FORT DEFIANCE
ARIZONA

Economic Development Strategic Plan

Final — August 2013

NORTHEAST ARIZONA
ECONOMIC DEVELOPMENT PLANNING GROUP

A Building Communities™
Strategic Plan

ECONOMIC DEVELOPMENT for APACHE COUNTY
EDAC

Fort Defiance, Arizona
Economic Development Strategic Plan

Prepared for
Fort Defiance

and

Economic Development For Apache County

Prepared by

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About the Northeast Arizona Economic Development Planning Group

In 2010, Apache County, Arizona successfully applied for funding from the US Department of Housing and Urban Development (HUD) to complete a Regional Plan for Sustainable Development.   This effort is led by the Northeast Arizona Economic Development Planning Group (NEAZEDPG), and managed by Economic Development for Apache County (EDAC). Our two-phased effort offers an opportunity for communities, tribes and chapters to first complete local community and economic development strategic plans that are the result of over 13 hours of community engagement. Local plans address issues and ideas specific to that community and come from community members and leaders. Issues and opportunities common across these local plans are then considered in the development of the Regional Plan.

The Apache County project is one of 74 regional efforts across the nation. The grant awardees determine the focus of their work. Apache County chose economic development as the focus of its planning.

Our participants are using an approach developed by Building Communities, Inc., a consulting firm that specializes in a very objective methodology which allows for the selection of up to 25 strategies to improve local economic conditions and overall quality of life.

Each participating community forms a local Steering Committee that selects strategies and assigns essential action steps for implementation. The steering committee not only recommends strategies to their governing body but assumes the responsibility for strategy implementation.

The second phase of the planning process entails the effort to build the Regional Plan. The participating communities meet to determine common issues and opportunities that, if addressed through regional cooperation, will likely produce greater benefits.   Communities readily recognize that some efforts will be more successful if approached in this way.

This local plan, therefore, is one of many locally based efforts to help the region diversify its economy and improve its overall quality of life. Through both community-based effort and regional collaboration, the participants in this planning effort will create stronger economies for tomorrow.

Project at a Glance	
Funder	U.S. Housing and Urban Development (HUD)
Grant Awardee	Apache County
Project Manager	Economic Development for Apache County
Grant Announced	October 2010
Project End Date	December 2013
Local Plans Started and/or Completed	Chinle Eagar (not complete) Ft. Defiance Ganado Many Farms Navajo Nation Summit Sipaulovi Springerville St. Johns Upper Moenkopi Village White Mountain Apache Tribe Winslow
Regional Plan	Draft August 2013 Final September 2013

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Executive Summary

Executive Summary

Our Community and Vision

Through the mists of our troubled and sometimes painful history there is an enduring quality that continues to permeate the community of Ft. Defiance. That quality is hope. From the alluring glimpses of partially hidden landscapes lining the Arizona Scenic Byway that leads to Tse hootsooi, through the traditional hogans nestled beside modern homes and into the hearts of the welcoming and lovable people of Ft. Defiance, the promise of the future electrifies the air with hope.

We are the community that has been home to the Diné since their return from Ft. Sumner in the late 1860s. While our struggles and challenges have been as monumental as the landscape that surrounds us, the community of Ft. Defiance has persevered. Standing as majestically as the pillars of rock that identify us as Tse hootsooi--the green meadow coming out of the rock--we as leaders and advocates stand ready to work and lead our community to achieve our tremendous potential!

Our mission statement, "Tse hootsooi--walking in beauty toward a compassionate, healthy and vibrant community," --expresses our desire to create anew the "green meadow" of peace and prosperity "that emerges from the rock." To carry out this mission, we are creating our "family plan," a community-centered economic development plan that incorporates both our Economic Development Strategies and our Quality-of-life Initiatives. We have named our Steering Committee OUR Tse Ho Tso, which is a shortened name for Tse hootsooi.

We are concerned about the mental, emotional, physical and spiritual health of our community. Central to our family plan is the restoration and renovation of the old Ft. Defiance Hospital campus built in the 1930s. This project will provide space for many of our future endeavors. We will create a safe, secure environment for healing that encompasses our quality-of-life objectives of a clean, trash-free community with a park and walkable pathways and neighborhoods. We will attract compassionate and devoted health care professionals who understand the concept and practices of safe healing.

