVELOPMENT FEASIBILITY STUDY**

for:

THE TOWN OF SPRINGVILLE OF SPRINGVILLE, ARIZONA



by:

GRANT VENTURES, LLC



This economic development feasibility planning study was prepared by the Grant Ventures, LLC for the Town of Springerville, Arizona with financial support from the U.S. Department of Agriculture, Rural Development by way of a Rural Business Enterprise Grant (RBEG). The contents are the product of surveys, interviews, research, and review of pertinent historical literature, together with extensive government and public discussion and refinement. This report is intended as a springboard for future deliberation toward development of an updated Master Plan, as well as a guide toward implementation of several important recommendations for the growth and prosperity of the Town of Springerville. This study has been the result of a continuing economic development planning process, conducted with broad-based and diverse community participation.

We acknowledge the valuable contributions of the members of the Economic Development Steering Committee, which was organized pursuant to requirements of the grant. We also acknowledge the extraordinary assistance given throughout this process by Town staff, especially by the Community Development Director, Chris Chiesl and the Town Manager, Steve West, whose insights and experience were generously shared. Gratitude is also due to the many community members, residents and business owners, who graciously participated in this process.

Grant Ventures, LLC

August 2012



Town of Springerville Leadership

Mary Nedrow, Mayor

Susie Silva, Vice Mayor

Phelps Wilkins, Council Member

Connie Hunt, Council Member

Richard Davis, Council Member

Steve West, Town Manager

Valentina Cordova, Town Clerk

Karen Asquith, Finance Director

Chris Chiesl, Community Development Director/Planning Zoning

Brent Slade, Public Works Director

Mike Nuttal, Chief of Police

Sharon Pinkhard, Director, RV Senior Center

Economic Development Steering Committee

Chris Chiesl, Director of Community Development, Planning & Zoning Administrator

Susie Silva, Vice Mayor

Phelps Wilkins, Council Member, Historic School Development Chairman

Steve Christensen, Past Council Member

Kevin Burk, Vice Chairman/Planning Zoning

Hon. Kay Wilkins, Judge, Superior Court

Jim Muth, PLS, Planning & Zoning Commissioner

Wade Allred, Owner, Allred's Western Wear

Vicki Anderson, Manager, National Bank of Arizona

Gary Kiehne, Owner, Rode Inn and El Jo Motor Inn

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Vision

Springerville residents are setting their future aspirations higher for a progressive hometown that is planning with wisdom and foresight. Small town, family-oriented values characterize the "Gateway to the White Mountains." Its spacious environment and natural resources reflect a shared ideal to maintain the town's historic rural setting. Policies promoting the creation of well-paying jobs, excellent housing value, compatible land use and cultural attractions are intended to serve growing families and active retirees and, especially, to nurture Springerville's youth. The Town of Springerville will sustain a strong and diversified economy, with economic prosperity extending to all of its residents. Job creation and retention will be the core focus, driven by the town's intellectual capital, tourism potential, infrastructure development, workforce, and economic development organization. The town will capitalize on its existing resources to grow its economic base and to ensure that its residents have access to quality jobs and wages.

Executive Summary

The Town of Springerville takes pride in being a community with a family focus, special welcoming feel, natural and historic resources, and a firm commitment to retain its defining characteristics as it grows. Springerville is a community with significant opportunities for business development, controlled growth, self-sufficiency, special events and a variety of mixed-use development. The Town Council wants to encourage creative ideas that contribute to the prosperity and security of the community. It recognizes the importance of forming a sound economic development plan in a fiscally-constrained climate by identifying preferred development goals and characteristics, while adhering to principles of caution and prudence. It is moving forward to set business-friendly policies and procedures supportive of the community vision and to establish strategic initiatives to achieve that vision.

A successful economic development feasibility study process results in a program that creates higher-wage jobs, raises income levels, and grows and diversifies the economy. The process includes a logical approach to long-range development while identifying and implementing short-term solutions to achieve early results. This economic development feasibility study for the Town of Springerville analyzes local conditions according to a pre-determined Scope of Work, identifies problems and opportunities, defines the vision and goals of the community, designs the strategies to accomplish these goals, and coordinates activities to implement these strategies.

This document will be readily accessible to economic development stakeholders in the town. There will be a continuing program of communication and outreach that encourages broad-based public engagement, participation, and commitment of partners. The general public, government decision makers, and area businesses will use it as a guide to understand the town's economy and to take actions to improve it.

This study contains four main elements: analysis, vision, action plan, and evaluation. The analysis will assess the state of the town's economy, the opportunities and threats posed by external trends and forces, and the availability of partners and resources for economic development. The Town of Springerville's vision and goals, together with an appraisal of the town's competitive advantage, will set the strategic

direction for the action plan. The action plan establishes program priorities for implementation. Finally, the study establishes criteria and performance measures to evaluate the process and for periodic updates to the document.

Focus of Study

The Town of Springerville is the fortunate recipient of a United States Department of Agriculture Rural Business Enterprise Grant (USDA/RBEG). It engaged Grant Ventures, LLC as a consultant to prepare an economic development feasibility/planning study for the grant. Specifically, the town contractually defined the following Scope of Work, comprised of six major elements, to achieve the requirements of the grant:

1. Main Street – This commercial district is a prominent employment center for Springerville. Main Street studies will include the following improvements:

a) Developing areas of infill within existing infrastructure by reusing existing properties which are often left over unused space which can bring much needed tax dollars to the local government;

b) Improvement of streetscape by incorporating vegetation and a bike lane to improve the walkability of the streets and connectivity with the main core.

2. Open Space Development

a) Open space development by creating a “green infrastructure” that supports and connects the streets and neighborhoods. The creation of pathways, linear park, open spaces and parks can help link the existing neighborhoods to existing and future development;

b) Create a commercial district for The Town of Springerville which promotes economic growth and provides a stimulating area for the youth of the town. The intersection of Main Street and South Mountain Avenue has been divided into four areas of interest. Create a commercial center that would be appealing to both tourists and residents. Street beautifications would also encourage visitors to spend more time in the area;

c) Creating Greenways would also help give neighborhoods a unifying factor. The Nutrioso Creek provides a growth boundary to the north and the Little Colorado defines the west boundary.

d) Development is focused around the airport and nearby natural amenities. Connections with the surrounding trail systems provide access to Main Street and the National Forest. The opportunity for future community development would be beneficial for the Town. The Air Park community's ideal location would be both above and below the ridge that surrounds the airport. The ridge provides elevated views from above and also reduces noise pollution to those below. The possibility for Lodge or "Resort" style lodging would generate extra economic activity.

3. Central Park – The parks would also increase commercial opportunities in area by making Springerville more appealing to prospective businesses. The central park would increase walkability for school connections and promote healthy living for both children and adults. The proposed large central park includes the highest land feature in the central Round Valley. The central park would provide a visual focus and cohesion for existing homes and businesses as well as for future development. As in many towns, a refined central park would provide a commercial and social asset for local residents, while also creating a draw for out-of-town visitors. Businesses will cluster around and prosper by the connection of the entire Round Valley. This strategy will encourage growth in the town center, discourage sprawl, and help to revitalize both main streets.

4. Tourism/Historic Preservation – Create connections with the surrounding trail systems. The area presents an opportunity for future community development and the possibility for Lodge "Resort" style development. Tourism/Historic preservation can generate economic activity for the town and area, and support sustainable tourism in the region. Historic preservation can attract tourists and visitors that would otherwise visit neighboring towns.

5. Airport District - Create a development that is focused around the airport and nearby natural amenities, which will enhance the light industrial development. The opportunity for a future community development would also be beneficial for the Town. The Air Park community's ideal location would be both above and below the ridge that surrounds the airport.

Park community's ideal location would be both above and below the ridge that surrounds the airport.

6. Workforce Development – This will include public - private partnership to address job creation, skilled labor, business and economic development. The following strategies will be studied to determine workforce development alternatives:

a) Nonprofit community-based organizations and social service organizations provide workforce related services to their constituencies;

b) Services that conduct outreach, screening, and assessment of program participants; running adult literacy and ESOL classes, operating training programs, and providing case management and career coaching for low-income individuals;

c) Post secondary training, as noted, Northland Pioneer Community College is frequently defined as a major player in our regional workforce development system. Northern Arizona University and other four year colleges and universities, both public and private, offer relevant specialized certificate and degree programs. These higher educational institutions also provide a range of specialized training services to employers;

d) Large, national distance learning institutions, such as the University of Phoenix, are also playing an increasingly important role in offering degree and certificate programs and are more readily accessible by nontraditional students;

e) Both national and regional foundations are strong supporters of particular components of the workforce development system. Regional funders have played a very critical role in supporting the work of community-based and nonprofit organizations that want to provide employment-related services to low income residents;

f) National funders are playing a strong role in improving access and success in postsecondary education. For example, MetLife, Ford, Lumina, and Gates have all funded major initiatives focused on the nation's community colleges;

g) Traditional workforce development strategies include pre-employment training and job placement that help low and moderate-income individuals access employment and occupational training through certificate and degree programs; and incumbent worker training and retraining, often undertaken in collaboration with employers.

National Economic Context

The Town of Springerville's application for the Rural Business Enterprise Grant award, which is funding this economic development study, makes reference to the current economic crisis in this nation and states that many of Springerville's residents are concerned for their basic survival.

The nation is presently in the grip of the most severe financial and economic crisis since the Great Depression, which has taken its toll on millions of Americans through job losses, home foreclosures, inflation, higher prices for commodities, unserviceable debt, and ever dwindling retirement savings. By all accounts, Americans are worse off today than they were ten years ago, and the state of our nation is fiscally, economically, and socially dire. The national debt is approaching \$16 trillion. The nation has trillions of dollars in unfunded liabilities. Millions of Americans depend on overburdened government safety nets to survive.

Unemployment in the nation is at epidemic levels, and the vast majority of the new jobs that have been created in recent years have been low paying jobs. Of those Americans that do have a job at this point, one out of every four people works a job that pays \$10 an hour or less. Over the past several decades, the percentage of low income jobs has steadily increased. Today, more than 40% of all jobs in the United States are low income jobs. There has been no progress in reducing real unemployment in the nation, only a misrepresentation of statistics. Millions of Americans have fallen off unemployment rolls because they have been jobless for too long, which lowers the published unemployment rate, but does not change the fact that they are still without work. (Bureau of Labor Statistics, U-6 Rate).

The hidden tax of inflation is absolutely devastating families all over America. Since 1970, the U.S. dollar has lost more than 83 percent of its value. (Consumer Price Index for All Urban Consumers, Department of Labor, Bureau of Labor Statistics). Savings are constantly losing a little bit more value every single day, as the dollar supply increases. In recent years, many have seen their paychecks get smaller, as workers have accepted lower-paying jobs or cuts in pay. (U.S. Census Bureau, "Consumer Income," September 2011, <http://www.census.gov/prod/2011pubs/p60-239.pdf>). Median household income in the United States has fallen 7.8 percent since 2007 after adjusting for inflation. During the same period, many families have seen the cost of their essential needs absolutely soar. For example, health insurance costs have risen by 23 percent over the past four years. Just turning on the lights and heating their homes has become a major burden for many families. Electricity bills in the United States have risen faster than the overall rate of inflation for five years in a row. Putting gas in the car has become a major financial ordeal for millions of hard working Americans, as the average price of a gallon of gasoline in the United States has doubled over the past four years. According to the American Farm Bureau Federation's Market Basket Survey, the cost of food has increased 7% since the first quarter of 2011. The Town of Springerville is not immune from the national condition.

Benefits of Strategic Planning

A healthy economy plays a central role in maintaining vitality and quality of life within a community. It provides employment opportunities to residents through the creation of jobs and business opportunities, and creates a municipal tax base that provides schools, necessary infrastructure, community facilities, services, and other amenities. At one time, economic planning was principally the responsibility of the private sector, including banks and business organizations. It was associated with distressed or underdeveloped areas in the nation. In more recent years, economic development planning has become a critical function of local government and specialized agencies such as development authorities and chambers of commerce, and non-profit community development corporations.

Economic development is rooted in evolving economic policy. The national recession of the 1980s caused many local leaders to reexamine their historical economic development policies. The accompanying financial stress significantly increased competition among states and communities to attract jobs. This was combined with several significant transformations in the structure of the nation's economy, from the production of goods to the delivery of services, from a national to a global system of trade, and from labor-intensive to technology-intensive manufacturing.

The Town of Springerville has a small economic base, The loss of jobs and income spreads to local retail businesses and financial institutions through multiplier effects.

The following are possible steps to develop an economic development strategy:

1. Outline the steps to follow. The community will get involved to identify a number of intermediate steps to reach its final goals.

2. Promote efficient use of scarce resources. A significant amount of money, time, and people will be required for economic development efforts. The plan will provide rationale for resource allocation.

3. Improve coordination. Many programs, activities, groups, and individuals will be involved in the development effort, and it is important that they not overlap or conflict. The plan will serve as a vehicle for communicating development activities.

4. Build consensus. The public and the private sector must agree on the major issues involved. This will lead to support in implementing the plan.

5. Increase public awareness. It is important to have public support on behalf of their community.

6. Strengthen the community's competitive position. Incorporating a strategy for future growth will appear more attractive to potential business or industry than a community without a plan.

7. Encourage forward-thinking. Despite the state of the national and global economies, the residents of Springerville are positive that they can be part of creating their own independent future of prosperity..

Feasibility Study Methodology

It should be emphasized that while the following steps to strategic planning are similar for any community, the final plan is the responsibility of local leaders. It should be tailored to fit the conditions of the individual community.

1. Establish the Steering Committee. Broad-based community support is the foundation for successful economic development efforts. It is important that the Steering Committee be made up of a cross-section of the community's public and private leadership. The Steering Committee is responsible for forming the plan, communicating the plan to the community and Town Council, and promoting the entire planning process. One of the most important functions of the Steering Committee, after forming the plan, is to establish a schedule to complete each phase of the plan and see to it that each phase is completed. The schedule should allow sufficient time to complete each element and be flexible enough to allow for contingencies.

2. Obtain technical assistance. Steering Committee members may not have the time or expertise to do all the work. Assistance is available from the State Commerce Authority, consultants, universities, libraries, utility companies, rural electric cooperatives, and others. They can provide the type of assistance needed to help communities in the economic development process. Success will depend on active participation of local leaders from the planning through the implementation phases of the strategy.

3. Develop basic data. Demographic and economic data are needed to determine trends and to identify strong and weak points in the community. The data is needed by those interested in investing in the local economy. The data should include information on population, income, employment, wages, business, and an inventory of community services and basic infrastructure, including utilities, streets highways, and transportation services. The data will also be useful in determining what kinds of economic development the community should pursue.

4. Review economic development alternatives. A community may increase its economic activity in a variety of ways including: increasing economic activity of existing business and industry; attracting business and industry outside the community to locate in your community; encourage new business and industry to form within the community; and other means of bringing money into the community, such as attracting retirees. The alternatives selected for the community to pursue depend on many factors. The important thing is for the community to know what alternatives are available and then to choose the ones that best fit their situation.

5. Analyze key issues. Key issues are those that will influence the direction of community economic development efforts. A complete set of basic data may indicate some key issues. They may be things the community can do something about, such as streets, the sewer system, or the attitude of the citizens toward a change. Other issues may be unchangeable, such as the climate or the community's location.

