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The role cities and towns play in establishing the foundation for a sustained, vigorous economy has, perhaps, never been more critical than it is today. Our state’s municipalities bring plenty to the table when it comes to the attraction and expansion of our respective business communities.

Most, if not all, of Arizona’s cities and towns provide some type of economic development function, and indeed we have seen great results. We work equally hard to develop amenities like parks and open space, functional transportation, well-planned neighborhoods and centers of commerce. All of the services we strive to bring to our own residents carry over as very real incentives for commercial and industrial interests.

But understand that cooperation at the regional and state level is also vital if we are to ride out the current lull of Arizona’s housing market and, at the same time, position ourselves to compete on a global scale. Visionary and business-friendly legislation, the Arizona Department of Commerce and entities like the Greater Phoenix Economic Council are equally important in our work to attract well-paid, sustainable jobs to our state.

The recent opening of Intel’s FAB 32 manufacturing plant in Chandler presents an ideal illustration of how these many factors play out in today’s global economy. Chandler has been home to a growing Intel presence since 1980, and in that time we have developed an excellent working relationship. But Intel’s decision to invest billions of dollars into our local economy is not based on relationships alone. A critical change to the state’s tax structure in 2005 was a key component, as is the region’s able workforce, university system and cottage industry of manufacturing suppliers. Add to that the many quality-of-life amenities we offer Intel’s employees both in Chandler and throughout the region created a climate that led to a tremendous win against a cast of international competitors.

No one can dispute that Arizona’s municipalities help drive the state’s economy. It is up to us to continue to work collectively, using every resource at hand, to maintain a successful path to economic stability and success.

Sincerely,

Boyd W. Dunn
League President
Mayor, City of Chandler

Cooperation at the regional and state level is vital if we are to ride out the current lull of Arizona’s housing market.
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The condition of our state’s economy has been prominent in recent news coverage. There is concern about the state budget, the impact of the housing downturn and our long-term options to strengthen and diversify Arizona’s economy. Many laudable efforts to diagnose the state’s slowing economy and plan for the future are currently under way, but without direct involvement of Arizona’s cities and towns, they will result in futility. Municipal planning and local economic development efforts often determine where businesses actually locate; Arizona’s economic future lies in the continued ability of cities and towns to create vibrant, business-friendly communities.

The recent good economic times have spoiled us into complacency. An overly-exuberant housing sector lulled us into thinking economic prosperity was a constant benefit that did not need attention or maintenance. Like the dot-com bubble of the 1990s, the housing bubble has burst, leaving us an opportunity to be strategic in re-configuring our economic development model to meet future challenges. The state’s economic development policy leaves individual cities and townsshouldering the lion’s share of business recruitment and development. In contrast, other states have adopted a “whatever it takes” attitude to attract large manufacturing, trade and distribution businesses and coordinate state and local government economic development efforts.

The involvement of cities and towns in this new economic strategy is crucial. The Role of Arizona Cities and Towns in the State’s Economy (October 2006) reported “state policies that strengthen municipalities are a good investment and result in substantial increases to the state treasury.” We are competing not only with other major economic centers and other states, but also with the entire world in today’s global economy. We must take a fresh look at our strengths, weaknesses and opportunities and build on our successes, utilizing options from other states to create a 21st century economic model.

In this issue of Arizona City & Town, you will find articles about the essential linkage between state government economic development efforts and those of cities and towns. Private sector initiatives and public-private partnerships must be created at the local level to attract all kinds of business — large and small — and all sectors, including retail. Cities and towns will continue to enhance Arizona’s business climate and partner with others in creating a prosperous, competitive state.
How Can Cities and Towns Make a Difference at the Legislature?
Many times city and town officials ask the League’s legislative staff how they can make a difference at the Legislature. The plain and simple answer — communicate effectively — comes readily to mind. But what does that mean exactly?

To get a proper perspective, we went out and asked a number of legislators what they thought would be the most effective way for city and town officials to get and maintain influence at the capitol.

Many officials and constituents rely on e-mail to ask a legislator to vote one way or the other on a bill. However, keep in mind that legislators may receive hundreds of e-mails per day asking about a bill. Sen. Jack Harper (R-Surprise) said this year he will have staff filter the e-mails before he even sees them, just because of the volume. Many of the e-mails are impersonal and spam-like, having little impact on the member. State Sen. Amanda Aguirre (D-Yuma) advised that we should “get to know [our legislators] and their positions. Personal contact makes all the difference.” So, before you send an e-mail, make sure you make some personal contact with a member to avoid being lumped with the rest of the crowd.