We are proud of our history and the story of our people. We plan to share that history and the traditional Diné culture through a well-planned strategic effort to bring engaging cultural tourism to Ft. Defiance. Our Environmental Restoration strategy will create a meeting place for the community and provide us with a recognizable downtown area. The old hospital and other historical buildings will provide space in which to house the artifacts and history of the fort, along with a celebration of our veterans. Our Education Development strategy will enhance our objectives to provide cultural experiences for our visitors and protect our unique heritage.

Our family plan will also include a Value-added Agriculture strategy, not in an attempt to produce great quantities of commodities, but inorder to capitalize on the existing entrepreneurial spirit that has been a long tradition in our community of supplementing our incomes with agricultural endeavors. In addition, this will help us to learn and educate ourselves about conservation, the latest agricultural technologies, as well as create community gardens, greenhouses and a food sovereignty plan as part of our Quality-of-life Initiatives.

Through these planning efforts, we will literally see Tse hootsooi become the "green meadow coming out of the blue canyon" again in the heart of Ft. Defiance.

Background and Context for Planning

The community of Ft. Defiance is a participant in the Northeast Arizona Economic Development Planning Group (NEAZEDPG) to develop a Regional Sustainability Plan for Northeast Arizona. This strategic planning project is an unprecedented regional collaboration that includes several incorporated cities and towns in Apache and Navajo Counties and three Tribal Nations—Navajo Nation, Apache Nation and Hopi Nation. The planning effort is being coordinated by Economic Development for Apache County (EDAC), a non-profit community development corporation. Apache County, a recipient of a Sustainable Communities Regional Planning Grant Program through the Department of Housing and Urban Development's (HUD) Office of Sustainable Housing and Communities (OSHC), is the fiscal agent for the planning grant that supported all of the planning initiatives in this regional collaboration. EDAC contracted with Building Communities, Inc. to guide and facilitate individual participants through the planning process.

Ft. Defiance was the first military fort to be established in what is now Arizona. While it has been a place of great hardship, as the starting point for thousands of Navajos on the "Long Walk" to Fort Sumner, it has also been considered a place of economic prosperity and home to the Navajo People for centuries.

Anthropologists maintain that this turbulent piece of history is central to the modern Navajo's identity. Planning from that perspective must include a vision that looks both forward and backward. Central to Ft. Defiance's plan is the restoration of many historical places related to the fort and the identity of the Diné.

Scope of Plan

This strategic plan has a three-to-five year plan horizon and is focused on the community of Ft. Defiance, its immediate surroundings and its history. The immediate implementation of the plan will be driven by the Steering Committee. One of the primary objectives of the Committee is to build the capacity of the community so many, if not most, of the implementation activities can be cooperatively carried out with other local entities.

Looking to the Future

The Ft. Defiance Committee has a beautiful vision of the future of their community. Capitalizing on the reclamation and restoration of several historical buildings, the Steering Committee has developed a plan that focuses on celebrating and preserving Navajo culture, and at the same time, bringing economic opportunities to the community.

The Quality-of-life Initiatives chosen by the Steering Committee will have a home in the restored facilities once occupied by Indian Health Services. These finely crafted sandstone buildings date back to the 1930s and were originally used as places of physical healing. The purpose of this plan is to provide a place for emotional and spiritual healing as well. The Steering Committee understands that Ft. Defiance must become an economically prosperous community if they are to become a healthy community.

Community and Economic Development Strategies

- Cultural Tourism
- Downtown Development
- Education Development
- Environmental Restoration
- Health Care
- Value-added Agriculture

Quality-of-Life Initiatives

- Community Clean-up
- Park/Walkable Pathways
- Safehouse/Healing Center
- Performing Arts Center/Amphitheatre
- Greenhouses
- Youth programs (BSA)
- Eco tours
- Museum/Protecting Culture
- Veterans
- Security

Introduction

Planning Methodology & Approach

1 - Introduction

Planning Methodology

In order to maximize community participation in the planning process, and to quickly transition the community to plan implementation, Ft. Defiance engaged Building Communities to employ its unique strategic planning methodology in the development of this plan. The Building Communities approach to strategic planning bypasses traditionally used planning and research components—such as lengthy demographic studies, which often add little to a plan in terms of usefulness over time and focuses instead on the development of action-oriented projects and initiatives. The Building Communities planning approach is objective, comprehensive and expeditious.