6. Identify financial resources. We will identify the sources and amount of capital required to finance needed changes in the community to enable economic development. Available capital that fits the community's needs is an absolute must for new business and industry.

7. Set priorities. A list of priorities specifying the kinds of economic development alternatives to pursue and any changes the community needs to enable economic development to occur is an important step in this future development.

8. Implement the plan. The plan should be as simple as possible, but complete. It should be flexible to allow for problems that will arise. It should be accomplished within a reasonable time frame. The resources, money, and people, must be available to do the work. Perhaps the two most important parts of any plan are who will do what, and when will they do it. Someone or some group must be identified to accomplish each task in the plan and they must be given a completion date. The participants should know that they are making a significant time and effort commitment and that the success of the economic development plan depends on the completion of their assignments. The last point to emphasize about a strategy for economic development is that it should be viewed as a process and not a single event. The plan should be flexible, and be ready to incorporate changes as circumstances affecting economic development in the community change.

There are numerous factors in a community that contribute to the effectiveness of a local economic development vision and accompanying overall strategic plan. These include the social aspects of the community, such as the perceived quality of life, the available work force, and the business partnerships that have been established. Included as additional factors in successful economic development are the opportunities for redevelopment and revitalization of existing businesses, diversification, and the ability to recruit new businesses to the area. At the outset, it should be noted that Springerville is, at present, a fiscally constrained community. This means that it lacks the revenue generating ability of larger, more populous areas. As a result, it would have to reduce funding for essential public services and facilities in order to pay for the projects contemplated in this study. We have prepared this analysis based on the primary assumption that economic development projects cannot be paid for out of general municipal funds.

This study is an action document. The aim is to assess various aspects of the town's economy and propose specific economic development implementation strategies. Various data sets were compiled to measure the current and future

economies. The report provides an assessment of the major economic, business, and demographic trends likely to influence the future performance of the town's economy.

This study provides a demographic and environmental summary profile of the Town of Springerville; examines and evaluates the town's economic base, including employment patterns, current and projected trends; assesses and evaluates of the town's economic development potential, including strengths, weaknesses, opportunities, and threats; and formulates policies and action strategies, and performance measures, resulting in a framework to implement economic development goals and objectives.

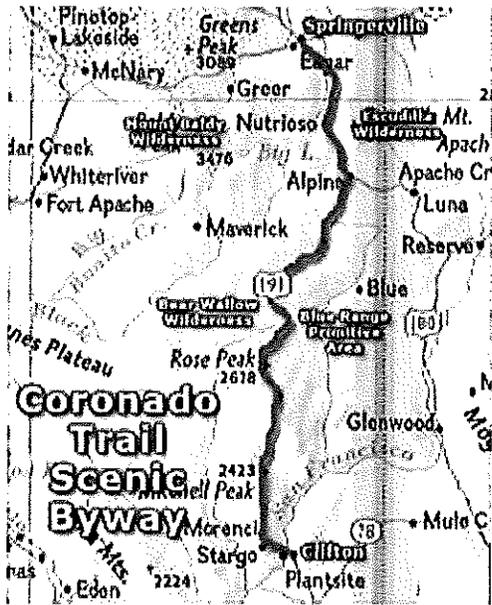
Environmental

Natural and environmental resources provide social, economic, cultural, and environmental benefits. Economic benefits include the use of natural resources, such as timber, in the manufacturing process of consumer goods. This means jobs for local residents. Social, environmental and cultural benefits include a valuable quality of life by providing scenic landscapes and opportunities for outdoor recreation and enjoyment.

Springerville is located in Round Valley between the Little Colorado River and Nutrioso Creek, in Apache County, Arizona. The Little Colorado River travels between 7,000 and 9,000 feet elevation. This river was originally called Flax River by the early Spanish explorers because of the abundance of wild flax growing along its banks.

The East Fork is about six miles of very narrow creek bed and flowing water from Colter Reservoir to Greer. Just a few small brook and rainbow trout swim here. The West Fork begins atop Mt. Baldy and flows north of Lee Valley to Sheep's crossing on into Greer.

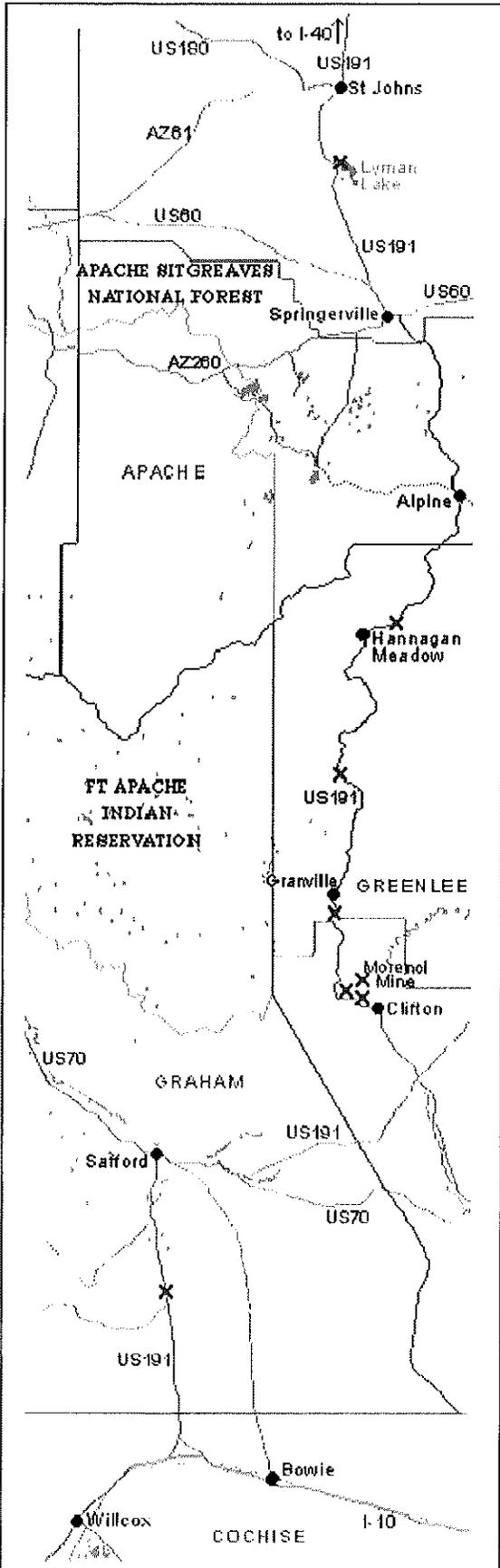
The Coronado Trail Scenic Byway, US 191, is a spectacular trail which carved out the area in 1540 by Francisco Vasquez de Coronado consisting of desert grasslands, lava fields, mines, lakes and heavily wooded area in the surrounding mountains of the Springerville/Round Valley area.



The Spaniard Francisco Vasquez de Coronado became the first known European to lead an expedition into the USA when, in 1540, he and a large group of settlers crossed the Mexican border near the Huachuca Mountains, site of the present day Coronado National Monument. From here they headed northeast, over the White Mountains in the east of the state and then, after side trips to Hopi land and the Grand Canyon, continued through New Mexico and into Kansas. the expedition. Instead the route, or

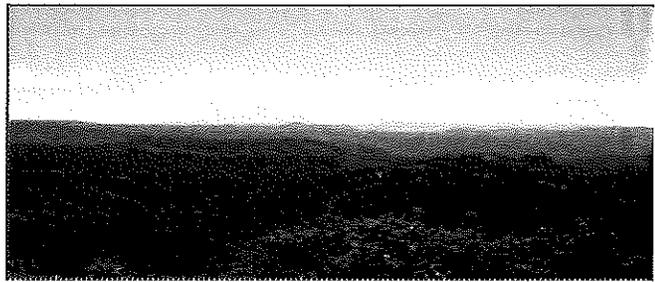
indeed all of US 191, is a showcase for the varied and spectacular scenery of eastern Arizona, from the Sonoran Desert grasslands and valleys of the southeast corner, across the steep and heavily wooded White Mountains, down into the more barren lava fields and red plains of the Petrified Forest region and finally into the sandy expanses of the Navajo Indian Reservation.

Mountains: Beyond the mine, US 191 follows the steep-sided valley of Chase Creek, up switchbacks at the northern end then continues to climb steadily, though mixed woodland at first and later into dense pine forests - uneven land which forces many 10 mph bends and steep gradients, and the road remains so for the next 50 miles, as it crosses the east side of the White Mountains. The road passes various campgrounds, trailheads, viewpoints, forest tracks, picnic areas and occasional



flat meadows like Four Bar Mesa, but most is very winding and often precipitous, with unfenced, steep drop-offs at the side. One summit is reached at Rose Peak (8,786 feet) but later the route climbs higher still, up to 9,300 feet as it reaches the Mogollon Rim, where winter snows linger until June. The seemingly endless woods harbor many animals, including a pack of Mexican gray wolves, which were reintroduced to the Blue Range area in 1998. At Hannagan Meadow, the road improves somewhat.

The mountains end not far north of here, as the trees are replaced by bushy plateaus and mesas and the road approaches Springerville, end of the section designated Coronado Trail.



Springerville is known as the Gateway to the White Mountains. Peaks of mountains rise prominently to the south, covered in green vegetation. The mountains are volcanic, and cones and craters and lava flows can be seen throughout the surrounding country. The elevations of the mountains reach to nearly 10,000 feet. Springerville soils are on plateaus and mesas and have slopes of 0 to 10 percent. These soils formed in alluvium from tuff, volcanic breccia and basalt. They are well-drained and have slow runoff and very slow permeability. Suitability for building foundations is fair to good. Septic tank suitability is fair to poor.

Springerville soils are used for livestock grazing, fuel wood production and wildlife habitat. The present vegetation is blue grama, sideoats grama, snakeweed, juniper and pinon pine.

Geologically, the Springerville area is comprised of relatively flat lying sedimentary rocks of Tertiary to Paleozoic age overlying granitic basement rocks. The sedimentary rocks are only locally exposed, being covered by extrusive igneous rocks of the White Mountain volcanic field. Volcanism has been nearly continuous in the field from 32 million years to at least 10,000 years ago. However, rock chemical analyses show that volcanic activity has occurred in three distinct pulses, suggesting renewed episodes of partial melting in the mantle. The cause of periodic melting events is unknown, but probably is related to global plate tectonics. Geochemical evidence, locally anomalous silica concentrations in the groundwater that are indicative of high heat flow, supports the probability of a geothermal resource in the Springerville area. This resource appears to be of sufficient magnitude to warrant additional, detailed geological, geochemical, and geophysical studies to definitively locate and evaluate the geothermal reservoir. (Springerville Geothermal Project Geology, Geochemistry, Geophysics Final Report, by Claudia Stone, Arizona Geological Survey, Open File Report 80~4, January, 1980)

Elevations range from 4,200 to 7,500 feet. The mean annual precipitation ranges from 14 to 18 inches. The Town has four seasons with temperatures ranging from 0 to 90 degrees F. The mean annual air temperature is 45 to 57 degrees F. The frost-free period is 120 to 180 days.

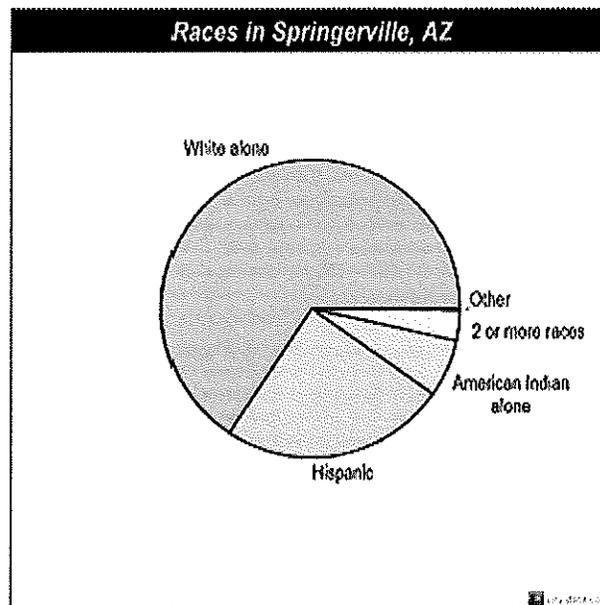
DEMOGRAPHICS

The data presented in this section captures the changing trends of the Town of Springerville's economy. Primary data includes the U.S. Census Bureau, the U.S. Bureau of Economic Analysis, the U.S. Department of Labor, and the Arizona Department of Labor. Due to the different methods used by these agencies in counting employment data, some discrepancies in employment totals may occur.

Growth in population usually indicates growth in the available work force and a healthy, vibrant economy. The population of Springerville has not increased significantly since 2000 and has actually fallen by a small percentage, according to the 2010 census.

One hundred years ago, the Springerville population was 1,219 people. In 2000, the population was 1,972. In 2010, the population was 1,961, a 0.6% decrease from 2000.

Over the course of a full century, the town has added only 742 residents.



- White alone - 1,343 (68.5%)
- Hispanic - 482 (24.6%)
- American Indian alone - 91 (4.6%)
- Two or more races - 28 (1.4%)
- Asian alone - 12 (0.6%)
- Black alone - 3 (0.2%)
- Native Hawaiian and Other Pacific Islander alone - 1 (0.05%)
- Other race alone - 1 (0.05%)

The population of Apache County, according to data released in April 2012, is 72,401, of which 73% are Native Americans and 23% are white. Thus, the racial make-up of Springerville's population does not reflect that of the county, which has 52,154 Native Americans and 16,652 whites.