Rep. Andy Biggs (R-Mesa) is a fan of e-mail, especially during the busiest times of the legislative session. “E-mail is the best way to communicate with a legislator. We always have our computer or other mobile device with us, whether on the floor, in committee, at our desks or even on the go. While face-to-face meetings are always the most personal way to communicate something, e-mail is the most effective. [And] once you tell me something, I get it. There is no need to repeat the same information.” This highlights how important it is to know your legislators and their preferred method of communication before you need to get information to them as issues move quickly through the legislative process.

In addition to the method of communication, what information you are passing along also makes a big difference. Rep. Biggs elaborated that “a short, concise presentation of your issue and the rationale supporting your position is a good way to get your message to me. I don’t need multiple presentations. Be forthright. Tell me your position and the opposition. I’ll be forthright to you and tell you my position and give you my reason.”

We often find most legislators want a condensed version of our often complex issues as well as the opposing side’s concerns. Accurately outlining both sides of the issue helps the member and identifies you as an honest partner in policy decisions.

Sen. Aguirre continued, “I encourage all city officials to meet with their legislative delegations before session. That way, we can go over your list of concerns and make it a two-way street. But meet with other influential members as well, not just your delegation.” Sen. Aguirre mentioned that the League’s Municipal Policy Statement is a very useful tool to understand the cities’ priorities. Many members would welcome a personal visit to discuss the Policy Statement as well as a particular city’s local issues.

Another fan of the personal visit is Sen. Robert Blendu (R-Litchfield Park). But an even more important matter for him is responsibility. Cities and towns should come to the legislature when there is an issue that “they cannot solve themselves.” Municipal officials need to be “open and honest” about such issues. They need to spend the time necessary to spell out their positions, but if an issue is simple, a short visit will do. If an issue has more intricacies, a longer visit is merited. “It depends on how complicated the issue is” according to Sen. Blendu.

Senate Majority Leader Thayer Verschoor (R-Gilbert) also likes the personal touch and says that form letters are mostly taboo. They aren’t personal, and the more a legislator sees them throughout the session, the less likely they matter. “Personal contact is always good…especially if you can be short and to the point.” E-mail is all right for Senator Verschoor, but it should be a paragraph or less. “And let me know how this will affect you personally — your family and your business,” says Sen. Verschoor.

The bottom line? Get to know your legislators and their preferred mode of keeping in touch, then go and contact them. League staff is always happy to help you with this, so feel free to contact us anytime during the session.

Senate Majority Leader
Thayer Verschoor
“Personal contact is always good…especially if you can be short and to the point.”

State Sen.
Amanda Aguirre
“Personal contact makes all the difference.”

Sen.
Robert Blendu
Cities and towns should come to the legislature with issues “they cannot solve themselves.”

Sen.
Jack Harper
Because of volume, staff will filter his e-mail.

Rep.
Andy Biggs
“E-mail is the best way to communicate with a legislator.”
At the Capitol

Insights from Legislative Leadership

Arizona State Senate President Tim Bee and Arizona House Speaker Jim Weiers provide their insights on cities’ and towns’ roles in Arizona’s economy.

Senate President Tim Bee

The foundation of Arizona’s vibrant economy is strong cities and towns.

Cities and towns create job centers and economic hubs that have attracted the jobs that make Arizona the fastest growing state in the nation. They have also created the environments employers look for so their employees will want to live and raise their families here.

As we work to address the budget situation for fiscal year 2008 and develop the budget for next year, we must ensure cities and towns retain the tools necessary to continue to make Arizona a great place to live and work. Programs like the Commerce and Economic Development Commission, which provides loans and grants, and the Economic Strength Project, which provides grants for infrastructure, are important — but we can do more.

Much has been accomplished in the last several years to address business personal property taxes in Arizona, and we must continue those efforts. Business investment in Arizona is what will continue to help us prosper.

We must also focus on our rural areas. Arizona is geographically diverse and capable of accommodating a wide range of needs. The untapped potential of these areas creates tremendous opportunity that must not be ignored.

During the next legislative session, we must work with cities and towns to identify what kind of an economy we would like to develop and grow in Arizona. Once we develop that vision, we must evaluate the existing tools we have to attract those industries and cultivate new tools to make us even more attractive. This will enable us to become more competitive with other states and other nations.

In addition to the tools cities and towns have to attract new employers, we must focus on our K-12 and university systems to develop a knowledge-based workforce. Employers will be more interested in Arizona when they can work in concert with the university system to develop and grow their business enterprises.