- **Objective:** Communities select community and economic development strategies and initiatives based on a logical analysis of the factors most relevant to community advancement
- **Comprehensive:** Communities consider a host of possible strategies and initiatives to improve local economic conditions, and to sustain and advance overall quality of life
- **Expeditious:** The process is fast-paced (typically 13 hours total) and excludes discussion unrelated to the development and implementation of the strategic plan

Vision and Mission

The development of vision and mission statements has long been "standard procedure" in traditional community and economic development strategic planning processes. These statements are crafted to inspire, convey core values, and to indicate the direction communities desire to head as they implement their plans. These are all important ingredients in any strategic plan. In the Building Communities planning methodology, vision and mission statements assume a different form. In fact, vision and mission statements *appear* to be absent in the planning process and final plan, at least as traditionally seen. But they are anything *but* missing.

The Building Communities methodology recognizes that communities embrace similar values, missions, objectives and visions for the future—leadership, integrity, health, quality services, safe environments, responsible use of resources, economic growth and quality living, to name a few. Fully recognizing that these values and ideals are both common to, and important in, nearly all communities (if not all!), the Building Communities methodology integrates vision and mission statements seamlessly into the strategic plan, both expanding their content and application, and making them unique to the community.

As part of the Building Communities planning approach, Ft. Defiance's vision—"*what we aim to become based on who and where we are*"—is presented in a lengthier format than just a sentence or two. It is found under the header "Our Community and Vision" in the *Executive Summary*. The plan itself can also be considered an extension of Ft. Defiance's vision—a palpable manifestation of its values and desires—while the strategies and initiatives which constitute the bulk of the plan define Ft. Defiance's mission—"*what we want to do to enact our vision.*"

Defining a community's vision and mission is at the core of the Building Communities planning approach. For Ft. Defiance, these elements emerged as participants were guided through a planning process that had two over arching objectives—improving local economic conditions and enhancing quality of life in the community.

Objectives of Methodology

The Building Communities approach is firmly grounded in the belief that the objectives of community and economic development strategic planning (like the values and aims of visions and missions) are also common among communities—*improving economic condition* and *enhancing quality of life*. These two high-level objectives can be directly related, indirectly related, or almost completely insulated from one another, depending on the development projects being pursued by the community. For example, development of value-added projects offers the potential for significant improvement to a community's economic condition, but may only indirectly improve the quality of life enjoyed by its citizens. In like manner, strategic positioning as a bedroom community can dramatically improve general community conditions for residents in the form of residential amenities and aesthetic elements, but may only indirectly contribute to the economy. And some initiatives, such as well-developed tourism campaigns, may result in enhancements to both quality of life and the local economy.

The relationship between these two objectives works in both directions. That is, while improvements in one category may have a positive effect on the other, neglect in one—or overemphasis on it—may have a drag-down effect on the other. In order to maximize the benefit of community projects and initiatives, the Building Communities methodology emphasized analysis and planning in both of these categories during the planning process.

Major Components of Planning Approach

The Building Communities planning approach brings together three important components to produce a strategic plan—people, analysis and action. These components were carefully combined and organized for Ft. Defiance in order to minimize time spent on relatively fruitless planning activities, while maximizing the power that each of the components brings to the process:

- **People:** The Plan Director, Plan Facilitator, Building Communities Support Staff, Steering Committee—and the Community at large
- **Analysis and Action:** Plan Week, which included these analyses and action-assignment sessions:
    - Key Success Factor Analysis
    - Quality-of-Life Initiatives (QOLIs) Session
    - Community Organizer Assessment
    - Voice of the Community Meeting
    - Strategy & QOLIs Selection Session
    - Assigning Essential Action Steps
    - Elevator Speech Session

The People

Communities are people. And, this strategic plan is a road map to better the individual and collective lives of its people. As such, the Building Communities methodology places high value on involvement of the people. In fact, perhaps more than any other strategic planning process currently in use, the Building Communities approach invites—no, requires!—community members themselves to do the analyses and evaluations, determine the strategic projects and initiatives to be pursued, develop the content which constitutes the "meat" of the completed strategic plan and conduct follow-up activities to ensure that it is implemented, with Building Communities guiding the process.