For population 25 years and over in Springerville:

- High school or higher: 74.6%
- Bachelor's degree or higher: 14.9%
- Graduate or professional degree: 5.9%
- Unemployed: 9.0%
- Mean travel time to work (commute): 15.8 minutes

For population 15 years and over in Springerville:

- Never married: 18.7%
- Now married: 59.4%
- Separated: 2.2%
- Widowed: 6.2%
- Divorced: 13.5%

Education attainment for males 25 years and older:

- No schooling: 14
- Nursery to 4th grade: 14
- 5th and 6th grade: 10
- 7th and 8th grade: 25
- 9th grade: 17
- 10th grade: 19
- 11th grade: 19
- 12th grade, no diploma: 16
- High school graduate (or equivalency): 166
- Less than 1 year of college: 51
- Some college more than 1 year, no degree: 98
- Associate degree: 25
- Bachelor's degree: 61
- Master's degree: 26
- Professional school degree: 11
- Doctorate degree: 2

Education attainment for females 25 years and older:

- No schooling: 11
- Nursery to 4th grade: 23
- 5th and 6th grade: 28
- 7th and 8th grade: 45
- 9th grade: 17
- 10th grade: 21
- 11th grade: 21
- 12th grade, no diploma: 14
- High school graduate (or equivalency): 174
- Less than 1 year of college: 63
- Some college more than 1 year, no degree: 135

- Associate degree: 25
- Bachelor's degree: 50
- Master's degree: 18
- Professional school degree: 12
- Doctorate degree: 4

Most common industries in 2005-2009 (%) Males:

- Utilities (21%)
- Construction (18%)
- Public administration (12%)
- Accommodation and food services (10%)
- Retail trade (8%)
- Manufacturing (6%)
- Health care and social assistance (6%)

Most common industries in 2005-2009 (%) Females:

- Accommodation and food services (19%)
- Retail trade (17%)
- Health care and social assistance (14%)
- Educational services (12%)
- Public administration (10%)
- Other services, except public administration (9%)
- Utilities (6%)
-

Most common occupations (%) Males:

- Other sales and related workers including supervisors (7%)
- Carpenters (6%)
- Construction laborers (6%)

- Law enforcement workers including supervisors (5%)
- Vehicle and mobile equipment mechanics, installers, and repairers (5%)
- Driver/sales workers and truck drivers (4%)
- Plant and system operators (4%)

Most common occupations (%) Females:

- Other management occupations except farmers and farm managers (8%)
- Building and grounds cleaning and maintenance occupations (7%)
- Preschool, kindergarten, elementary and middle school teachers (6%)
- Secretaries and administrative assistants (5%)
- Registered nurses (5%)
- Financial clerks except bookkeeping, accounting, and auditing clerks (5%)
- Cashiers (5%)

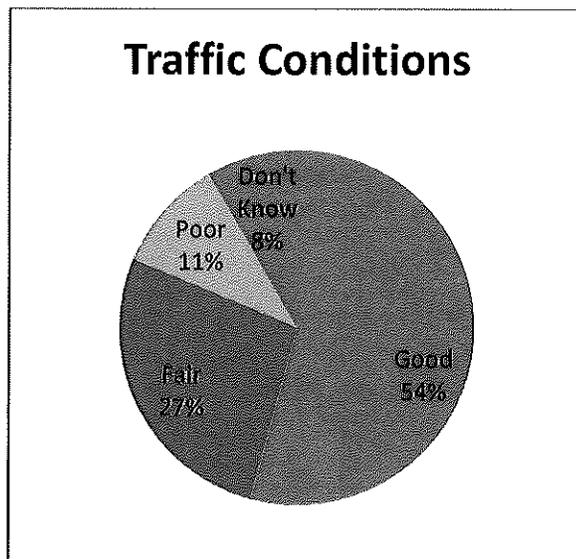
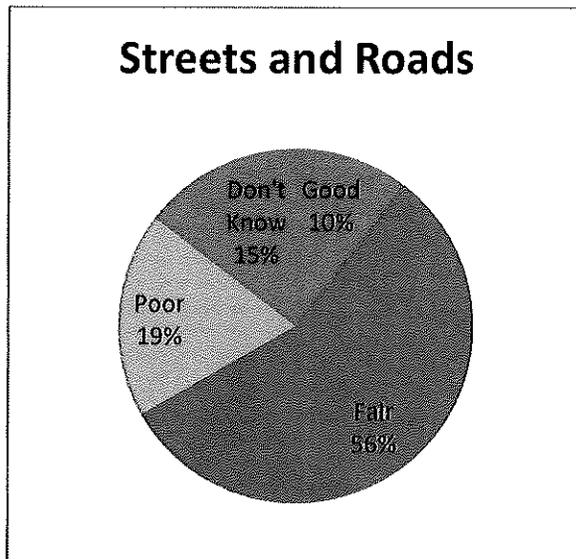
Percentage of residents living in poverty in 2009: 23.1%:

- 21.5% for White Non-Hispanic residents,
- 25.7% for Hispanic or Latino residents,
- 39.0% for American Indian residents,
- 24.1% for other race residents,
- 21.9% for two or more races residents

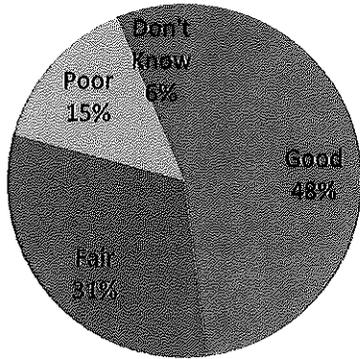
The median income for a household in the town was \$30,769, and the median income for a family was \$36,331. Males had a median income of \$32,313 versus \$19,519 for females. The per capita income for the town was \$13,830. About 14.7% of families and 23.1% of the population were below the poverty line, including 25.4% of those under age 18 and 26.1% of those ages 65 or over.

SURVEY ANALYSIS

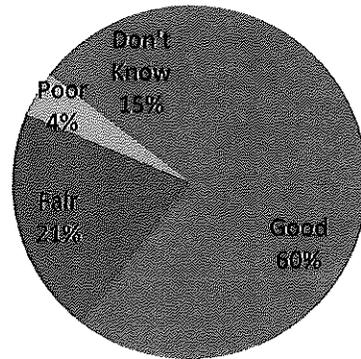
Written and oral surveys of town residents were conducted to systematically gather and analyze information and identify issues and options facing the Town of Springerville. The feedback from these surveys provides information that is helpful in matching resources and capabilities to the competitive environment within which the town operates. This framework helps decision-makers focus activities and resources into areas where they can be most effective, and is a key step in crafting an economic diversification strategy. The following was derived from survey responses and interviews with community members. Questions pertained to the adequacy or inadequacy of specified elements of the Town. (Note that this survey only represented 33% of the households in the Town).



