



MEMORANDUM

Date: November 17, 2021

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Leshner 
Chief Deputy County Administrator

Re: **Overview of Pima County Economic Development Activities and Organizational Structure**

Pima County's economic development activities have traditionally relied upon a collaborative and coordinated effort among numerous County departments and external partners. Beginning in 2012 with the collaboration of TREO (now Sun Corridor Inc.), Pima County has been actively engaged in growing the regional economy through both attracting new companies and expanding existing ones.

Prior 2016, Pima County economic development activities were largely coordinated under the direction of Hank Atha, Deputy County Administrator for Community and Economic Development. Upon Mr. Atha's retirement in August 2015, the County Administrator assumed direct management of these activities, and in June 2016 established the Economic Development Office within the County Administrator's Office. While this unit was staffed with three positions, the County's overall economic development activities continued to be a multi-department effort drawing upon the diverse expertise of staff in various County departments. Likewise, activities continued to be closely coordinated with external partners such as Sun Corridor Inc., the City of Tucson, Arizona Commerce Authority and hundreds of other economic development, education and business partners throughout the region.

This multi-agency structure remains in place today and has proven successful due to the unique capabilities of the coordinating entities. By leveraging the individual strengths of the County and its regional partners, the Pima County region has seen significant growth over the past decade as previously reported in numerous County Administrator memoranda and reflected through increases in business attraction, capital investment, new jobs and net assessed value. Achieving these outcomes has been guided through the creation and implementation of Pima County economic development plans.

Pima County created its first Economic Development Plan in 2012 followed by updates in 2015, 2017 and 2019. Each successive plan built on the prior one while also assessing changing needs and identifying expanded strategies for growing the regional economy. These plans have emphasized important strategic principles including increasing jobs and personal income, enhancing education and workforce training, decreasing poverty, promoting tourism, investing in infrastructure, protecting our existing major employers, leveraging regional partnerships and assets, and expanding our relationships with bordering counties and internationally. While creation of these plans was led by our Economic Development Office,

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valuable input and contributions were received from an expansive group of County departments and community partners.

Throughout plan development and implementation each partnering entity has contributed distinctive expertise and participated collaboratively to accomplish outcomes far exceeding what one entity could achieve alone. Given these interdependent relationships and diverse skills across the County, local municipalities, and other public and private strategic partners, it is essential for Pima County to continue its strategic role in generating economic growth for the residents of the region and deploying our unique capabilities to support other entities involved with economic development.

It has recently been suggested by a member of the Board of Supervisors that the current structure and mission of the County's Economic Development Office be justified and possibly realigned or eliminated. In responding, it is necessary to differentiate the roles of the Pima County Economic Development Office and other Pima County departments performing economic development activities from other external economic development entities such as our key partner Sun Corridor Inc.

As noted in the [September 15, 2021](#) memorandum from the County Administrator, the primary mission of Sun Corridor Inc. is business attraction and expansion. The Pima County Economic Development Office does not replicate this function but does work in close coordination with Sun Corridor Inc. on these activities. In their role, Sun Corridor Inc. receives and coordinates responses to inquiries from companies looking to expand or relocate to our region. Sun Corridor Inc. does not prepare proposals from Pima County in response to these business inquires. Instead, in Pima County, this is done by the Pima County Economic Development Office with assistance from various other Pima County departments. Sun Corridor Inc. then aggregates the County's submittal with those from other proposers in the region and responds to the inquiring entity.

The role performed by the Economic Development Office on the inquiries to Sun Corridor Inc. represents only a portion of the overall work of the County on economic development. The bulk of the County's work is reflected in the Pima County Economic Development Plan (current version [2019-2021](#)), and is collaboratively facilitated through the Economic Development Office and the host of County departments and other regional partners.

The same symbiotic arrangement exists between Sun Corridor Inc. and Pima County on marketing the region to prospective business. Sun Corridor Inc. promotes the region through strategically placed advertising and social media, and at national site selector and specific industry-focused events. The materials used by Sun Corridor Inc. to highlight Pima County are prepared by County departments including the Economic Development Office.

A comparable balance of activities also exists between the Economic Development Office and other Pima County departments with expertise in various disciplines necessary to support and activate economic activity. One such link is with the Pima County Community and Workforce Development Department. Although the Economic Development Office does not develop or

provide training, they serve as an important conduit between business, industry, and trade organizations and the programming provided by Community and Workforce Development. The Economic Development Office performs a similar role with Pima Community College, the University of Arizona and other educational and workforce training entities.

Similar to these workforce training connections, the Economic Development Office works extensively with the Pima County Public Works infrastructure and development departments and other involved parties like local utility service providers and commercial and industrial real estate brokers. Close coordination occurs when evaluating and proposing sites for prospective businesses to ensure sufficient infrastructure exists to support the proposed user's needs including proper zoning, road access, sewer capacity, drainage, major utilities, etc.

On County-owned sites available for economic development, coordination includes efforts to plan, fund and construct needed public infrastructure to activate the site. These efforts routinely involve the Pima County Capital Program Office and the Pima County Real Property Services Department. Coordination has occurred, or is in progress, on several County sites such the Aerospace Research Campus, Southwest Employment and Logistics Center, Sunset Innovation Campus and other locations. Close coordination also takes place on economic development efforts related to tourism and there are linkages to the Attractions & Tourism Department and the Kino Sports & Entertainment Complex. These connections were a strong component of the solicitation resulting in the partnership with Knott Development.

These projects can take several years to plan, design and construct. Accordingly, they are programmed into the 10-Year Pima County Integrated Infrastructure Plan and are considered for funding as part the Capital Improvement Fund component of the overall Pima County Budget. Financial considerations for constructing infrastructure in support of economic development are carefully evaluated by Pima County Finance and Risk Management and the team of involved infrastructure departments. Any grant funding component or preparation of grant applications is closely coordinated with the Pima County Grants Management and Innovation Department.

These are just a few examples of the breadth of collaboration necessary between County departments to fully leverage our diverse capabilities to achieve the County's economic development objectives. These efforts are undertaken under the direction of the County Administrator with active involvement by each Deputy County Administrator and others in the County Administrators' Office, and have successfully enhanced economic conditions of the region as evidenced through increased regional capital investment, new job creation and tax base growth. The significant impact of these efforts are seen in the summary of economic activity occurring in the region in the County Administrator's [February 7, 2020](#) memorandum on the benefits of Pima County economic development efforts.

As we continue to make our way out of the pandemic, we face new challenges that make us even more dependent on collaboration to improve economic conditions to benefit our region's residents. To respond to this need, it is important that Pima County continue to maintain a leadership position by retaining and refining the County's collaborative model that has

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generated demonstrated success. Given the significant infrastructure coordination component related to job creation and economic growth, and the strong collaborative relationship already existing between Public Works departments and other County departments and external economic development partners, it is appropriate to move the Economic Development Office into Public Works Administration under the direction of Deputy County Administrator Carmine DeBonis, Jr.

This transfer will begin upon completion of the recruitment currently underway to fill the position of retiring Economic Development Director John Moffatt. The selected candidate will begin reporting to Mr. DeBonis on their starting date, and will work with Dr. Moffatt to complete the transition into Public Works Administration coincident with Dr. Moffatt's retirement date. Upon transfer, office operations will continue to be reviewed to optimize work processes and staffing assignments. Work will also continue on the latest update to the Pima County Economic Development Plan including the review and updating of priorities and policies to ensure maximum benefit from our economic development efforts.

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer,
Health and Community Services
Yves Khawam, PhD, Assistant County Administrator for Public Works
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