Contrast this to traditional approaches in which often "detached" hired consultants do most or all of the analyses, interpret local conditions, write the plan, and community members accept the resulting plan as "their own." Though this is the common formula, it in many cases leads to strategic plans being little more

than expensive dust collectors. This is no future, and the Building Communities methodology does not use this model.

The Building Communities methodology employed the services of the following people:

- Plan Director: Clarice Upshaw, Indian Health Services - Serves as the liaison between Building Communities and Ft. Defiance; oversees community outreach efforts; assists in creating the Steering Committee; coordinates all planning and implementation efforts over the life of the plan.
- Plan Facilitator: Karalea Cox, Building Communities Inc. - Deploys the Building Communities Strategic Planning methodology, tools and software; provides guidance and assistance to the Plan Director; conducts planning, analysis and content-development sessions; delivers the plan in its various drafts and forms.
- Building Communities Support Staff: Though never visible to the community, Building Communities' support staff works behind the scenes to provide communities with effective and efficient planning tools, and to deliver a polished plan they can be proud of and use effectively.
- Steering Committee: Includes the Plan Director and represents the interests of Ft. Defiance in the planning process; participates in all Plan Week work sessions; invites community participation in the planning process; weighs all community input; selects strategies and initiatives for implementation; reviews and provides feedback on the draft final plan; leads implementation efforts during the life of the plan. Ft. Defiance Steering Committee members:
  - Kirk Arviso
  - Georgia Ashley
  - Ben Bennett
  - Brandon Bitsuie
  - Jimmie Bitsuie
  - Marjorie Bitsuie
  - Zac Bitsuie
  - Zondra Bitsuie
  - Paula Holyan
  - Charmayne Joe
  - James Leslie
  - Garrett Nelson
  - Lorraine Nelson
  - Dr. Wayne Nickens
  - Timothy Nozie
  - Maluhia Pacal
  - Joe Pacal
  - Letha Thompson
  - Brent Tsosie
  - Gilbert Wauneka
- **Citizens of Ft. Defiance:** Includes all citizens and elected officials; provides crucial input during the Voice of Community Meeting and during plan review and adoption proceedings; assists and supports the Steering Committee during planning and implementation.

Overview of Plan Week

The bulk of the analysis and data gathering needed to build the strategic plan were accomplished during Plan Week—a term actually coined by a Building Communities client to describe the series of rapid-fire Building Communities planning sessions. For Ft. Defiance, Plan Week consisted of the seven sessions listed previously and was conducted July 17 - 19, 2012.

Data-gathering and analysis sessions were first in the process. They drew on the knowledge and experience of Steering Committee members and community members. Evaluation sessions followed, in which collected data and information were assessed and weighed. Next were decision-making sessions during which Steering Committee members determined the strategies and initiatives which would define Ft. Defiance's mission during the life of the plan. Initial plan implementation steps were also determined by the Steering Committee in the later sessions, and finalization of these "Essential Action Steps" concluded. In the final session of Plan Week, Steering Committee members were invited to reflect on the results of the preceding sessions, and to merge these with Ft. Defiance's identity and aspirations to create an expanded statement of its vision and direction.

The seven sessions of Plan Week are designed to capture the "full body" of community and economic development considerations:

- A logical assessment of what the community should do based on the likelihood of success (the "mind")
- The passion the community has to advance in a desired direction, or what it **wants to do** (the "heart")
- The capacity of the community to advance based on its human, financial and technical resources, or what it **can do** (the "muscle")

Session 1: Key Success Factor Analysis

Plan Week began with a fast-paced analysis of Ft. Defiance's comparative advantage for a host of *Key Success Factors*—conditions, assets, abilities, etc. possessed by the community—related to 25 community and economic development strategies the community could pursue to improve economic condition and enhance quality of life.

The graphic below shows in "thumbprint" showing all the strategies the Steering Committee considered in this first session, and that the broader community also considered in a later session. Strategies ultimately selected appear as dark spokes, with the length of the spoke indicating the strategy's potential for successful implementation.