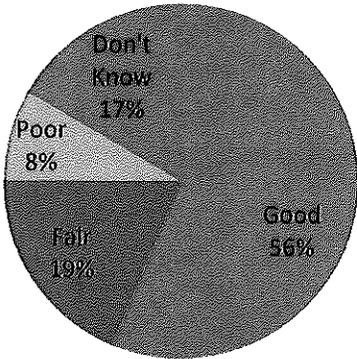
Parking Downtown



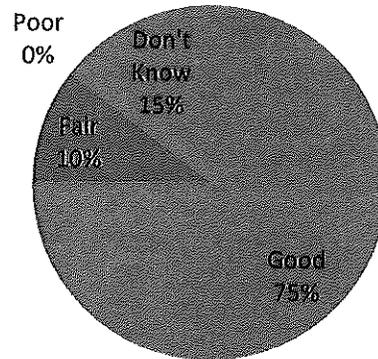
Fire Protection



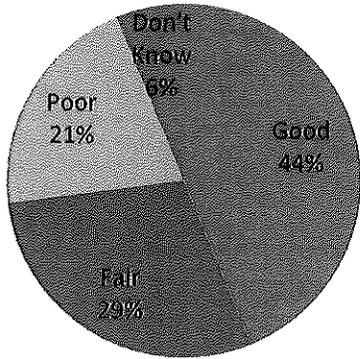
Police Protection



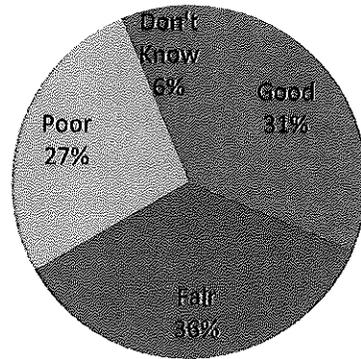
Garbage Collection



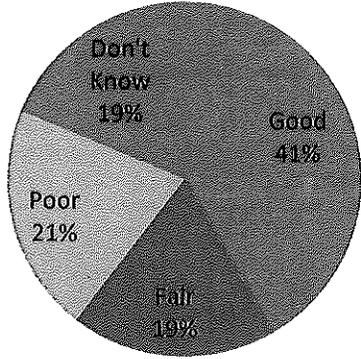
Water Supply



Parks & Playgrounds



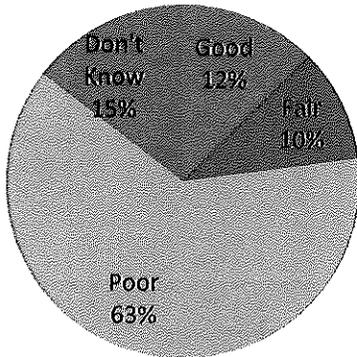
Sewage Collection



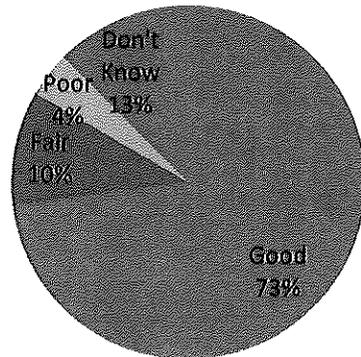
Adult Recreation



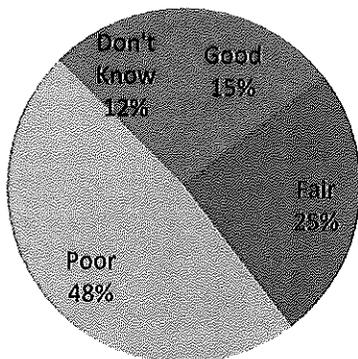
Teenage Recreation



Library



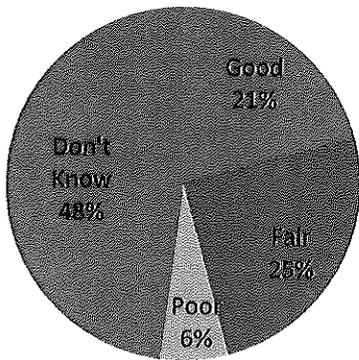
Child Recreation



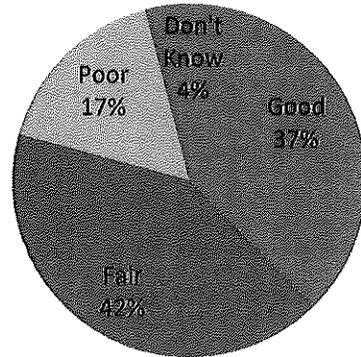
Flood Control



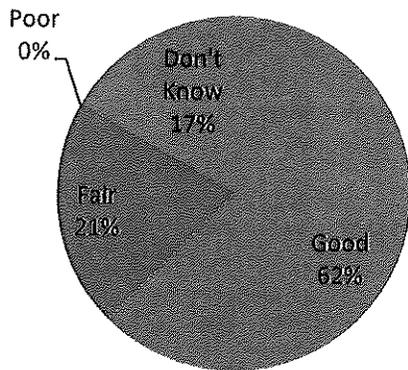
Crime Prevention



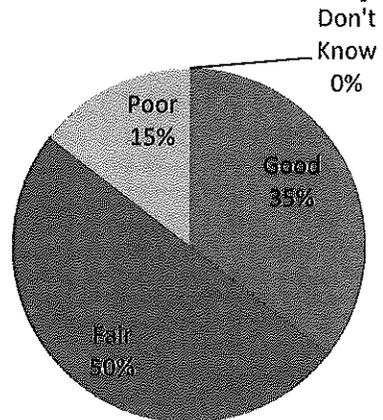
Doctor Availability



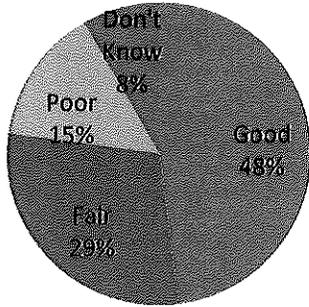
Ambulance Services



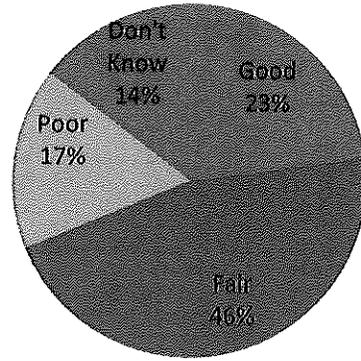
Dentist Availability



Emergency Availability



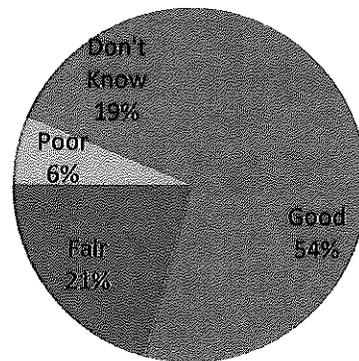
Housing Availability



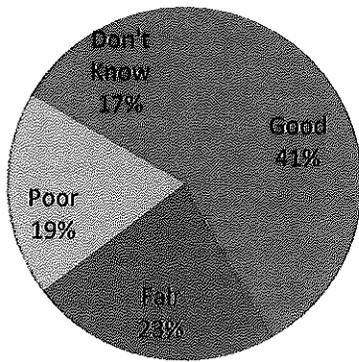
Care for Elderly



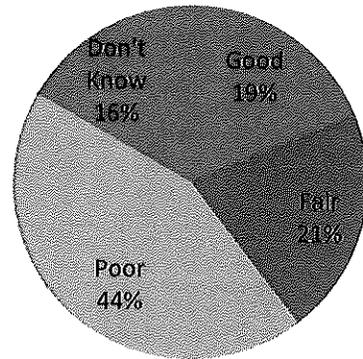
School Condition



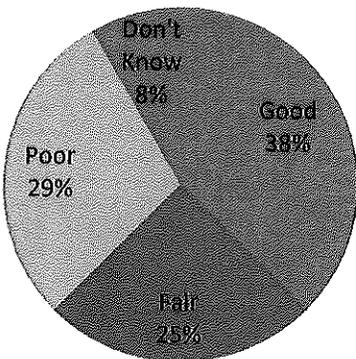
Elementary Education



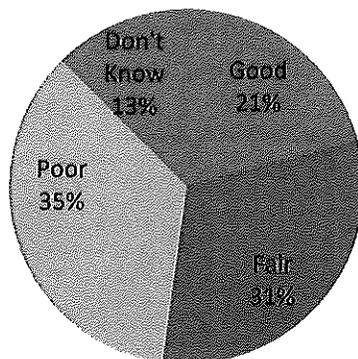
Vocational Training



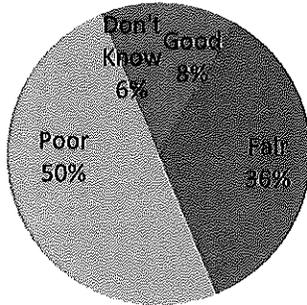
High School Education



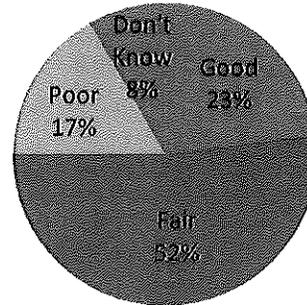
Adult Education



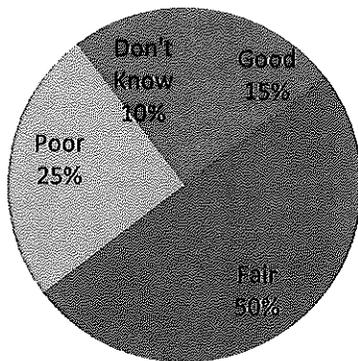
Neighborhood Appearance



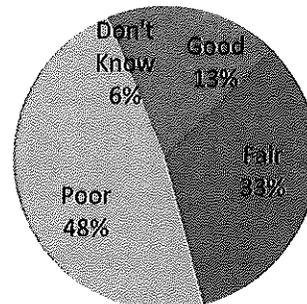
Public Building Appearance



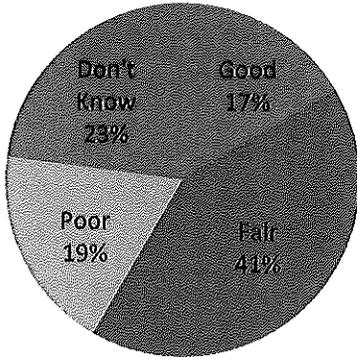
Business Appearance



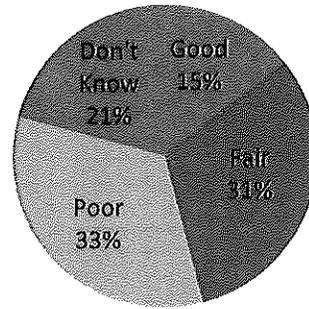
Overall Community Appearance



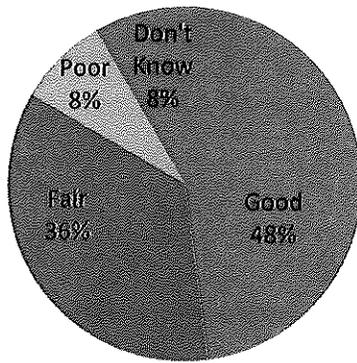
Newcomer Welcome



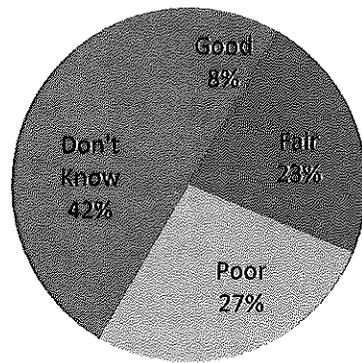
Progressive Community Spirit



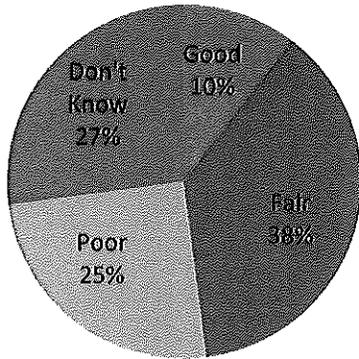
Friendly People



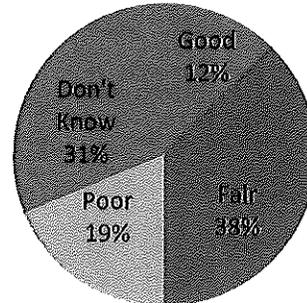
Long-Range Planning



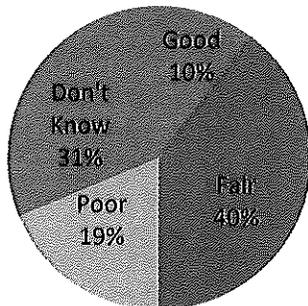
Planning and Zoning



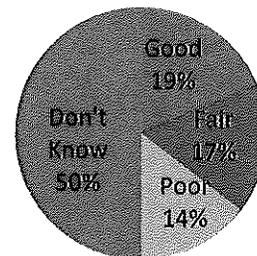
Community Civic Organizations



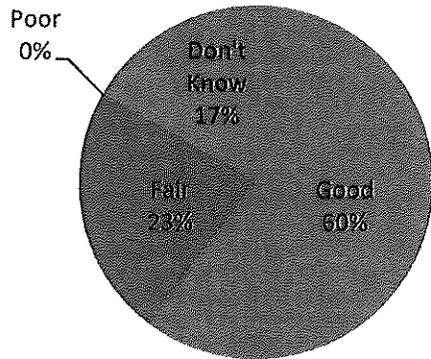
Responsiveness to Local Government



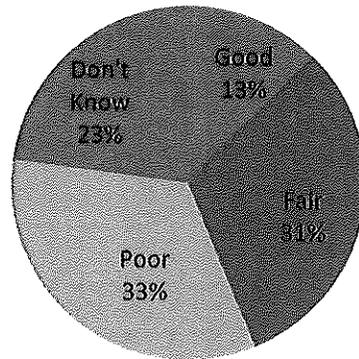
Cooperation between Community Clubs and Groups



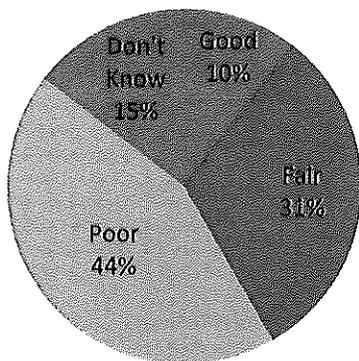
Churches



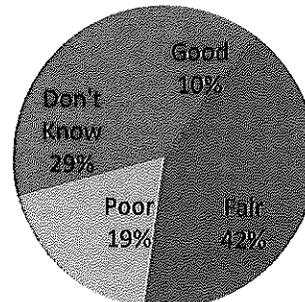
Child Day Care



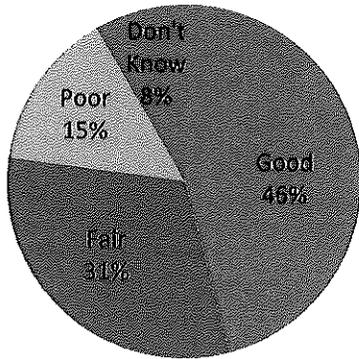
Local Tax Rates



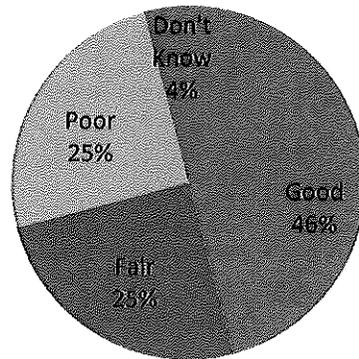
Service in Local Streets



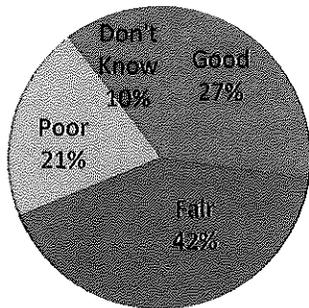
Eating Establishments



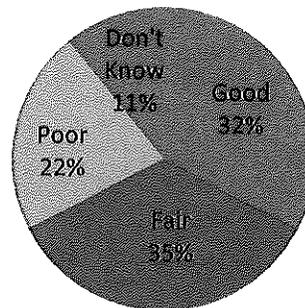
Banking Service



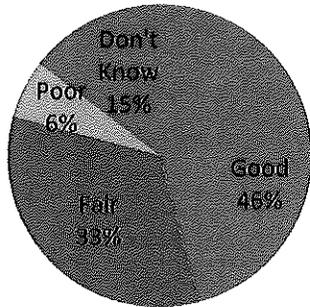
Variety & Quality of Goods in Stores



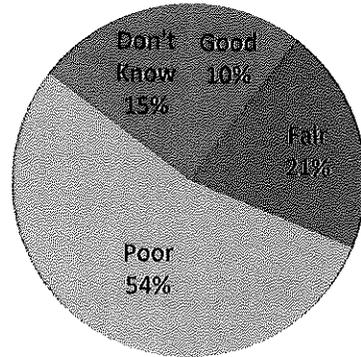
Local Newspaper Service



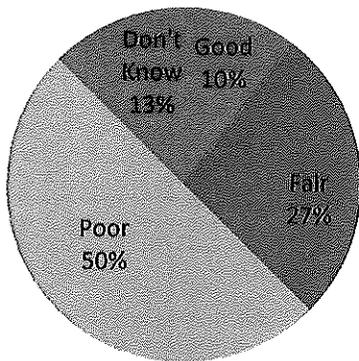
Hotel & Motel Accomodations



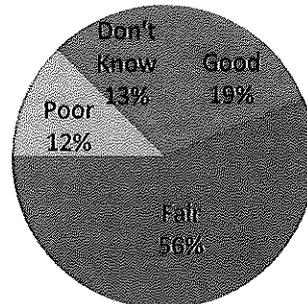
Local Industry



Local Agriculture

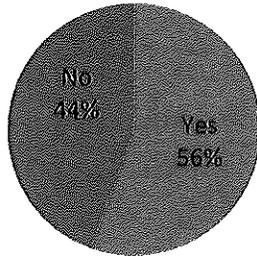


Family Living Conditions

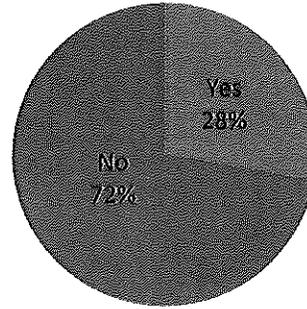


Does Springerville have:

An Organization to Promote Economic Development?



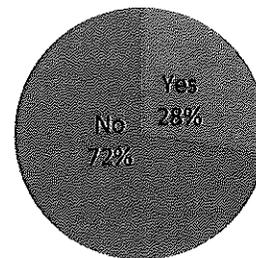
Public & Private Sector Cooperation?



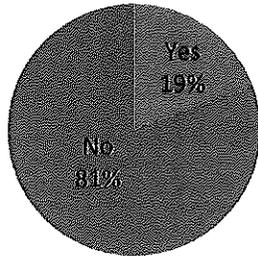
Widespread Leadership Participation?



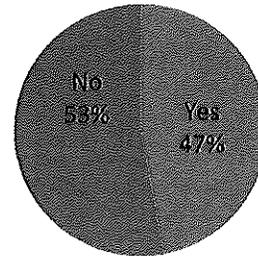
Funding for a Development Program?



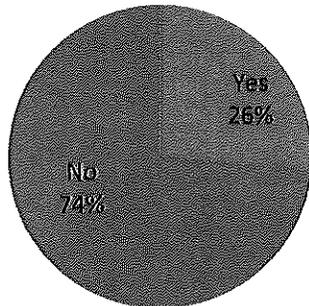
Coordination Among Agencies to Promote Job Creation?



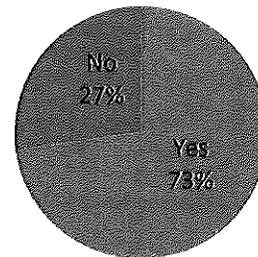
Publicly Controlled & Developed Industrial Sites?



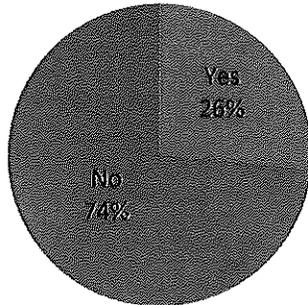
A Plan For Economic Development?



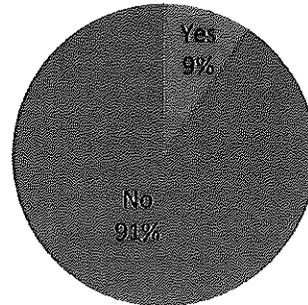
An Inventory of Potential Sites?



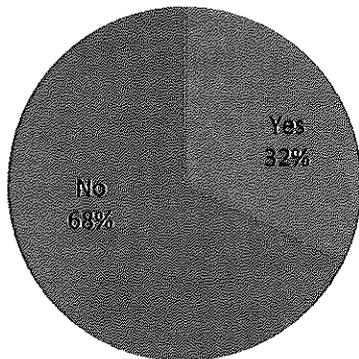
Available Industrial Buildings?



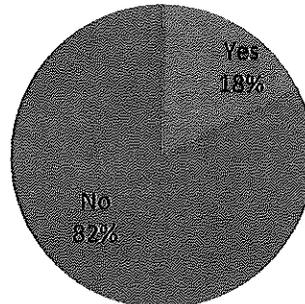
A Marketing Approach & Team?



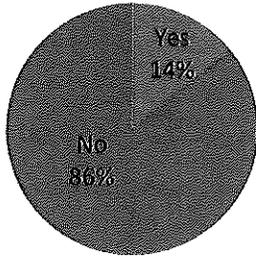
Marketing Materials?



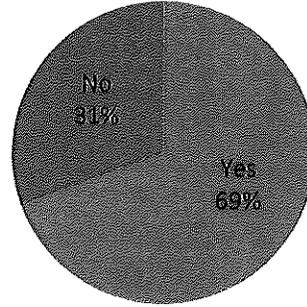
An Industry Assistance Program?



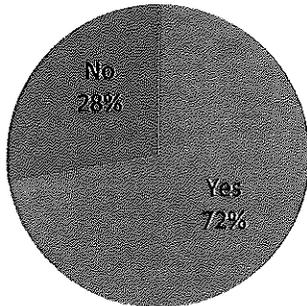
A Business Development Program?



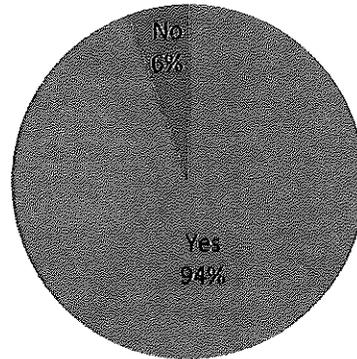
Adequate Wastewater Treatment?



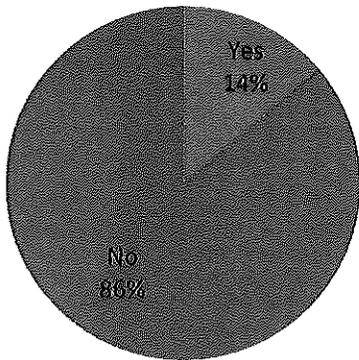
Adequate Water Supply?



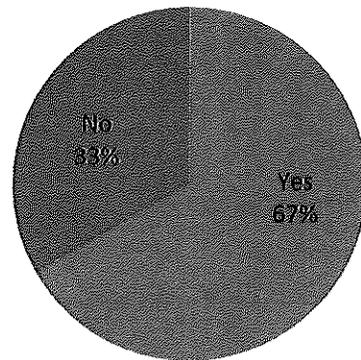
Electricity?



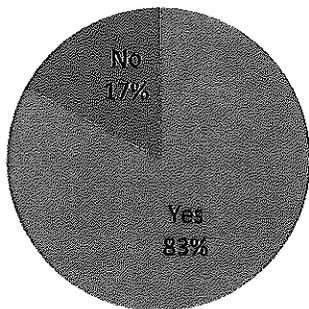
Natural Gas?



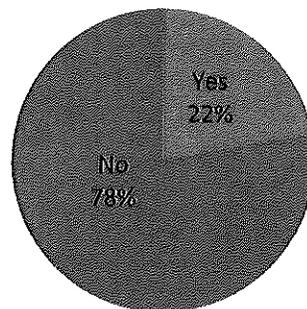
Adequate Roads?



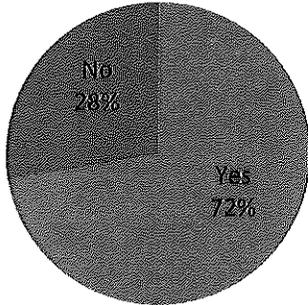
Adequate Phone Service?



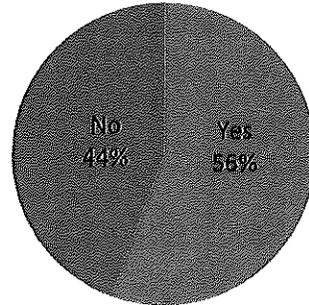
Public Transportation?