Strong cities build a strong Arizona, and we must be diligent in preserving the tools that have brought us to where we are and aggressive in developing what we need to be leaders in the 21st century economy.
The last few years, Arizona's winning formula of perpetual sunshine and available land propelled the state to unprecedented levels. Now, with an economic slowdown gripping the nation, we have to rely on more than the old formulas to continue our success.

Still, on a national level, Arizona rests at or near the top in job creation and population expansion. It is not by accident that we rank favorably in these important categories.

In the last two decades, we have seen significant reduction in the state's income tax structure, making Arizona an attractive place for people and business. Making minor changes in the tax code allowed Arizona to capture the newest manufacturing plant from Intel, a $3 billion investment from the chipmaker in Chandler. Education spending has increased substantially, paying for new classrooms, new teachers and smaller class sizes. And the Legislature continues to work to encourage quality growth.

The state invested heavily in the bioscience sector, putting up money for new research buildings at our universities and funding research projects through private groups that could lead to breakthroughs in medicine and health.

While these measures are aimed at the three major metropolitan areas, the state is also investing in our rural communities by pumping money into the Department of Commerce and renewing the job training program.

Business still finds Arizona's cities and towns attractive places to relocate or expand despite the national economic slowdown. I hope to keep Arizona's "open for business" sign out, bringing in high-quality jobs and manufacturers.

The best incentive we can give to businesses to locate or expand in Arizona is to simply get out of the way; impose as little regulation as possible combined with a minimal tax structure. That is a winning formula for continued growth.
The Role of Arizona Cities and Towns in the State’s Economy

EDITOR’S NOTE: This article is a summary of a report originally published in the fall of 2006 by researchers at the University of Arizona. It highlights the fact that cities and towns in Arizona, more than other states, are the principal generators of our state’s economic activity. Cities and towns are proactive in attracting and recruiting business, which generates employment opportunities as well as local and state tax revenue. This fact is of vital importance as we experience the sobering realities of a declining housing market and a budget shortfall in the coming year. How we handle this economic slowdown at the local, regional and especially at the state level could have a major impact on our future economic vitality.

Arizona’s economic surge in 2005 went into the record books as the largest in state history. That surge was reflected in tax revenues worth $11.3 billion to state coffers. What role did Arizona’s cities and towns play in Arizona’s record-setting economic output? Gross Metropolitan Product (GMP) is a term used to measure economic activity in metro areas in the U.S. In the 2005 “State of the State Report: Arizona,” statistics illustrate that Arizona’s five metro areas (Flagstaff, Phoenix-Mesa-Scottsdale, Prescott, Tucson, and Yuma) produced 92.2 percent of Arizona’s Gross State Product (GSP), far higher than the average of 86.3 percent in 26 other states.

This article describes the roles cities and towns played in Arizona’s economy in fiscal year 2004-2005. It reviews data on population, jobs, state transaction privilege taxes and income taxes generated within municipal boundaries, and it describes features and policies of Arizona’s municipalities that are crucial to attracting, retaining and creating jobs, businesses and firms.

BY TANIS J. SALANT, D.P.A, ALBERTA CHARNEY, PH.D. AND MARSHALL J. VEST, DIRECTOR, BUSINESS RESEARCH CENTER ECONOMIC AND BUSINESS RESEARCH CENTER, ELLER COLLEGE OF MANAGEMENT UNIVERSITY OF ARIZONA, TUCSON
State Budget Revenues

Gross revenues collected by the state for FY 2004-2005 totaled $11.3 billion. However, some taxes collected by the state are simply pass-throughs for other entities such as, transaction privilege taxes (TPT) collected for cities and towns and the 0.6 percent TPT dedicated to education. The major sources of revenue for the state's budget were the 5 percent TPT and individual income tax. Those two taxes comprised $8.45 billion, or nearly 90 percent of all state government revenues. Income generation and consumption patterns are key indicators of the vitality of a state's economy from year to year, and tax revenues generated by both economic activities reveal how important income and consumption are to a state's budget.