Attracting Government Funding	Business Recruitment
Attracting Government Jobs	Business Retention & Expansion
Attracting Lone Eagles	Business Cultivation
Attracting Retirees	Entrepreneurial Development
Infrastructure Development	Energy Development
Bedroom Community	Environmental Restoration
Health Care	Transportation Distribution Center
Education Development	Leading-edge Development
Downtown Development	Value-added Agriculture
Pass-through Visitor Services	Value-added Forest Products
Local/Regional Tourism	Value-added Fisheries
Cultural Tourism	Value-added Mining
Destination Tourism	

The input from this session yielded Ft. Defiance's *Prioritized Strategy Report*—a ranking of the 25 strategies on a scale of 0 to 100 based on the likelihood of successful implementation. This report, along with a more detailed explanation of its content, can be found in Section 2 of this plan.

Session 2: Quality-of-Life Initiatives

Unlike the 25 strategies, which are presented as a finite list, *Quality-of-life Initiatives* are an "open book" whose main purpose is to address quality-of-life issues of concern to the community. In Session 2 members of the Steering Committee were asked the question, "What would improve the quality of life in your community?" and invited to consider major issues or concerns they have about the livability in Ft. Defiance. In addition to the addressing specific issues, Quality-of-life Initiatives are also designed to capture development and sustainability elements consistent with the U.S. Department of Housing and Urban Development's (HUD)'s Livability Principles:

1. Providing more transportation choices
2. Promoting equitable and affordable housing
3. Enhancing economic competitiveness
4. Supporting existing communities
5. Coordinating and leveraging federal policy and investments
6. Valuing communities and neighborhoods.

Many topics were brought forward by the Steering Committee, including but not limited to:

- Public Safety
- Education
- Youth
- Substance Abuse
- Adequate Housing
- Cultural Preservation
- Veterans
- Walking Paths
- Community Clean-up

- Greenhouses
- Performing Arts
- Eco Tours
- Creating Places of Safety

These initiatives were presented to the broader community in a later session for their consideration and input, before the final selection of initiatives to pursue was completed by the Steering Committee. A more detailed treatment of the Quality-of-life Initiatives follows in Section 4 of this plan.

Session 3: Community Organizer Assessment

One part of community and economic development strategic planning often ignored is determining the capacity of the community to implement its plan. Capacity relates to the human, financial and technical resources needed to generally engage in community and economic development activities, and considers such things as unity of vision, land-use policy, community attitude and organizational stability.

The Building Communities planning approach addressed this critical element in Session 3—the Community Organizer Assessment—in which were presented a series of questions specific to the community and business development development aspirations of the community.   This yielded a report detailing specific recommendations about how Ft. Defiance can increase its capacity in order to successfully implement its strategic plan. The results of the Community Organizer Assessment can be found in Section 5 of this plan.

Session 4: Voice of the Community Meeting

The entire community was invited to Session 4, a town-hall-style meeting carefully designed to receive broader input about the same strategies and initiatives being considered by the Steering Committee. During this meeting, two overall objectives were met.

First, the community was asked to consider the 25 strategies earlier presented to the Steering Committee and answer the following questions in relation to each:

- Would you like to see this strategy implemented in Ft. Defiance?
- Do you believe that Ft. Defiance can successfully implement this strategy?

The second objective was to present the results of the Steering Committee's work on Quality-of-life Initiatives (from Session 2) and to receive feedback and other input on these topics. The results of the Voice of the Community Meeting were added to those of the Key Success Factor Session and presented to the Steering Committee in a later session as the *Enhanced Strategy Report*. This report can be found in Section 2 in this plan.

Session 5: Strategy and Quality-of-Life Initiatives Selection

After the Steering Committee considered the "full body" of community and economic development considerations it made a final selection of strategies and *Quality-of-life Initiatives* in Session 5. For the strategies, this was accomplished during a detailed review of all strategy-related information from previous sessions. Where consensus could not immediately be reached about how to treat specific strategies, they were "held" and reviewed again later. This pattern continued until an acceptable subset of "selected" strategies was complete.