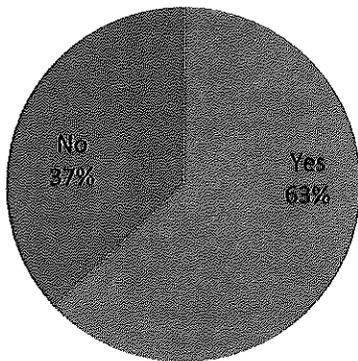
Adequate Internet Service?



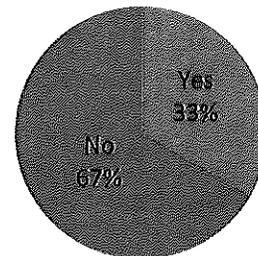
Technical Skills Training?



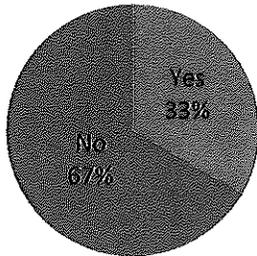
Labor Availability?



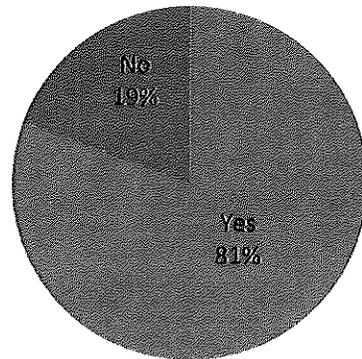
Good Labor-Management Relations?



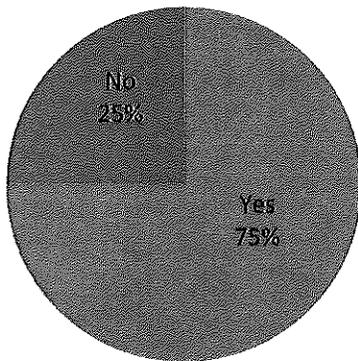
Good Labor- Management Relations?



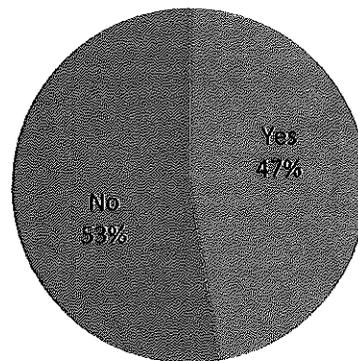
Health Care?



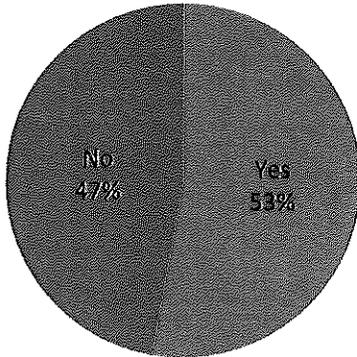
Education?



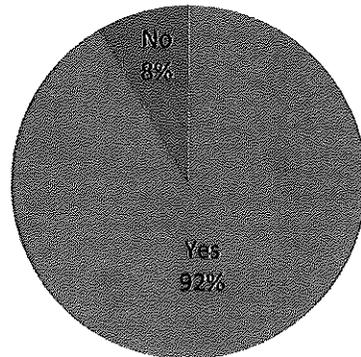
Recreation?



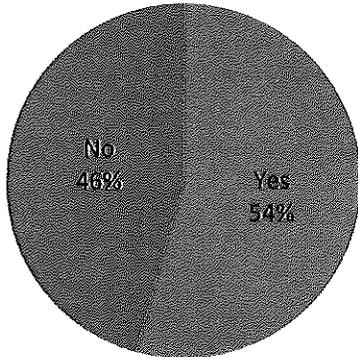
Good Appearance?



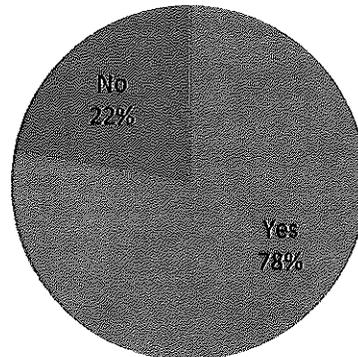
Police & Fire?



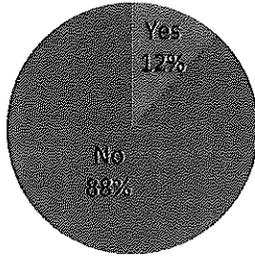
Adequate Housing?



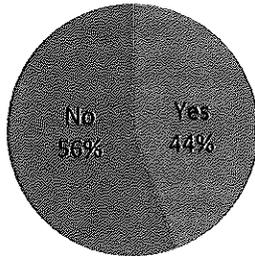
Dining & Lodging?



Financing for Business & Industrial Expansion?



Good Relations with State & Federal Agencies?



Projected Job Growth

The Town of Springerville's economy was built on traditional industries such as cattle ranching and timber, which remain critical sectors. Changes in the town's economy have made growth industries such as mining, health care, social services as well as finance and information technology, the areas in which job creation will most likely occur. These industries will play an increasing role in the area's employment picture over the next decade.

American West Potash has announced its plans to mine potash from the extensive deposits in the Holbrook Basin in Apache and Navajo Counties. The mining operations, which will begin next year if permits are approved, promise to provide employment for up to 800 during the first year and a half, and then for up to 400 permanent staff. These numbers do not include the ancillary employment in businesses needed to support the operation, nor for such things as road building and transportation. The potash deposits contain sufficient to supply at least 40 years of mining. American West Potash has completed its economic feasibility studies, preliminary design, budget and permitting plans, accumulated over 150 leaseholds, and initiated phase two drilling, design and permitting projects. The mining plant is projected to run 24 hours a day, seven days a week. The company will provide the training needed to work at the facility. The operation will bring millions of dollars to the State and Counties in the form of royalties, property taxes and sales taxes. The jobs will pay high wages.

American West Potash has a head start over two other companies, Passport Potash, Inc. and HNZ Potash, which have acquired thousands of acres of land rights and publically expressed interest in mining potash from the Holbrook Basin. Based on historic exploration data, the Holbrook Basin holds 682 million to 2.58 billion tons of potash, ranging in grade from six percent to 20 percent, at an average depth of 1,200 feet. The U.S. has a demand of 10 million tons of potash per year, for which it relies heavily on imports.

Kinder-Morgan purchased the assets associated with the St. John's Dome, an undeveloped carbon dioxide deposit that extends over an area of 1,800 square kilometers along the Arizona-New Mexico border. The seller, Ridgeway Arizona Oil Corporation, discovered the massive deposit in 1994. The deposit is relatively shallow at between 200-700 meters, and it is estimated that there are 830 million tons of gas in place. The gas is 95% CO₂ along with methane, argon, nitrogen and helium. In April 2012, Kinder Morgan briefed the Arizona Oil & Gas Conservation Commission about its plans to complete evaluation of the St. Johns Field in eastern Arizona, and to develop it as a major supplier to the oil fields of New Mexico and Texas.

The company announced it will drill new wells in 2012 and do more extensive testing of those than Ridgeway did, to better see if they can improve performance and establish commercial production rates. Construction would begin in 2013, and the field would go into production in 2015. If successful, Kinder Morgan foresees drilling 250 wells in the field and building a 400 mile long, 20" diameter pipeline to the town of Denver City, on the Texas-New Mexico border to carry 450 million cubic feet per day of carbon dioxide. If the field production turns out to be less, the company would look at a 10" diameter pipeline to the northeast to connect with the CO₂ pipeline from McElmo Dome. In either event, this development promises to be positively transformative for the economy of Springerville, providing high-paying employment for its residents.

Main Street

The downtown districts of Mountain Avenue and Main Street (Hwy 60) in the Town of Springerville are among the town's most important assets. Their historic charm and pedestrian-friendly potential makes them desirable areas for economic development. Their cultural and historic assets provide attractions to support tourism. The presence of so many small businesses in these districts illustrates their importance to the overall economic health of the community. By promoting a planned, coordinated development and tourism effort, the town may use its unique assets to bring dollars

from visitors into its economy. When these proposed changes occur, it is expected that visitors to that area will increase and further economic spin-offs will occur.

The Town of Springerville Council, staff and community members have advocated for a walkable downtown since the Town's first master plan was developed in 1995. Public comment was heard at numerous public meetings.

Key Activities:

- 1995 Municipal Master Plan proposed pedestrian-friendly business district;
- 1999- AZDOT US 60 Show Low to New Mexico Multimodal Corridor Profile Study specifically notes inadequacy of sidewalks and crossings in Springerville and addresses general unsuitability for bicycle traffic;
- 2006-2007 – Municipal Master Plan update specifies desire for a pedestrian-friendly corridor along Main Street. Emphasis is placed on a streetscape for downtown. (Document – Springerville Master Plan);
- 2009 - Town commissions design of “Town Square” anchored by the historic school (now the Springerville Heritage Center), including Main Street streetscape. Business surveys and community meetings identify desire for a pedestrian environment along Main Street for economic development;

Significant investments in support of this cluster have been made in recent years, such as the enhancement of walkable areas and the restoration of the historic school, now named the Springerville Heritage Center by a committed group of area volunteers led by the Round Valley Historical Society. The Center now houses the Casa Malpais Museum, the Rene Cushman Art Gallery, the Chamber of Commerce, and a gallery to showcase the work of local artists. The Town Hall, Udall/Johnson Conference Center and Police Department also share this Business Complex.

Last year, the town was awarded an Arizona Transportation Enhancement grant through the Arizona Department of Transportation for a streetscaping project along

Main Street (Hwy 60) in front of the Springerville Heritage Center. This will create a focal point for the town and a springboard for further improvement.

Residents have expressed a preference for:

- Traditional Style Street Lights
- Pedestrian friendly business district (sidewalks, bicycle lane). Traffic calming is needed to provide a safer environment for pedestrians and bicyclists.
- An attractive downtown district to encourage visitors and residents alike to stop and explore the museum and shops, enjoy lunch and stay overnight.
- Landscaping, sidewalks and pedestrian-scale lighting to make the area safer at night, improve driver visibility and create an inviting atmosphere.

Highway 60 is known as the National Trails Highway. Its four lanes of traffic funnel 2.5 million vehicles per year through Springerville, moving at such a fast pace that they do not notice the downtown area. This roadway divides the town, posing a barrier for pedestrians wishing to cross Main Street. There are only two crosswalks serving downtown, and these are a half-mile apart, encouraging jaywalking.

Tourism is a major industry in this economically disadvantaged part of Arizona, which is a year-round destination for a wide array of recreational and cultural activities. An average of 10,000 visitors a year is logged by the visitor center and museum. Slowing traffic and encouraging visitors to stop will draw additional patrons to local businesses, increase sales tax revenue and create jobs. Safe and attractive pedestrian and bicycle access are critical to the success of the Main Street development. Streetscaping will establish a "Gateway to the White Mountains," honor the National Old Trails Highway and create an identity for the Town and the Region.

The Main Street districts are easily accessible and centrally located, serving as activity centers for the residents as well as visitors. These downtown corridors have great potential as centers for entertainment, culture, and office-based business development. Master planning is needed for the Town of Springerville to focus on

economic development in these main corridors. There are numerous components that can contribute to a quality of life, from the physical appearance of a community to the services and amenities that are available. Aesthetically pleasing surroundings entice visitors and residents alike to public areas that are accessible, inspiring, and that encourage them to feel they are a part of a unique community. The Town of Springerville can play an active role in redevelopment and revitalization plans by continuing to support private groups in their efforts to upgrade the area. Many have expressed concern over the number of vacant parcels of land and empty buildings on Main Street. The key to solving this problem is to stimulate demand for the use of these vacant parcels and empty buildings.

Considerable potential for small business growth exists in encouraging business start-ups and enabling them to expand, which can be supported by the efforts of the Chamber of Commerce and the Town's future incubator program. Businesses that employ local residents, use local materials, and sell local products are a basic component of economic growth. Redevelopment provides the opportunity for nearby job-training and employment to those in the neediest areas, adds tax revenues to municipalities, and stimulates other revitalization efforts.

In addition to vacant and underutilized sites that are suitable for redevelopment, rehabilitation of historic or older buildings is another option for business location. The Town of Springerville contains a significant number of unique historic structures that provide an ideal location for small businesses. Smaller spaces, lower costs, and central location all contribute to attracting and retaining small businesses. By maintaining an inventory of older buildings development authorities can assist potential businesses to identify structures that meet their needs. The town should continue efforts to provide land use designations that provide small businesses opportunities to start and grow. Although local assistance to help finance private business start-ups and expansion is limited, several state and some federal financing programs (i.e. tax credits, SBA loans, etc.) are available. Redevelopment and revitalization through the use of Community Development Block Grants through a blight designation is another way to invest in our

own community's business thoroughfares. The business incubator program and a community development foundation, both of which are described later in this study, hold great promise for the revitalization of Springerville's Main Street areas. In the past, the town dispersed its capital improvement expenditures throughout various areas strategically, thereby avoiding the problem of providing partial solutions to multiple areas. Given the limited resources available, the town will have to continue its adopted strategic approach of careful investment of public funds. It is recommended that a coordinated *private* effort be effected to improve the historic buildings on Main Street.

GOAL: Develop downtown as a primary residential, office, tourist and retail destination.

ACTION STEPS:

Action 1: Develop economical development-focused master plan as part of the comprehensive planning process.

Action 2: Establish a Community Development Foundation

Action 3: Locate future tourist venues in or near the downtown areas.

Action 4: Promote state funding programs to small businesses.

Action 5: Redevelop vacant properties with the use of grants and tax credits.

Action 6: Expand existing downtown festivals and special events.

Action 7: Develop a Business Incubator Program.

Action 8: Establish façade improvement program through Community Development Foundation.

PERFORMANCE MEASURES:

Performance Measure 1: The number of new residents annually.

Performance Measure 2: The number of tourists annually.

Performance Measure 3: The amount of retail sales annually.

Performance Measure 4: Amount of state and federal infrastructure funds obtained for The Town of Springerville.

Performance Measure 5: Amount of local funds targeted for economic development projects.

Infrastructure

One of the challenges of the town is keeping infrastructure current and maintaining the capacity needed for new businesses. This study supports infrastructure improvement projects throughout the town and considers each project essential to creating and retaining jobs. Particularly important are the Town of Springerville's water and sewer projects.

Springerville should have a strong and effective infrastructure management system. A progressing community must pay attention to infrastructure needs by planning for both the future expansion and the deterioration of existing infrastructure. This serves the residents, business and future economic development and contributes to community livability. It is important to have an infrastructure plan and management system that will support policy decision-making and inform administrative processes.

In order to provide enhanced water security the installation of transfer switches at wells and treatment plants for conversion to back-up, propane-powered or diesel-powered generators could be useful.

Goal: Maintain and create adequate roadway, water and sewer infrastructure throughout the town.

ACTION STEPS:

Action 1: Develop an infrastructure plan with a focus on the needs of target sectors;

Action 2: Participate in the capital improvement plan process for economic development projects;

Action 3: Promote enhanced infrastructure that is suitable for attracting industry and improving water service to homes;

- Action 4:** Educate community on the need for suitable infrastructure for job creation;
- Action 5:** Apply for state and federal infrastructure grants – particularly for roadway, broadband, water and sewer projects;
- Action 6:** Consider water security issues.