The population of the state of Arizona in 2005 was estimated to be 6,044,985. The combined populations of Arizona’s 89 cities and towns (the town of Star Valley had not yet incorporated) totaled 4,987,312. Arizona residents residing in municipalities comprised 82.5 percent of the state’s total population. An even greater percentage of Arizona’s non-farm-employed (excludes unemployed) resides — and files taxes — within city and town boundaries as well, 88 percent. Further, Arizona collected $3.75 billion in income tax revenues in FY 2004-2005 (excluding corporate income taxes) and 91.4 percent, or $84.1 billion, was generated in cities and towns. (Based on projections using the calendar year 2000, the most recent year for which income taxes generated in cities and towns have been reported.) Making the assumption that the percentage of revenues from cities and towns has remained stable since 2000, the state collected $3.75 billion in income tax in FY 2004-2005; we can assume that 91.4 percent was generated in cities and towns, or $3.43 billion.

Arizona’s net taxable sales (TPT, use and severance tax) in FY 2004-2005 were $93.1 billion. Total tax collections were $4.635 billion, or just under 5 percent of taxable sales. In an earlier report, we calculated that the sales tax base for municipalities was approximately 93 percent that of the state tax base, and thus $4.34 billion in state sales tax collections were generated in cities and towns.
The EPA now requires communities with municipal storm sewer systems (MS4s) to implement best management practices to help prevent polluted storm water runoff from reentering the waterways. When residents wash out their garbage carts and let the water flow into storm drains, everything that was in that can goes with it – residue from dirty diapers, pet waste and other toxins – and that water returns to our oceans, lakes and streams mostly untreated.

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The Role of Cities and Towns in Tax Generation

Table 1 presents the findings of the contribution of cities and towns to the state’s economy and budget. With 82 percent of the state’s population and 88 percent of the jobs, cities and towns produce 91.4 percent of gross income and 91.4 percent of state income taxes. They contain 93 percent of taxable sales and produce 93 percent of TPT revenues. In those two taxes alone, cities and towns sent $7.77 billion to state coffers. Through two revenue sharing programs, Arizona then returned to cities and towns a total of $749.3 million, about 8.4 percent of total state revenues ($8.9 billion) in 2005.

How Cities and Towns Contribute to the State’s Economy

Arizona’s municipalities are clearly the economic engines of the state. Local officials understand that developing and nurturing robust economies is a critical responsibility — if not the most important —

<table>
<thead>
<tr>
<th>TABLE 1</th>
<th>Cities and Towns and State Tax Revenues FY 2004-2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State Total</td>
</tr>
<tr>
<td>Population</td>
<td>6,044,985</td>
</tr>
<tr>
<td>Non-Farm Employment</td>
<td>2,796,633</td>
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<tr>
<td>Income Tax</td>
<td>$3.75 billion</td>
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<td>Urban Revenue Sharing</td>
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<tr>
<td>Transaction Privilege Tax</td>
<td>$4.66 billion</td>
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<td>TPT Sharing</td>
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Source: Arizona Department of Revenue 2005 Annual Report; Arizona Department of Economic Security

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<th>TABLE 2</th>
<th>Basic and Optional Services and Tools Vital to Economic Development</th>
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<tbody>
<tr>
<td>Basic Services</td>
<td>Optional Services and Tools</td>
</tr>
<tr>
<td>Police</td>
<td>Pre-development meetings on project design and site development</td>
</tr>
<tr>
<td>Fire</td>
<td>Expedient plan review</td>
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<tr>
<td>Water</td>
<td>Full-time economic development specialist</td>
</tr>
<tr>
<td>Sewer</td>
<td>Funding the chamber of commerce</td>
</tr>
<tr>
<td>Wastewater treatment</td>
<td>Funding the regional economic development organization</td>
</tr>
<tr>
<td>Airport</td>
<td>Funding the convention and visitors bureau</td>
</tr>
<tr>
<td>Traffic circulation system</td>
<td>Departments of planning, development, building review</td>
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<tr>
<td>ISO rating of “3”</td>
<td>Main street program</td>
</tr>
<tr>
<td>Parks and recreation</td>
<td>Cultural arts program</td>
</tr>
<tr>
<td>Snow removal</td>
<td>Long-range planning</td>
</tr>
<tr>
<td>Street sweeping</td>
<td>Technical assistance for start-up small businesses</td>
</tr>
<tr>
<td>Libraries</td>
<td>Maps and plans</td>
</tr>
<tr>
<td>High quality of life</td>
<td>Business and development outreach</td>
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<td></td>
<td>Pro-active business development climate</td>
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<td></td>
<td>Department of economic development</td>
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<td>Small business resource center</td>
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<td>Urban planning and design</td>
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<td></td>
<td>Workforce development</td>
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<td></td>
<td>Parks, recreation and pools</td>
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</tbody>
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of their governance mission. Arizona’s cities and towns, from the city of Phoenix to the town of Jerome, dedicate precious resources to creating vibrant economies. Basic services are a prerequisite for healthy local economies and for companies considering relocating to a particular city or town. Provided effectively, they form the essential foundation for economic success. Without them, a local economy would flounder and eventually dry up. A survey was distributed by mail to each city and town seeking to learn what services, both basic and optional, were considered important with respect to developing and sustaining a healthy local economy. Table 2 (see page 18) lists basic and optional services considered essential by municipal officials.