Additionally, the Steering Committee reviewed all previously considered *Quality-of-life Initiatives*, along with all related information collected in previous sessions. From the original list of topics, the Committee chose

to "act on," "write about" or "ignore" the concern or issue.   Topics selected for action became full-fledged initiatives and were slated, along with the selected strategies, for further development in Session 6.

Session 6: Assigning Essential Action Steps

Deciding *what* to do is almost always easier than determining how to get things done. Making decisions about how to begin implementation of selected strategies and initiatives, about who will lead these efforts for each strategy/initiative and determining exactly what steps need to be taken along the way is challenging work in the Building Communities methodology. And, equally important (perhaps even more so) is community members assuming ownership of making these implementation decisions. The "Achilles heel" of many strategic plans is the disconnect between community members and their plan when implementation consists of little more than "the consultant says this is what we should do."

With these points in mind, during Session 6, each selected strategy and initiative was individually assigned to Steering Committee members or community organizations to act as "lead." Committee members were then introduced to an online tool designed by Building Communities to help them identify Essential Action Steps (EASs) for each strategy/initiative and "Tasks" for each EAS. Essentially, designated Steering Committee members were assigned to detail "who will do what by when, and with what resources" for each strategy and initiative. This was no small task, and the Steering Committee's work, together with all their input earlier in Plan Week (and that of the broader community) constitute the bulk—and certainly the "meat"—of this strategic plan. Building Communities takes great pride in being able to work with and engage great people in accomplishing such a huge task. We applaud you all!

Session 7: Elevator Speech

The final session returned to the heart of the matter: why are we doing strategic planning in the first place?   Steering Committee members were asked to reflect on why they care about their community and what they desire for the future.   During this time, the group explored and discussed what is unique about Ft. Defiance and what they expect as a result of conducting the strategic planning process. The result of this last session became the opening message in the plan and makes a unique statement about the heart of the community and what to expect in the plan—and during the years to come.

Objectivity of Planning Methodology

Great care was taken during Plan Week to avoid traditional strategic planning pitfalls. One of the most common of these pitfalls is the tendency in communities for the "loudest voice" or "most important person in the community" to dominate discussions and to silence (intentionally or otherwise) those who might disagree or, quite frankly, have better ideas. The Building Communities methodology used by Ft. Defiance employed a system which collected participants' public responses to important questions anonymously in real-time. Because initial responses were given privately and silently, results were very likely genuine and representative of participants' true positions. This ensured that discussions were fruitful, and that the issues, initiatives and concerns discussed were representative of the group rather than reflective of the opinion of one or two people. In other words, this provision for anonymity made what is, by its nature, very subjective work as objective as possible.

Conclusion

The historical context in which this plan for Ft. Defiance should be viewed helps create a poignant yet, driving energy that will move the Steering Committee and community forward in their pursuit of beauty and safety for all community members.

Plan Week Results

Plan Week Results

Overview

To gather the information from which to begin formulating Ft. Defiance's strategic plan, the Steering Committee participated in a multi-session planning process called Plan Week, which is outlined in detail in Section 1 of this plan. During these sessions, the Steering Committee considered 25 specific community and economic development strategies and a community-generated list of initiatives to improve Ft. Defiance's quality of life. The community at large was also invited to consider and provide input about these same strategies and initiatives. At the conclusion of Plan Week, the Steering Committee selected the following strategies for implementation in Ft. Defiance:

- Cultural Tourism
- Downtown Development
- Education Development
- Environmental Restoration
- Health Care
- Value-added Agriculture

In addition, these Quality-of-life Initiatives were selected for advancement:

- Community Clean-up
- Park/Walkable Pathways
- Safehouse/Healing Center
- Performing Arts Center/Amphitheatre
- Greenhouses
- Youth programs (BSA)
- Eco tours
- Museum/Protecting Culture
- Veterans
- Security

Strategy Selection Process

As mentioned briefly in Section 1, the Ft. Defiance Steering Committee participated in an objective assessment of the most viable economic development strategies for a given community—the *Key Success Factor Analysis*. Using this rating and scoring system, the Steering Committee considered a host of strategy-specific *Key Success Factors*, rating Ft. Defiance's comparative advantage for each factor, relative to communities of a similar size.