PERFORMANCE MEASURES:

- Performance Measure 1:** Linear feet of new pipeline;
- Performance Measure 2:** Number of business and residential infrastructure-related work orders completed;
- Performance Measure 3:** Completion of infrastructure plan and management system;
- Performance Measure 4:** Amount of grant funding attracted for infrastructure projects.

Open Space Development

Springerville is alive with natural character. Surrounded by mountains, meadows and bluffs, the town has a great deal to offer outdoor enthusiasts. The natural features of the site are also important to the development of Springerville.

Open space may refer to parks, forests, farmland, wetlands, or other natural areas. It is land that has not been developed. It also includes other types of recreational lands including greenways and trails. It includes “active” open space such as athletic parks, and “passive” open space such as wildlife preserves. Open space may also refer to water resources such as a lake. Open space is widely used for hiking, camping, photography, wildlife observation, educational programs, and hunting and fishing. Natural areas also allow the human spirit to renew itself.

Open space development includes a development pattern that arranges the layout of buildings in a compact area of the site so as to reserve a portion of the site for community open space or green space and is protected in perpetuity. Open space development has numerous environmental and community benefits, including the following:

1. Reduces the impervious cover in a development. Impervious cover contributes to degradation of water resources by increasing the volume of surface run-off, and preventing infiltration into the soil surface;

2. Reduces rainfall pollutant loads to streams and other water resources;

3. Reduces potential pressure to encroach on resource buffer areas;

4. Reduces soil erosion potential caused by clearing and grading of site;

5. Preserves green space and open space for recreation;

6. Creates a sense of community and pedestrian movement.;

7. Can support other community planning goals such as farmland preservation.

The economy also benefits from open space. Development increases demands on public services and on residents' tax bills. New housing, in particular, routinely fails to pay its own way even with the additional tax revenue it provides. Many studies show that local governments often spend more on education and other public services than a residence generates in taxes. In contrast, studies show that the net benefit from open space is generally positive. Reining in the development of additional land will also boost the value of already developed land, and tax dollars can be focused on improving and making more efficient the existing infrastructure, rather than burdening it with sprawl development. Green spaces and parks also bring other benefits to their communities. They are excellent marketing tools for any community that wants to expand and diversify its economy. Companies planning to relocate place a premium on healthy landscapes where employees and their families can enjoy the outdoors. They value communities that offer parks where children can play and trails where employees can exercise.

Many residents of Springerville have expressed opposition to uncontrolled growth, which they view as detrimental to their quality of life. They want to keep open or tree-filled acres of land and the wildlife habitats from being destroyed by development. Growth is the expansion of developed space due to increases in population and

economic prosperity. Over time, development spreads farther and farther from the center of town, creating the phenomenon known as sprawl.

There is a substantial amount of open space in relation to the built environment. The entirety of this space has the potential for development. Springerville has always been a pioneer town. Green architecture that listens and responds to the environment would be a great way for Springerville to both pioneer into the future and reinforce their responsive, land-loving ideals. The town should revisit the issues of open space and determine whether it is appropriate to update its land use regulations to require open space set asides in any future developments.

Land for conservation or recreation can be acquired through a variety of mechanisms, including fee simple purchase, donation and easement. A Community Development Foundation, such as we recommend in this document, can acquire land in trust to protect its natural character. Such trusts are created and sustained by conservation-minded citizens in order to preserve and enrich their community's natural heritage. These land trusts provide people and communities with choices of how green spaces in rural areas can be used or preserved. A Community Development Foundation might also acquire an easement in property that permanently limits a property's uses in order to protect the property's conservation values as open space.

***Goal:* Create pathways, parks, greenways and other open spaces to link existing neighborhoods with existing and future development.**

ACTION STEPS:

Action 1: Establish taskforce to study open space trends, to meet with and listen to the public, to find consensus, and to make recommendations for a comprehensive open space initiative;

Action 2: Involve the people of Springerville with the Steering Committee Task Force in crafting the initiative and encourage them to contribute ideas and concerns;

Action 3: Taskforce should establish goals that define the amount and types of land they wish to protect in open space conservation status;

Action 4: Charge Community Development Foundation with responsibility of conducting land trust program;

Action 5: Consider providing dedicated source of funding for open space acquisition;

Action 6: Promote new design principles and zoning ordinances that allow both development and conservation objectives to be met;

Action 7: Identify and map existing lands in the area, including areas already preserved and areas targeted for preservation.;

Action 8: Seek grants, donations and other funding to acquire conservation interests in land.

PERFORMANCE MEASURES:

Performance Measure 1: Number of stakeholders engaged in the initiative;

Performance Measure 2: Completion of open space design principles and zoning ordinances;

Performance Measure 3: Map of desired pathways, parks, greenways and other open spaces;

Performance Measure 4: Commence land acquisition program through Community Development Foundation;

Performance Measure 5: Amount of funding received for preservation of open spaces.

Central Park

We have studied the design concepts proposed for a central park in the Town of Springerville, a north-south linear park that would link with the Town of Eagar. A central park would be an enhancement for the Town of Springerville and provide many social, economic, and environmental benefits. What has been proposed for a central park does not appear to be a feasible project at this time, but it may be designated as a project to begin within 3-5 years, as a park this size is expensive to construct, expensive to maintain, and beyond the ability of the current municipal budget.

Potential Funding: Due to budget constraints, Arizona State Parks is no longer offering grants for the construction of municipal parks. Noted Example: The City of Show Low constructed Nikolaus Homestead Park two years ago on a ten-acre parcel of land near the center of the city. The cost for the second phase of the park, which installed multi-use ball fields, a BMX track, restrooms, playground equipment, irrigation, turf, lighting, fencing, a parking area, outdoor furniture, a track, and other amenities, was well over a million dollars, of which Arizona State Parks paid fifty percent. The park has required continual maintenance at great expense, and there has been vandalism in the form of destruction of trees, solar-powered lights and restroom fixtures. If a project is not realistic for the budget, both in terms of implementation and maintenance, it will not be sustainable.

It would be possible to approach the project on a smaller scale, providing public access and enjoyment for hiking, biking, equestrian trails, and other uses. Open space parks generally have minimal development and are intended to remain in their natural state, requiring modest ongoing maintenance. If accepted as a long-term project, with elements added incrementally over a period of years, as approved by the residents of the town, the larger project would be more realistic. A Central Park would create a unique, pedestrian-friendly environment, a place to gather and play, a place to experience serenity.

As with other desired development projects under consideration by the town, such as those for open spaces, this might also be an appropriate challenge for a Community Development Foundation, which would have access to donations, legacies, grants and other sources of funding mentioned hereafter. A public/private partnership to generate viable funding sources as well as building a volunteer base to help care for the park may provide the way to achieve the project, if the town decides to pursue it in the short term.

Springerville grows very little of the food it consumes, other than beef. The town might consider a local food initiative, which would enable itself to produce and preserve sufficient food to provide for its residents in the event of a disruption of food deliveries. This could be accomplished through the organization of a farmers' and gardeners' co-op, creation of a farmers' market, designation of available acreage for growing crops, research into appropriate varieties of crops for your climate and conditions, soil amendment programs, green-housing, hydroponics, canning and food preservation programs and related education. The land contemplated for a Central Park might serve perfectly for a community farming initiative. Our goal would be to build a link between local production and local consumption. If you grow your own food products, perhaps add value through processing and packaging and then sell those products locally, you keep more of the revenue from those market opportunities in the local economy.

The Department of Agriculture, Rural Development, has over a dozen business, cooperative and community facility loan and grant programs to assist communities and support local food initiatives. For example, the Value Added Producer Grants provide opportunities to agricultural producers for projects that use existing products in non-traditional ways. The Business & Industry Guaranteed Loan program can support production, distribution and consumption of locally grown foods. Much of Springerville's wealth is sent out of the community to its food suppliers. We believe the town should consider a food initiative aimed at keeping this money in your local community and having access to locally-grown foods. It's a win-win for the producers, and for the consumers.

Goal: Determine most appropriate current use of land under consideration for Central Park.

ACTION STEPS:

Action 1: Hold public meeting to discuss use of subject land as community farm or park or combination.

Tourism/Historic Preservation

Springerville has a rich, diverse historical and cultural heritage. The earliest inhabitants of the Casa Malpais ruins are thought to have lived there in approximately 1250 AD. Early settlers arrived in the area in the mid 1800's. The town was officially established in 1879. The Town of Springerville is a blend of people with a strong connection to their ranching, farming and pioneering past. There is a cultural blend of indigenous peoples, Hispanics, Catholics, Protestants and Mormons. This creates a diverse heritage and sense of place.

Tourism is a major industry in Arizona and an important revenue-producing activity in the Town of Springerville. When compared to other historic communities, tourism in Springerville is still underdeveloped with high growth potential. The Town of Springerville has an established cultural tourism industry, with numerous events, visual arts and culture. The Springerville Heritage Center's Art Gallery, the Casa Malpais Museum, and the Renée Cushman Art Collection have become a real magnet for people visiting the town. Some residents have expressed a desire for more weekend events and activities to draw tourists. A large portion of many local businesses' income comes from tourism. Since the Springerville area has great potential to attract summer tourists as the Gateway to the White Mountains, a Visitors' Center could be an asset.

Historic preservation and rehabilitation contributes to economic development in a number of ways, especially in small towns. Historic preservation can attract tourists and visitors that would otherwise visit neighboring towns. The care and restoration given to old, historically-significant buildings generates great returns and enhances a quality of life that attracts and retains residents. Springerville has an interesting history and a number of surviving structures related to its Old West legacy that should be rehabilitated as possible tourist destinations.

Casa Malpais is the premier archaeological site in the White Mountains and is a registered National Historic Landmark. Tours are conducted daily to the site by an experienced and knowledgeable guide. More can be done to promote this ancient pueblo site as a tourist destination.

Tourism is a visible and popular way to create primary jobs by bringing outside money into the community and distributing it into the local economy. This can have positive results on existing businesses and can create new employment opportunities throughout the area.

In recent years, economic development practitioners and planners have begun to recognize the role of the arts in the production and exchange processes that drive local economies and their usefulness in downtown revitalization and other aspects of economic sustainability, particularly for rural areas and small towns. The Round Valley Chamber of Commerce embraces this concept and is taking proactive measures to promote art as an economic development strategy. Chamber leadership is encouraging an association of local artists to foster arts-related economic development activities in the area.

As noted in the survey analysis, there is broad recreational diversity within easy reach of the Town of Springerville. These include outdoor sports activities such as fishing, hunting, hiking, camping, and bicycling, in addition to nearby downhill and cross

country skiing, snowmobiling, and golf. Much could be done to promote the availability of these activities to attract tourists.

Goal: Expand the Town of Springerville's tourism economy.

ACTION STEPS:

Action 1: Support tourism-oriented projects in arts and recreation;

Action 2: Target funding to support programs, special events and festivals which attract visitors;

Action 3: Define and schedule more weekend events to draw visitors to town;

Action 4: Market The Town of Springerville's rich recreational opportunities and historic sites;

Action 5: Identify historically-significant structures for preservation and conversion to tourist destinations.

PERFORMANCE MEASURES:

Performance Measure 1: The number of visitors annually;

Performance Measure 2: Levels of grant funding arts and other tourism projects;

Performance Measure 3: The number of press articles, print advertisements, trade shows, direct mail, and community events annually;

Performance Measure 4: The number of website hits annually.

Airport Development

The Springerville Municipal Airport is located about one mile west of downtown Springerville. It covers an area of approximately 500 acres and has two runways, the first, 8,422 feet in length and 75 feet wide, and the second, 4603 feet in length and 60 feet wide. There are 23 aircraft based at the airport, most of which are single engine. The airport handles an average of 13 aircraft operations each day. A new main terminal building is presently under construction and will be completed this year.

The Airport is an important, though under-developed, community asset. Community leaders recognize its potential as a source of revenue and as a catalyst for job creation, entrepreneurship and business attraction and expansion on behalf of the citizens of Springerville. Currently, a Steering Committee has formed, including the Town Manager and Community Development Director to explore whether the Springerville Airport could effectively enhance economic development through a strategic partnership with agencies of the federal government. Specifically, the working group was tasked to look into how the economic development value of the airport to the Town of Springerville and surrounding communities could be maximized through construction and operation of a natural resource research and training center at the airport. An architect is currently donating his services to prepare preliminary conceptual drawings of the facilities under contemplation. The project idea holds potential to create multiple revenue streams for the town. This is cluster-focused effort. It is believed that grant funding and long-term leasehold revenue would cover construction costs.

The airport is a natural location for the growth and development of a significant light industry cluster and can serve as the basis to capitalize on a new emerging economy in the area. A business cluster at the airport would leverage on a strategy that builds upon the natural economic linkages between sectors. By promoting closer ties among related businesses, the town can offer benefits such as lower operating costs, integrated products, shared transportation expenses, more efficient production, and increased access to a specialized workforce.

Goal: Develop and nurture industry clusters to maximize economic potential of airport.

ACTION STEPS:

Action 1: Complete conceptual drawings and construction cost estimate;

Action 2: Negotiate with potential federal anchor tenants;

Action 3: Develop a strategy to ensure adequate resources throughout the planning process.;

Action 4: Coordinate contacts with potential cluster businesses;

Action 5: Engage potential implementing institutions at an early stage;

Action 6: Refine the locational and supportive requirements for each associated business in the cluster;

Action 7: Target funding and investment sources;

PERFORMANCE MEASURES:

Performance Measure 1: Complete set of conceptual drawings;

Performance Measure 2: Engagement success with potential tenants;

Performance Measure 3: Funding acquired.

Workforce Development

Springerville has a small employment base that centers around government employment and agriculture. The Tucson Electric Power Plant and the White Mountain Regional Medical Center are other large sources of jobs for the region.

Traditional workforce development strategies include pre-employment training and job placement that help low-and moderate-income individuals access employment; occupational training through certificate and degree programs; and incumbent worker training and retraining, often undertaken in collaboration with employers. Beyond these approaches, much workforce development activity in the U.S. focuses on the skills gap and on promoting changes in funding and delivering services.

The development of job skills needed by the current and future workforce must be a constant priority for schools and businesses. As technology advances, business and industry continue to experience a shift in needed employee skills. The information age has produced a shift from production skills to information-processing and problem-solving skills. Most new jobs demand an ability to adjust to forces requiring continual changes in products, processes, and management structures. The number of available workforce/trained professionals should be reviewed in the Town in order to be able to fill future jobs.

Sustained long-run economic growth requires technological transformation and structural change. The leading technology towns are investing heavily in programs to enable the workforce to learn and re-learn competencies and skills required in that dynamic economic world. In addition, an unprecedented requirement for adult retraining and continuous adult learning to keep pace with the changing needs of business and industry is now present. Low and semi-skilled workers can no longer command the wages they once did as a result of global competition and labor cost pressures. Given the number of manufacturing jobs lost in the last decade, workforce training is a necessary element to assist with worker transitions as well as offering a diverse labor pool for businesses.