Services to encourage economic growth require direct expenditures or the forgiveness of some future revenues in exchange for municipal infrastructure. While basic services consume the majority of municipal budgets (all funds, but especially the general fund), optional economic development activities are not cheap.

**Conclusions**

Cities and towns are the engines of economic growth throughout the U.S. and particularly in Arizona. In Arizona, 92.2 percent of Arizona’s Gross State Product is produced in the state’s five major metro areas alone. This is an astounding high percentage, considering that only 86.3 percent of the U.S. Gross Domestic...
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A strong public service foundation is necessary and, rightly so, is taken for granted by existing businesses and assumed by business prospects.

Product is produced in metropolitan areas of the United States through the Urban Revenue Sharing and state-shared sales tax programs, cities and towns get back a relatively small 11 percent of state income tax revenues and 8.6 percent of state Transaction Privilege Tax revenues that they generate. These state tax revenues (income and TPT) returned to them represent a small portion of state revenues but finance a big portion — if not all — of direct economic activities.

In order to be the growth engines of the state, local communities incur major expenses to attract, retain and expand businesses. First and foremost, they have to provide quality basic services. Basic services appear to be just as important to economic health as specific economic development services from the perspective of municipal officials involved in economic development. A strong public service foundation is necessary and, rightly so, is taken for granted by existing businesses and assumed by business prospects. Certain types of local programs, such as parks and recreation, are often referred to as discretionary. However, they are an important part of the quality of life in communities, a factor that can contribute to lower crime rates and that is an inherent part of the package that businesses and their workers expect.
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In addition, cities and towns fund a wide variety of services that are directly geared to economic development. A wide spectrum of economic development activities and tools are utilized by cities and towns to support, promote, retain, expand and attract businesses. These include programs such as technical assistance for start-up small businesses, funding for regional economic development organizations, funding for chambers of commerce, and targeted, strategic incentive policies. Most cities and towns play major roles in their own growth and development and, therefore, in the state’s growth and development.

It appears that Arizona’s cities and towns are good investments for both the state and the business communities. The adage of the 21st century, “think globally, act locally,” exemplifies the importance of local communities in a global economy as the world flattens.

In addition, cities and towns fund a wide variety of services that are directly geared to economic development. A wide spectrum of economic development activities and tools are utilized by cities and towns to support, promote, retain, expand and attract businesses. These include programs such as technical assistance for start-up small businesses, funding for regional economic development organizations, funding for chambers of commerce, and targeted, strategic incentive policies. Most cities and towns play major roles in their own growth and development and, therefore, in the state’s growth and development.

It appears that Arizona’s cities and towns are good investments for both the state and the business communities. The adage of the 21st century, “think globally, act locally,” exemplifies the importance of local communities in a global economy as the world flattens. Thriving local economies reduce the costs of municipal (and state) government in the long run, as fewer residents require the services of the Department of Economic Security, AHC-CCS, or the Department of Health. State policies that strengthen municipalities are a good investment and result in substantial increases to the state treasury.

This article is a summary of a report that was prepared for The League of Arizona Cities and Towns by the University of Arizona Eller College of Management in October 2006. The complete report is available at www.azleague.org/pdf/lact_econ_update.pdf.
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DRIVEN TO EXCEED YOUR EXPECTATIONS
Thanks to the League’s many training programs, council members should already know the limits of what they can and cannot do during closed executive sessions — and that they will personally pay $500 each and every time they violate those limits.

But what about members of the public? Do they know what the Open Meeting Law authorizes? How do they feel when they see elected officials meeting behind closed doors? Are citizens (and reporters) wondering, “What are the officials doing behind that closed door? Why the secrecy? Is someone getting a sweetheart deal at our expense?”

And have you ever wondered what you can do to avoid such debilitating suspicion that damages public trust in you?

One approach is to occasionally provide an informal “public education session” just before going into executive session. No, you don’t need to conduct an in-depth training session on the Open Meeting Law’s 20 subsections dealing with executive sessions. Rather, the person chairing the meeting...
can simply have a public discussion with your municipality’s attorney about the legal procedures that lets the public know the council recognizes and follows the law.