Each of the *Key Success Factors* was scored on a scale of '0' to '4'. Where the Steering Committee determined that Ft. Defiance has a significant comparative advantage relative to its competition, that factor was scored a '4'. Where a particular Key Success Factor was determined to be relatively absent in Ft. Defiance, it was given a score of '0'. Intermediate scores from '1' to '3' were given for factors in the middle of the range.

The scores provided by the Steering Committee were then integrated with each of the 25 strategies on a weighted basis. The result is the *Prioritized Strategy Report* to the right, which presents all 25 strategies, ranked by Building Communities according to the likelihood of successful implementation.

This initial *Prioritized Strategy Report* provided the Steering Committee with a solid foundation from which it could begin considering which of the 25 strategies the community should ultimately pursue. As the Building Communities approach recognizes that making wise choices in representative government requires not only capable leaders but an involved citizenry, the views of the community were also sought, in order that the collective voice of the community could be heard and given weight in the decision-making process. This began in the *Voice of the Community Meeting* in which the community at large was asked whether or not it would like to see the community advance each of the 25 strategies, and whether or not it believes the community could successfully do so.

Prioritized Strategy Report

STRATEGY	SCORE	STRATEGY GROUP
Pass-through Visitor Services	80	Tourism
Value-added Agriculture	74	Value-added
Education Development	68	Community Development
Cultural Tourism	63	Tourism
Value-added Mining	62	Value-added
Health Care	60	Community Development
Energy Development	58	Sector-specific
Environmental Restoration	49	Sector-specific
Destination Tourism	49	Tourism
Business Cultivation	42	General Business
Attracting Government Funding	41	Other
Business Retention and Expansion	38	General Business
Entrepreneurial Development	38	General Business
Value-added Forest Products	38	Value-added
Bedroom Community	38	Community Development
Infrastructure Development	38	Other
Leading-edge Development	34	Sector-specific
Value-added Fisheries	33	Value-added
Transportation Distribution Center	29	Sector-specific
Business Recruitment	27	General Business
Attracting Retirees	24	Other
Attracting Government Jobs	23	Other
Attracting Lone Eagles	21	Other
Local/Regional Tourism	10	Tourism
Downtown Development	3	Community Development

The results of the *Voice of the Community Meeting* were then weighed, factored and combined with the results of the *Key Success Factor Analysis* to produce the *Enhanced Strategy Report*. This report provided the Steering Committee with a more complete view about the desires and confidence level of both leaders and citizens with respect to each of the 25 potential strategies. This information, along with the *Prioritized Strategy Report*, served as the foundation for the final strategy selection process. In addition, before strategies were actually selected, the Steering Committee was asked to assess the capacity of the community to carry out both general and specific community and economic development activities. This was done during the *Community Organizer Assessment* session during *Plan Week.* The recommendations that resulted from that session will help the community refine and increase its capacity to work together and succeed as it begins implementing the strategic plan.

Enhanced Strategy Report

STRATEGY	SCORE	WANT	CAN	STRATEGY GROUP
✓ Value-added Agriculture	274	100%	100%	Value-added
✓ Education Development	251	100%	92%	Community Development
✓ Cultural Tourism	230	92%	92%	Tourism
Business Cultivation	200	92%	83%	General Business
✓ Environmental Restoration	199	92%	75%	Sector-specific
✓ Health Care	193	83%	83%	Community Development
Destination Tourism	191	83%	83%	Tourism
Business Retention and Expansion	188	92%	83%	General Business
Pass-through Visitor Services	188	83%	67%	Tourism
Energy Development	175	83%	67%	Sector-specific
Attracting Government Funding	174	92%	75%	Other
Entrepreneurial Development	171	92%	67%	General Business
Value-added Mining	162	83%	58%	Value-added
Transportation Distribution Center	154	92%	67%	Sector-specific
Infrastructure Development	146	92%	58%	Other
Local/Regional Tourism	143	83%	83%	Tourism
Attracting Retirees	141	92%	58%	Other
Value-added Fisheries	133	75%	67%	Value-added
✓ Downtown Development	128	83%	75%	Community Development
Business Recruitment	127	75%	75%	General Business
Attracting Government Jobs	123	83%	67%	Other
Attracting Lone Eagles	121	75%	67%	Other
Value-added Forest Products	97	46%	83%	Value-added
Bedroom Community	80	67%	50%	Community Development
Leading-edge Development	51	67%	33%	Sector-specific

Checkmarks (✔) indicate selected strategies.