Innovation is key to driving growth and prosperity in today's global economy. As such, on the most fundamental level, rural America's ability to garner its share of the global economy depends on the abilities of its businesses to do new things in new ways; its workers and entrepreneurs to capitalize on their knowledge, creativity, and skills; its educational institutions to teach 21st century skills; and its residents to access new technology. Our nation is betting its future on policies that promise wealth from educating, attracting, and retaining citizens who are able to work smarter and learn faster. To ensure the competitiveness of Springerville's rural workers and entrepreneurs, the town must simultaneously prepare itself for new-economy jobs while also strengthening its traditional base. The transformation of the world economy increasingly demands a more highly educated workforce. Productive workers must be prepared to confront new complexities. Thus, economic development requires both significant, and continuous, investments in the practical knowledge, acquired skills, and abilities of individuals.

Labor is a critical factor in today's global markets. The labor force is defined as the pool of individuals who are 16 years of age and over, and are either employed or who are actively seeking employment. Enrolled students, retirees, stay-at-home parents and other persons not actively seeking employment are excluded from the labor force. It is important to understand the difference between total jobs and labor force participation

rates. Total jobs are the total of all jobs available in a jurisdiction. The labor force participation rate is the total supply of workers within an area (i.e. residents).

Local workforce educational level is a major factor when companies examine potential locations for investment. Graduation rates and educational attainment are indicators of workforce quality. Having a trained labor force available is necessary for economic development and marketing. Basic to this need is the expectation that a high school diploma is the minimum requirement for employment. High school graduation rates affect both unemployment rates and the median weekly earnings of workers. The labor force presents a challenge to economic development efforts. Since 1990, labor force growth in the town has been relatively flat, meaning that the number of individuals available for fulltime employment has not grown significantly. The more residents are able to participate in the economy, the higher the probability of attracting new businesses and retaining existing ones.

Public school systems are important for economic development in three ways. First, it is these schools that provide the education and skill foundation for future employees and business leaders in the study area. Secondly, school boards are among the largest employers of area residents. Increases or decreases in the level of employment by schools will impact the community's economic activity. Thirdly, the quality of public schools is a significant consideration to business leaders that are deciding where to locate their companies. Conversely, the quality of the public school system may be a key factor to skilled workers that are considering relocating to an area. The K-12 education system in the Round Valley area has established high academic expectations. It applies rigorous standards to challenge the students. The school system recognizes the value of individual attention, which is entirely possible among a small student population. School leaders and teachers promote positive self-development in the classrooms. The Round Valley School District has been praised for its efforts in teacher training, which is paying rich dividends in the lives of the students.

Regional cities and towns have active economic development programs and expend substantial resources trying to lure established businesses to their towns. Competition for new businesses is fierce, and local and state incentive packages continue to grow. Increasingly, only communities with substantial incentive packages to offer are successful in attracting major new employers. The town's challenges come from other similar communities throughout the region. These places (for example, Show Low, Pinetop-Lakeside and Snowflake) offer many of the same amenities available in the Town of Springerville, and pursue new investment with the same vigor and focus.

Providing support for existing businesses is an important component of sustaining jobs. Existing businesses provide over two-thirds of new jobs in the Town of Springerville. Encouraging and nurturing these businesses is the key to a stable economic base and the long-term viability.

We believe the town should also adopt an aggressive strategy of entrepreneurial development and small business support to spur the creation and growth of new and small businesses as a critical engine for economic development and job creation. It should promote the creation of primary jobs and home-grown industries which utilize local resources and talents. Primary jobs are necessary for economic stability, development, and growth. They add value to goods and services by exporting those products out of the community in which they are manufactured. In the process, wealth is imported back into the community. They contribute more to the overall growth of the economy since they have a greater market that extends beyond the local community. Primary job creation by local residents starting new primary businesses is the foundation of economic development. Its importance cannot be underestimated in developing an economic development strategy for Springerville.

Secondary businesses are those that re-circulate existing wealth throughout the community which they serve. These businesses are likely to grow if the community that

is being served is growing. Examples are gas stations, grocery stores, restaurants, theaters, and other retail establishments.

In April of this year, Russ Yelton, President and CEO of the Northern Arizona Center for Entrepreneurship and Technology (NACET) made a presentation before Town Council and described the nationally-recognized business incubator program he heads. NACET is a non-profit based in Flagstaff, which fosters business growth and economic vitality, creating high-quality jobs for the region. Partnering with a wide variety of non-retail, service, manufacturing, high technology, science and renewable energy firms, NACET offers a hands-on business incubation engagement program designed to transform innovation into viable companies.

NACET's powerful program matches innovative ideas with the appropriate resources. They link their client companies to specialty labs and equipment, intellectual property and capital resources, and also create synergies through an extensive network of mentors, faculty, staff, interns and alumni from local businesses and academic institutions. Over the past three years, NACET has created 202 new jobs and has attracted \$70 million in private capital for start-ups. NACET's incubation engagement program includes:

- Business planning and management services
- Introductions to angel investors and early stage venture firms
- Dedicated recruiting staff to source and screen job candidates
- Patent advisement services
- Mentoring program – pro bono services from area professionals to support client businesses (accounting, law, marketing, venture capital and more)
- Collaboration with University research teams and domestic and international student interns
- Coordination with public and private partners, including Arizona Technology Council, Arizona Department of Commerce, Northern Arizona University, Arizona

Bio (Biotech Council), and Coconino Country's Sustainable Economic Development Initiative

- Lunch Seminars
- Brown Bag monthly networking lunches
-

During his presentation, Russ Yelton invited the Town of Springerville to participate in NACET's grant-funded Rural Network Program, a pilot program to be offered to 7 rural communities to stimulate entrepreneurship. NACET would provide mentoring of new businesses or businesses wanting to expand at no cost to the town or its participants. In addition to the offerings specified above, activities would include: (a) training and technical assistance on how to start or expand a business; (b) training and technical assistance on business management issues; (c) mentoring programs; (d) creation of entrepreneurial support networks; (e) small business incubators that combine space, shared services, and mentoring for new businesses; (f) financing targeted to start-up businesses through microloan and seed capital funds; and (g) programs for small, minority businesses, such as small business set-asides, and vendor development.

Mr. Yelton recommended that the town accept his offer and conduct a pilot program with his business incubator to determine whether sufficient interest exists in the community. We see this as an extraordinary opportunity for the community. NACET has a very successful and proven mentoring program with very effective resources at its command.

Goal 1: Build upon the existing education and workforce training that focuses on targeted sectors and encourages entrepreneurship.

ACTION STEPS:

Action 1: Develop small-scale business incubator pilot program in alliance with NACET where entrepreneurs can grow their businesses and receive specialized assistance during the early phases of their operations;

Action 2: Support cooperative efforts to coordinate education and job training programs with the school board, NPC, and state workforce programs;

Action 3: Encourage linkages between Northland Pioneer College and employers that feature quality employment opportunities to retain skilled graduates;

Action 3: Conduct a survey of employers to determine what targeted sector and industry certification and programs they would support;

Action 4: Work with area schools to encourage entrepreneurial curriculum;

Action 5: Periodically evaluate programs to be responsive to the changing job market;

PERFORMANCE MEASURES:

Performance Measure 1: Educational attainment of resident population;

Performance Measure 2: Performance of K-12 systems;

Performance Measure 3: The number of participants in NACET's Rural Network Program.

Goal 2: Retain and expand existing businesses.

ACTION STEPS:

Action 1: Focus business expansion and job retention programs on targeted sectors and industries;

Action 2: Monitor trends, issues and opportunities involving key sectors and industries;

Action 3: Assist with targeted sector and industry retention/expansion business plans;

Action 4: Host regular meetings with employers to discuss current operations and expansion plans;

PERFORMANCE MEASURES:

Performance Measure 1: The number of retained and expanded targeted businesses;

Performance Measure 2: The number of assisted industries with expansion plans;

Performance Measure 3: The number of meetings with major employers held annually.

Community Development Foundation

The Town could benefit from organizing a Non-Profit Community Development Foundation. One could be established with the objective of revitalizing and enhancing distressed areas of its downtown and to support economic development opportunities across a wide range of activities. As independent public units that are governed by a board of directors, community development organizations work closely with local government and the private sector to strengthen the economic climate of their towns. They can play a leading role in a coordinated strategy of economic development and civic design. They are eligible for grant funding inaccessible to municipal entities.

At present, the primary organization working to reinforce and strengthen the town's economy is the Round Valley Chamber of Commerce. The membership of the Chamber consists of area businesses in Springerville, Eager and St. Johns. It is focused on business promotion, retention and expansion, and it works to provide advocacy support, marketing services and information for its members, along with resources for start-up and growing businesses. One of the services the Chamber offers is to be a point of contact for economic development in the towns it serves. Marketing, particularly the dissemination of information on the area and its businesses, is a major function of area Chambers of Commerce. A Community Development Foundation would have different but complementary purposes, some of which have been suggested earlier.

A partnership between a new Community Development Foundation and the Town of Springerville could result in local economic development services needed to implement economic development strategies.

A coordinated and cooperative approach to economic development initiatives should be institutionalized in the planning process. It is important to use the skills and abilities of participating partners externally in the community. It would be beneficial to

harness the interest and energy, focus it in a common direction and use it to drive economic development initiatives.

Some of the major functions of a Community Development Foundation will be to:

- Capitalize and administer a local revolving loan program for small businesses unable to obtain adequate bank financing.
- Capitalize and administer grant and loan programs for Main Street revitalization.
- Act as land trustee under an open space acquisition and preservation program.
- Receive tax-deductible contributions in the form of donations, along with funding from memberships, legacies, grants and conduct of an eMarket.

ACTION PHASES

PHASE I – ASSESSMENT:

A core group of community members will explore the concept of a Community Development Foundation as a potential way to build local philanthropy and attract other funding for the purpose of conducting vital economic development activities in the Town of Springerville. An initial meeting of key community leaders (up to 30) is convened to determine their level of acceptance of the idea and commitment to successful implementation. This core group should local bankers, business owners, and professional advisors, such as estate planning attorneys, financial advisors and certified public accountants, as well as other community leaders. The local United Way should be included at this beginning stage. The leadership group determines to move forward with the feasibility phase. Individuals are assigned to study groups to conduct the feasibility phase.

PHASE II – FEASIBILITY:

A working group collects information about other community foundations to further understand the advantages and the drawbacks to creating one. A working group examines the local climate for philanthropy, its tradition and potential. Consider possible sources of support to establish a Community Fund. Are local corporations and

companies socially responsible? What other campaigns occur locally? Do they meet their goals? Are there individual donors who might support the foundation? Is there a company or developer trying to start a new project in the area that may desire to establish itself as a good corporate citizen? (Kinder-Morgan, American West Potash?) Convene another meeting of the core group to discuss findings and determine whether to proceed with formation.

Hold public meeting for local leaders to endorse the creation of a new community foundation and solicit support of community.

PHASE III – FORMATION:

- Select the Name;
- Establish first Board of Trustees;
- Select officers;
- Solicit seed funding to open first unrestricted Community Fund;
- File non-profit Articles of Incorporation with Arizona Corporation Commission;
- Discuss and prepare bylaws or operating guidelines;
- File Form 1023 with IRS for tax-exempt 501(c)3 status. (Takes about 10 months);
- Will anyone lend local administrative and clerical support?
- Are there community members who can donate their time?
- Identify potential projects.;
- Hold kick-off event to raise funds and create public awareness;
- Begin to build a vision of the role of a local community foundation in the public eye;
- Research grant sources;
- Conduct long range planning process with achievable annual benchmarks;
- Consider joining Arizona Community Foundation's Statewide Affiliate System.

Public Transportation

Many residents of the Town of Springerville have expressed a desire for a public transit service, connecting Springerville with other towns and cities. Other residents have registered their opposition to the proposal, primarily because they do not want to facilitate the spending of local dollars in other communities. The high cost to implement a public transit system in a fiscally-constrained economy is frequently mentioned by both proponents and opponents of the contemplated service.

The foundation for small, rural town transit systems is local and regional bus networks. Within these networks, transportation is often based on serving trip generators – colleges, major employers (such as industrial plants and government facilities), medical centers, retail centers, or tourist destinations. Buses can provide key connections between major health care, commercial, and educational opportunities. As the cost of gasoline has risen and family budgets have tightened, demand for more and better bus service is high all across the country. Smaller towns are looking for cost-effective solutions to meet this demand. Their funding constraints require creative solutions to implement bus service in a way that will fit their community's character and meet residents' needs. Public transit is a way to address the unique mobility challenges that stem from large geographic distances, an aging population, and limited financial resources.

Very few public transit systems in the country are self-sustaining. The federal government has long provided critical funding for transit projects in smaller towns and rural places, and in recent years has offered a number of new grant programs that have significantly benefited these communities. In many cases, the federal government provides the largest share of the total project costs, making federal funding a catalyst to project development.

SELECTED FEDERAL FUNDING SOURCES FOR RURAL TRANSIT

FORMULA GRANTS

- Congestion Mitigation and Air Quality (CMAQ) - Funds projects that reduce congestion and improve air quality. Projects can include bicycle, pedestrian and transit facilities;
- Formula Grants for other than Urbanized Areas (49 U.S.C. § 5311) - Provides capital and operating assistance grants to States to support public transportation in rural areas with population of less than 50,000;
- Rural Transit Assistance Program (49 U.S.C. §5311 (b) (3)) - Training, technical assistance, research, and related support services in rural areas;
- Transportation for Elderly Persons and Persons with Disabilities (49 U.S.C. § 5310) - Formula funding to States to assist private nonprofit groups in meeting transportation needs of the elderly and persons with disabilities;
- Job Access and Reverse Commute Program (49 U.S.C. § 5316) - Funding to address transportation challenges faced by welfare recipients and low-income persons seeking to obtain and maintain employment.;
- New Freedom Program (49 U.S.C. § 5317) - Formula grant that provides tools and resources to reduce barriers to transportation services and expand the transportation mobility options available to people with disabilities;
- Medicaid Non-Emergency Transportation - Provides funds for Medicaid recipients to obtain transportation to and from medical providers for non-emergency services.
- COMPETITIVE GRANTS:
- Bus and Bus Facilities (49 U.S.C. §5309) - Funds new and replacement buses and facilities. Includes bus livability and state of good repair funds;
- Transportation Investments Generating Economic Recovery (TIGER) - Fosters innovative, multimodal and multi-jurisdictional transportation projects that promise significant economic and environmental benefits to an entire metropolitan area, a region, or the nation;

- Major Capital Investments (New Starts and Small Starts) - Funds new or extensions to existing fixed guideway and bus rapid transit systems;
- Veterans Transportation and Community Living Initiative Grant Program - Inter-departmental initiative to improve transportation options and mobility for America's veterans, service members, and their families;
- Public Transportation on Indian Reservations (49 U.S.C. § 5311 (C)) - Direct funding to federally recognized tribes for the purpose of supporting tribal public transportation in rural areas;

The major inhibition to implementing or expanding public transit systems in rural areas is the funding match requirement found in all transit grant programs. Generally, these programs require a 50% match for operating expenses, a 20% match for administrative expenses, and 10-20% for capital costs. These are demanding and challenging times for any type of investment in public transportation. Traditional transit resources have been severely impacted by the lingering effects of the economic crisis. In Arizona, the LTAF II program, which dedicated lottery proceeds to transportation projects throughout the State on an allocation basis, has been discontinued. Before the elimination of this funding source, cities and towns throughout Arizona could rely on LTAFII to provide much of the matching contribution required by the FTA grant programs. An attempt to restore this funding in the last legislative session failed. In this environment, community and public transportation must examine resource development from new perspectives. Fares from passengers generally cover about 10% of the operating expenses. To replace the loss of LTAF II funding, many towns have attempted to sell on-bus advertising. Affordability concepts that include better management of available resources and technologies are crucial.