What would this informal dialogue look like? Well, it requires no script (but it is nice if you let your public lawyer know in advance). How do I know no script is necessary? Because I have done this before and have seen it magically transform tension into trust.

Years ago, when chairing a public body that was about to go into executive session for the first time in years, I noticed the public getting agitated when they heard we were going back into another room to meet behind closed doors for legal advice about a controversial matter that had drawn a big crowd. Tension mounted as murmurs filled the air. Although I knew the Open Meeting Law’s requirements, instead of me as chair telling the public what we could and could not do, I thought it might have more impact if the public body’s attorney “officially” declared the law’s limits.

So before calling for the vote to meet in executive session, I asked the city’s attorney if he would make sure our public body knew the legal limits.

As he took the podium to answer my questions, I set the context, saying something like, “Before we go back to meet in executive session, I just want you to confirm that we are doing things properly so we are always following Arizona law.”

I then proceeded to ask a number of questions, such as, “Now, because we have posted a notice and agenda for this executive session, Arizona’s Open Meeting Law says it is legal for us to meet back there, correct?” (Yes) “But while we are back there, we can only talk about the narrow item that is on the agenda and nothing else, correct?” (Yes) “Plus, I understand that we cannot take any votes back in executive session and that any votes on this topic must be done only here in open session; is that correct?” (Yes) “And the Open Meeting Law says that what we discuss back there must remain confidential, so if any of us disclose what we discussed to
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anyone, even our families, then that person would have to pay a penalty of $500?” (Yes)

“Finally, you will be back there to stop us if any of us — on purpose or by accident — start to venture off that one topic on the posted agenda or start to do anything else that is wrong, correct?” (Yes)

This informal exchange had an amazing effect. Before then, the room had been filled with tension caused by distrust about officials meeting privately behind closed doors. But as the dialogue occurred, people started nodding their heads with comfort that we intended to follow the law. With trust re-established, the tension left the room.

Before going into executive session again, think of ways you can build public trust.

Tim Delaney, an attorney who chaired the Attorney General’s Open Meeting Law Enforcement Team when he served as chief deputy attorney general and solicitor general (1995-2001), has worked with the League of Arizona Cities and Towns on numerous projects and provided training on-site for more than a dozen cities and towns across the state. You may reach him at the Center for Leadership, Ethics & Public Service, the independent nonprofit he created by calling (602) 870-9061 or e-mailing C4LEAPS@aol.com.

In addition to helping governments, Tim Delaney works with nonprofits across the country. He recently published a special guidebook, Advocacy by Arizona’s Nonprofits: It’s Legal, It’s Needed, It’s Easy, that explains lobbyist laws at the federal, state and local levels. Lawyers, lobbyists, and nonprofits are buying the book ($22, including shipping and handling) to learn more about the various tools in the “advocacy toolbox” Delaney provides.
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Douglas, Arizona and HomeTown Competitiveness

A Come-Back/Give-Back Strategy to Rural Community Development

Like many rural communities in Arizona and throughout the country, Douglas, rich in history and tradition, has been experiencing deterioration in its ability to meet the increasing fiscal needs of its population. This, coupled with higher poverty levels and a loss of young people to metropolitan areas, catalyzed the need for a new approach to economic and community development. The innovative approach that Douglas chose is called HomeTown Competitiveness (HTC).

HTC is a comprehensive approach to long-term rural community sustainability. This approach goes beyond the traditional tunnel vision of only economic development by focusing on four interrelated strategies for community development: developing leadership, charitable giving, energizing entrepreneurs and engaging youth.

Developed and field-tested in Nebraska through a consortium of non-profit groups, HTC was brought to Arizona by the Arizona Rural Development Council as a strategic approach to rural development and sustainability. Douglas is embarking on this new strategy, which has the potential to help all Arizona’s rural communities through the four strategic areas.

Mobilizing Local Leaders

For small towns to compete in the 21st century, they must tap into everyone’s potential knowledge, talent and aspirations. Communities must reject the outdated notion of relying on the “usual suspects” to get things done. Rural communities must be intentional about recruiting and nurturing an increasing number of women, minorities and young people into decision-making roles. They need continuing leadership training programs, because today’s leadership must constantly reinvent itself to reflect the challenges of a changing global environment.

Capturing Wealth Transfer

The Arizona Community Foundation has completed a wealth transfer analysis for each of Arizona’s counties. Rural residents do not always recognize local wealth because so much of it is held through land ownership. Most people are first shocked, and then highly motivated, once they understand the enormous amount of local wealth that will likely transfer to heirs who have migrated out of the area. An Arizona Philanthropy Indicators study indicated that Arizona will experience, at the lower spectrum, a $596.8 billion transfer of wealth over the next 50 years. Both the power and the will to use these assets will no longer be tied to the community unless planned gifts are cultivated now. Using this data, Douglas, along with the support of the Arizona Community Foundation and Cochise Community Foundation, has established the Douglas Area Community Fund (DACF) in which it will cultivate charitable assets to provide funding of Douglas’ leadership, youth and entrepreneurial activities. Most importantly, it is a locally guided fund. Since its inception 14 months ago, DACF has raised $50,000 — $25,000 of which has been matched by Arizona Community Foundation.

BY VICTOR GONZALEZ,
ECONOMIC DEVELOPMENT DIRECTOR
CITY OF DOUGLAS

Arizona City & Town • Winter 2008
Energizing Entrepreneurship

Far too many rural communities continue to invest resources in economic development and business development that exports, rather than builds, local wealth. HTC encourage communities to become actively involved in nurturing local enterprise in three specific areas: 1) saving Main Street and other key businesses through planned ownership succession; 2) creating new wealth and good jobs by helping entrepreneurial companies that have the potential to breakthrough to a broader product line and/or a larger market; and 3) using local charitable assets to support entrepreneurship development.

Attracting Young People

It is not just the call of the big city that impels them; it is also the perceived lack of opportunity and encouragement to “not come back” that drives young people away from our smaller rural hometowns. HTC has developed a formula that small towns can use in their effort to address this trend. Using existing data on population change, the formula provides small towns with realistic goals for youth attraction. In many cases, the attraction of a handful of additional high school students (who return with young families) per year can stabilize the population. HTC teaches people how to engage youth in positive ways, helping them create career opportunities through business transfer and entrepreneurship while nurturing a sense of ownership and vested interest in the community’s future leaders.

Hope for Our Rural Communities

The HTC approach offers hope for communities being swept away by change — change that has caused severe out-migration, growing levels of poverty and the flight of youth. By targeting leadership and community capacity, building with focused entrepreneurship efforts and encouraging local philanthropy to support ongoing economic and community capacity building, Douglas is looking forward to building a successful and healthy future.

For more information, contact Victor Gonzalez, City of Douglas Economic Development, at (520) 805-4047; Pat Schroeder, Arizona Rural Development Council, at (480) 892-2569; or Carla Roberts, Arizona Community Foundation, at (602) 381-1400.
On Feb. 3, 2008, the eyes of the world will be on Glendale, Ariz., as Super Bowl XLII is played at University of Phoenix Stadium. The city of Glendale is proud to host what the National Football League (NFL) refers to as the “largest single-day sporting event in the world.”

The “road to Glendale” began in October 2003 when NFL owners selected Arizona to host the 2008 Super Bowl. However, the game itself is but one piece of a pie that involves significant cooperation and planning among many public, private and non-profit organizations throughout the Valley and state. In fact, events and activities related to the Super Bowl will actually begin 10 days before the game and are being staged across the Valley.

Facilitating the region’s planning efforts is the Arizona Super Bowl Host Committee, a group comprised of business and community leaders, paid staff, interns and volunteers. The committee set a goal to raise $15 million to help fund the VIP events and parties that are associated with the Super Bowl and that are expected of a host region as part of the bid package. The host committee also leads the efforts to secure 10,000 volunteers for Super Bowl-related events and the commitment to encourage small, minority and women-owned businesses to become certified and participate in the NFL’s Emerging Business Program. Workshops and visits to cities as far away as Flagstaff and Tucson have been held over the course of the year.

The Super Bowl’s economic impact to the state is estimated to be $400 million. The host committee has secured an agreement with Arizona State University to complete an economic impact study of the 2008 Super Bowl so the region can better assess the financial bang of such a national event.

Once the announcement was made that Super Bowl XLII was coming to Arizona, Glendale city staff began to research the planning efforts of other host cit-
ies such as Tempe, San Diego, Houston, Jacksonville, Detroit and Miami. The city focused its attention on key areas of responsibility, including public safety, transportation, marketing, tourism and community engagement. Staff from different disciplines attended Super Bowls over the last four years, but not to watch the games! They went behind the scenes and shadowed counterparts doing everything from monitoring ticket scalpers and providing first aid to visitors at the NFL experience to watching how 900 buses and limousines dropped off passengers on game day. The Glendale City Council did its planning as well and took a visionary step in 2004 by beginning to set aside money during their annual budget process to help pay the anticipated costs associated with hosting the big game.