Although the federal government plays a large role in jumpstarting transit projects, partnerships are a key element in successful implementation of them. In this constrained fiscal climate, transit investments often require piecing together funding from many sources. Though transportation development projects are generally not feasible without federal funding, they would also not be possible without matching funds

from state, regional, local, private, or philanthropic sources. In establishing the intercity commuter service from Pinetop-Lakeside to Holbrook in 2009, a funding partnership was formed among Northland Pioneer College, Navajo County, Holbrook, Snowflake, Taylor, Show Low, Pinetop-Lakeside and the Hon-Dah Casino. Each of these entities agreed to share unreimbursed budget costs through a formula they worked out in their Transit Advisory Committee, provisions of which were subsequently formalized in a written agreement. In that agreement, Navajo County took responsibility to pay 40% of the local match obligation, while the other 60% was divided equally among the seven other participants in the program.

Creation of a public transit system for the residents of Springerville would depend upon the town's success in bringing together a group of supportive partners. Would Apache County, Eagar, St. Johns, Northland Pioneer College, White Mountain Regional Medical Center, Kinder-Morgan, Tucson Electric power and others agree to join in a partnership to establish a transit service? Recently, American West Potash expressed its desire to support the creation of a transit service to transport its future employees to and from its mining operations.

Investments by Springerville in a transit project would improve connectivity and strengthen its economy. A transit task force might be established to study any or all of the following:

- Implementing bus and circulator routes that link residents to services, tourists to local attractions, and workers to employment;
- Creating a transit hub to bring together regional transit services, making them more convenient and easier to access;
- Using creative funding strategies to invest in projects that help to catalyze private investment in Main Street areas;
- Using intermodal facilities to reclaim its downtown and attract businesses and diverse workforces;

- Engaging in partnerships with a range of stakeholders, such as Northland Pioneer College, White Mountain Regional Medical Center, for-profit and nonprofit companies, chamber of commerce, private developers, human service agencies, regional municipalities, and the Department of Veterans Affairs;
- Piecing together funding such as Medicaid to connect residents to non-emergency medical care, which can reduce ambulance trips, allow for preventive care and save government money;
- Collaborating on projects that reduce traffic congestion and increase ridership.
- Linking transit investments around local destinations that can generate revenue such Casa Malpais and the Dome;
- Coordinating transit investments with services for seniors, low-income families, workers, and people with disabilities.

Transit investments would provide numerous benefits for the Town of Springerville and its regional partners by stimulating activity along central transit corridors; helping connect people with jobs and essential services; and by reducing long-term health care costs by improving access to medical centers. In the current tough economic climate, however, a transit project must rely on a variety of funding sources. Transit leaders and advocates must be able to logically and systematically defend and explain both the cost and the outcome of their mobility services, always with an emphasis on maximum affordability. Without affordability, there is little chance for sustainability. It is particularly important that those with responsibility for transportation and those with responsibility for land use coordinate their efforts to ensure that the transit investment can be integrated into the future vision for the community.

Federal Funding Sources

- The Department of Housing and Urban Development provides access to community development block grants and economic development loan guarantees. The purpose of these programs is to help communities restore, renew, and create the economic base for future growth;
- The Small Business Administration (SBA) provides long-term financial assistance, training services, and management counseling to small businesses and entrepreneurs. Small business incubators, technological transfer centers, and similar public-private partnerships use SBA resources to promote start-ups and nurture growth within the business community. SBA also provides an array of technical and business assistance through their Small Business Development Centers (SBDC);
- The Department of Justice administers the Job Training Partnership Act (1994), which provides job training and employment assistance;
- The Department of Commerce administers the Economic Development Administration, which assists distressed communities create jobs and spur economic growth and development programs. The Minority Business Development Assistance Agency helps minority groups enter the private market place or expand their business, and the International Trade Administration helps United States exporters compete more effectively in the world market;
- The Department of Agriculture is the primary rural and small town federal economic development agency. Through its Rural Development Program, the department offers business and industrial loan guarantees, community facility loans, and water and waste disposal grants and guarantees;
- The Department of Labor administers the Workforce Investment Act of 1998, which works to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States.

Implementation

For economic development strategies to succeed, it is necessary to be realistic about the strengths, weaknesses, opportunities and threats. There is considerable energy in the Town of Springerville to make things happen and to sustain a vibrant, dynamic and diversified local economy. This was proven recently by the volunteer effort that restored the historic school, by the impressive community support given to the Boys' and Girls' Club, and by the extraordinary accomplishments of the Round Valley Chamber of Commerce. The people of Springerville love their community. A focus on integrated education, entrepreneurship, and enhancement of existing sectors and industries, can drive the local economy to success. For overall success, it is important that each key entity involved in the implementation of the strategy have clear accountabilities for implementing the strategy and the capacity to commit the resources required. The primary form of implementation will be through an increased level of co-operation of a private/public partnership. The objective will be a greater reliance upon under-utilized community resources. The form that these initiatives take will vary according to individual requirements, but specific projects, joint approaches for funding, and collaboration are just a few of elements which will come to the fore.

Economic development stakeholders will monitor and ensure the implementation of the eventual plan, undertaking periodic reviews, identifying appropriate modifications required in the strategy or implementation mechanisms, and reporting back to all interested parties. This will enable stakeholders to monitor progress toward meeting economic development goals. We recognize that the plan must be flexible, and that changes made be made for a variety of reasons, including changes in the economy, consultation with other organizations, and the apparent effectiveness or ineffectiveness of activities.

Appendices

APPENDIX A: SPRINGERVILLE COMMUNITY DEVELOPMENT FOUNDATION - Future Draft Revolving Loan Fund Summary (RLF)

ELIGIBLE BORROWERS:

Applicants may be manufacturing, commercial, service, or retail businesses located or locating within the Town of Springerville. Businesses cannot relocate outside of Springerville's town limits during the term of the loan. All loans must be backed by appropriate collateral. Benefits are available for both existing and start-up businesses.

LOAN AMOUNT:

A minimum of one job or its equivalent must be created for every \$20,000 borrowed. Fifty-one percent of the created jobs must assist persons of low to moderate income households. For every \$1 of RLF financing, there must be \$1 of private financing available for the project.

PROGRAM GOALS FOR REVOLVING LOAN FUND:

The future Springerville Community Development Foundation (CDF) would be able to help entrepreneurs who need help in establishing job opportunities for our community. The Revolving Loan Fund has been established to offer "Gap Financing Assistance" for those small businesses that desire to create employment within the town limits. By meeting the minimum requirements and through establishing a partnership with an area bank, entrepreneurs can receive assistance of up to 50% of the commercial funds needed for business financial needs. The future Community Development Foundation's RLF could help businesses solve their financial puzzle and gives them the boost they need for success. The primary goal would be to spur economic activity by helping to create numerous new jobs for low and moderate income individuals in our community.

INTEREST RATES AND TERMS:

Loans would be made for a fixed term for three to five years. The Interest Rate is determined at 2/3 of Prime as listed in the Wall Street Journal on the day of closing. Fees would include a \$100.00 application fee, plus closing costs which would be payable on the day of closing.

This program would be funded from the proceeds of grants received from the U.S Department of Agriculture and the US Department of Housing & Urban Development. Compliance with applicable federal and state program rules and regulations is required.

Appendix B: SPRINGERVILLE COMMUNITY DEVELOPMENT FOUNDATION (CDF)

DEFINITION:

The Springerville Community Development Foundation (CDF) would be a 501(c)(3) non-profit charitable organization with goals to foster Springerville's improvement and growth in a responsible manner. The CDF would collaborate with Town government, local and regional partners, and would encourage citizen participation.

MISSION STATEMENT:

The mission of the CDF would be to advance the health, general welfare and prosperity of the Springerville Area. To achieve this, the Foundation's resources would be directed toward quality growth and development of the area. This would include the promotion of healthy lifestyles so that citizens from all segments of the community will prosper economically, have a strong sense of community identity and maintain good health.

POTENTIAL FUNDING/PROGRAMS:

A. FAÇADE IMPROVEMENT GRANT PROGRAM

Subject to funding availability, three types of Facade Improvement Grants are available to assist in the rehabilitation of buildings within the town's economic corridors, as defined in the Springerville Economic Development Plan. The proposed design of the improvements would be subject to review and approval of the Springerville Community Development Foundation's Façade Committee. An applicant may take advantage of

each of the programs independently or combine them into one project. The maximum grant amount for an approved project is \$50,000.

1. Sign/Awning Grant:

- New signs and awnings are eligible for grant funds under a 50 percent grant/50 percent owner financing program;
- Maximum grant amount for signs is \$500 and maximum grant amount for awnings is \$50 per lineal foot of awning up to a maximum of \$1,500;
- The design of signs and awnings must be reviewed and approved by the Façade Committee;
- Signs which identify a business and are in place for less than 12 months will require repayment of grant funds;
- All signs must in be in accordance with the Springerville Municipal Sign Ordinance;
- Awnings will become permanent fixtures of buildings for a minimum of five years and may contain signage on a detachable valance only;
- Awning frames and coverings damaged or discarded during the five-year period shall be promptly repaired/replaced at owner's cost;
- All intrusive elements (nonconforming signs, false building fronts and coverings, unused utilities, etc.) shall be removed from a facade for which grant funds are used;

2. Intrusive Element Removal Grant:

Grant funds are available to cover 50 percent of cost for removal of intrusive elements (nonconforming signs, false building fronts and coverings, unused utilities, etc.). Maximum Grant amount is \$2,500. The intrusive element removal project must be part of an overall facade improvement project that must be completed within 12 months.

3. Comprehensive Façade Improvements Grant:

Participants in any of the Façade Improvement Programs must make all exterior building/safety improvements necessary to comply with applicable Town building requirements and minimum maintenance requirements set forth by the Façade Committee and the Springerville Municipal Code, including removal of exterior non-functioning utility services.

B. ELIGIBLE AREAS:

Owners of property located within the areas known as the Springerville Economic Development Corridors are eligible to make application for assistance (see map). These areas will be determined to be in need of revitalization and strengthening to ensure that they will contribute to the economic and social well-being of the Town.

C. ELIGIBLE IMPROVEMENTS:

Costs eligible for a Façade Improvement Program will include all costs directly attributable to the improvement of the first or principal façade (other street or alley corner façades may be considered). The grant may also be used to cover labor, materials, architectural and engineering or architectural services. Examples of acceptable hard costs are: masonry cleaning, cornice restoration, removal of secondary siding, exterior painting, canopies and window awnings, repair of gutters and rain spouts, removal of fire escapes and old signs, removal and relocation of exterior utility services and installation of new signs which are compatible with the building and enhance pedestrian orientation to the area.

D. DESIGN GUIDELINES:

All proposed project designs must be reviewed by the Façade Committee following its established design guidelines.

E. BIDS:

The applicant must obtain at least two qualified bids, once a final scope of work has been approved by the Façade Committee, and if applicable, the Town. One of the bids may be from the applicant, if the applicant is a licensed contractor.

F. APPROVAL OF WORK:

The Façade Committee will have the final authority to determine the eligibility or ineligibility of all proposed work. The Committee will require that all applicable Town, State and Federal codes and requirements be met including securing the appropriate permits for the project work.

G. DISBURSEMENT:

CDF grants will be disbursed after all private matching funds have been expended as shown by original receipts presented to the Foundation and only for work which has been satisfactorily completed as specified in the Grant.

H. PROPERTY TAXES, SPECIAL ASSESSMENTS:

No financial assistance would be provided from the Façade Improvement Program if property taxes or special assessments are in arrears.

I. PERMANENT DISPLACEMENT:

No financial assistance would be provided if the project involves the permanent and involuntary displacement of tenants unless the applicant agrees to provide financial assistance to the tenants at levels consistent with the Federal Relocation and Real Property Acquisition Act, as amended, and furnishes proof that he is doing so. Such assistance granted would not, however, be counted in the private matching funds requirement. Costs for temporary relocation would be allowable as a project cost.

J. OTHER PROJECT REQUIREMENTS:

- Lead Based Paint Prohibition: The use of lead-based paint in façade projects is prohibited;

- **Historic Preservation Review:** Proposed work on any building over 45 years old that is listed on the National Register of Historic Places (NRHP), must undergo scrutiny by the State Historical Preservation Office to determine if the proposed work would have an effect on the historic resource. This requires that the work must preserve those portions and features of the property which are significant to its historic, architectural, and cultural values;
- **Equal Employment Opportunity:** The grantee shall comply with all applicable provisions of federal statutes and regulations concerning equal employment opportunities for persons engaged in rehabilitation work undertaken in connection with program assistance;
- **Permit Requirement:** The grantee will be responsible for securing all required construction permits from the Town Building Department and must present all Certificate(s) of Appropriateness and an Occupancy Permit prior to full disbursement of program funds for work upon which a permit was required;
- **Inspection:** The grantee shall permit inspection of the property by the Town for compliance with all Town Codes and ordinances and such other inspections deemed necessary in connection with the property, the rehabilitation work, and all contracts, materials, equipment, machinery, fixtures, payrolls and conditions of employment pertaining to work;
- **Eligible Contractors:** The grantee shall award contracts for work only to contractors who are currently licensed in the construction profession and should be able to demonstrate their ability to complete the necessary work. Contractors must also show evidence of adequate liability and workman's compensation. Lien releases are to be signed by the contractor and filed with the Town prior to final disbursement;
- **Bonus, Commission or Fee:** The grantee shall not pay any bonus, commission or fee or other payment for the purpose of obtaining approval of the grant application or any other approval or concurrence required to complete the rehabilitation work;

- Civil Rights: The grantee shall not discriminate upon the basis of race, color, sex, marital status, handicap, religion or national origin in the sale, lease, rental, use or occupancy of the property to be assisted;
- Records: The grantee shall keep such records as may be required by the Town in connection with the work to be assisted;
- Acceptance Requirement: By accepting a grant, the organization agrees to allow information about the grant to be used in Foundation newsletters or other public venues. By accepting a grant, the organization agrees to maintain the work supported by the grant for a minimum of 5 years;
- Disclaimer: The Springerville Community Development Foundation retains the right to accept or deny any application based on perceived merit as judged by the Façade Grant Committee.

K. APPLICATION PROCESS:

When an application is submitted and includes all of the required information as determined by staff, the process for review and approval will be approximately four (4) weeks from the next CDF board meeting. The CDF Board will make a determination on approval or disapproval of each application. An appeal of a decision may be made to the Foundation within 30 days of receipt of the mailed decision.

For sign/awning grants, applicants only need to submit:

1. Proof of ownership or signed approval by the owner;
2. A signed statement that the applicants will repay full grant assistance if assisted awnings are removed prior to 60 months after installation;
3. A minimum of two bids from licensed contractors and evidence of a Foundation-approved sign permit application.

For all other façade programs, applicants must complete the application forms, in their entirety.

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