Although the stadium is located in Glendale, it is a state facility. The city has partnered with the Arizona Sports and Tourism Authority and its private management company, Global Spectrum, as well as the Arizona Cardinals, to develop comprehensive security, emergency management, transportation and parking plans for the regular NFL season as well as other stadium events such as concerts and trade shows. These plans set a great foundation for the planning efforts now taking place related to Super Bowl.

A unified and regional public safety structure has been put in place to work with NFL security. Since 9-11, the investment in ensuring the public’s health, safety and welfare at national events like the Super Bowl has increased substantially. The Arizona Department of Public Safety, the Maricopa County Sheriff’s Office and police, fire and homeland security departments of all Valley cities and tribal communities are working together to share resources and manage the upcoming events. Several federal agencies are also engaged in the planning efforts, including the FBI, ATF and TSA. Glendale has tapped into the knowledge and experience of other agencies like Phoenix and Tempe and their handling of national events from Super Bowl XXX to presidential debates to the World Series.

On the transportation planning front, the city is working closely with several

There is not one city department that has not seen some involvement in the mega events planning process. From the city attorney preparing and reviewing agreements to Field Operations overseeing street sweeping and right-of-way maintenance, all hands are on deck to make Glendale and the region shine in the glow of the national limelight.
agencies since roadways leading to the stadium are not all within Glendale’s jurisdiction. Transportation planning partners include ADOT, McDOT, Phoenix and Peoria. The NFL has its own transportation planning subcontractors who are working closely with the city on the detailed plans for ingress, egress and parking.

The city’s marketing department has developed significant relationships with the national media over the last year and continues its outreach efforts. The city’s brand new, state-of-the-art media center is located directly across the street from the stadium and is the perfect venue for filing timely stories and/or producing videos and shows. Three websites are hosted by the city with hits quadrupling over the last year. For game information, visitors and fans are tapping into www.glendalesgotgame.com. For visitors and tourists, the site is www.visitglendaleaz.com. And for those interested in an overview of the Glendale organization and services it provides, the site is www.glendaleaz.com. The department has also created the tagline “The Road to Glendale” to help brand Glendale with the big game!

One of the most important components to the city’s planning efforts has been outreach to the community, as well as keeping its own 2,500 employee workforce informed about what is going on. The council appointed a Citizens Ad-Hoc Event Advisory Committee to serve as a focus group for city staff’s planning efforts. On March 25, 2006, the first community kick-off event was held with all of the stakeholder agencies participating. In November 2007, an open house was held for the Glendale business community to talk about how they can participate in the activities and events surrounding the Super Bowl.

Quarterly presentations on the planning efforts have been made to city staff over the last two years, and all 24 departments are represented on the mega events team. This year, Glendale 11 — the city’s cable television production team — shadowed staff in South Florida and put together a 30 minute real-time video of behind-the-scenes planning and action related to Super Bowl. The show has been made available to employees across the city and has been airing regularly on Glendale 11.

There is not one city department that has not seen some involvement in the mega events planning process. From the city attorney preparing and reviewing agreements to Field Operations overseeing street sweeping and right-of-way maintenance, all hands are on deck to make Glendale and the region shine in the glow of the national limelight.
Copper Queen Hotel, Bisbee

Built by the Phelps Dodge Corporation, construction of the Copper Queen Hotel began in 1898. She opened her doors four years later in 1902. Construction was difficult because Phelps Dodge had to blast away and clear a large portion of the mountainside in order for building to begin. Although the most modern and up-to-date materials were used, it did not lessen the difficulty of each task. For example, in order for concrete to be mixed, water had to be pumped up the hill from the mercantile on Main Street. The walls were constructed to be 22 inches thick, which helped keep the hotel cool during summer months. As construction came to an end, Bisbee was a bustling city of 20,000. At one point, Bisbee was the largest city between St. Louis and San Francisco.

The Copper Queen Hotel was one of the most modern hotels in the west during that time. Originally, the hotel had 73 sleeping rooms. Over time, the hotel has been extensively renovated and now has 53 rooms, each with a private bath. Years later, other amenities were added, including an elevator, swimming pool and cable television.

Today, the Copper Queen Hotel maintains its turn-of-the-century Victorian charm and upholds its place in history as the oldest, continually run full-service hotel in Arizona.
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