With these various analyses and assessments in place, the Steering Committee's task was to choose the strategies which the community would ultimately advance. Consideration of the Prioritized Strategy Report yielded an initial selection of the "most viable" strategies. After careful consideration and a frank discussion of the community's capacity, particularly related to business development, the Committee selected six strategies to be integrated into the strategic plan. For each of these strategies, the Steering Committee then assigned one or more organization(s) to play a lead role in strategy implementation.

Importance of Recommendations

The Building Communities methodology results in two types of recommendations: 1) *Essential Action Steps* associated with the selected community and economic development strategies and *Quality-of-life Initiatives*; and 2) organizational capacity recommendations generated by the *Community Organizer Assessment*.

Combined, these two elements generate a substantial number of recommendations and actions the community should take in order to successfully implement its selected strategies.

However, the results of the Community Organizer Assessment should be seen as supporting recommendations. In other words, it is the Essential Action Steps that should be the primary focus, with the recommendations provided through the Community Organizer Assessment viewed more as a "tune-up" for the assigned organizations—and the community as a whole—to get the work done. The recommendations of the Community Organizer follow the Selected Strategies section of this plan.

While it is recommended that the Steering Committee review the Essential Action Steps on a monthly basis, it may only be necessary to review the Community Organizer Assessment recommendations on a quarterly or semi-annual basis. The Steering Committee will need to address several of the recommendations made in the Community Organizer section as they proceed with implementation. Therefore, it is also recommended that during the monthly Steering Committee meetings, capacity building and its supportive role in the implementation of the Essential Action Steps be addressed.

SWOT Analysis

Overall SWOT Summary

The Building Communities economic development strategic planning approach does not utilize a conventional strengths, weaknesses, opportunities and threats (SWOT) analysis as a starting point for the process. Instead, it presents *Key Success Factors* for community and economic development.

The local assessment of the relative comparative advantage of each of the *Key Success Factors*, in effect, yields a SWOT analysis based on these seven categories:

- Assets
- Capital
- Expertise
- Government
- Infrastructure
- Labor
- Location

Average Key Success Factor Scores
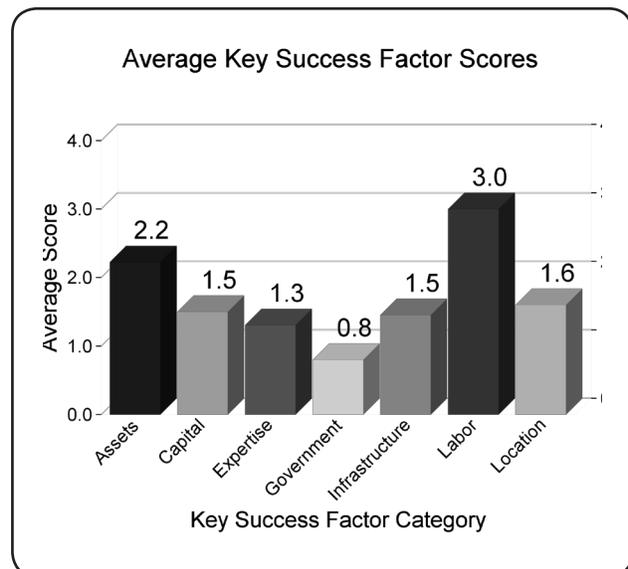
The table below presents a brief description of each category and the average score of the community in each of those categories.

A glance at this table reflects the broad range of scores in the Key Success Factor categories. The category scoring lowest at 0.8 is Government, while the highest is Labor with a 3.0. All other scores are relatively low, underscoring immediately the need for Ft. Defiance to carefully and thoughtfully develop a strategic economic and community development plan.

Key Success Factor Categories		AVG SCORE
Assets	Industry-specific or activity-specific conditions or dynamics critical to certain strategies.	2.2
Capital	Business debt and equity funding as well as consistent funding for development organizations to succeed.	1.5
Expertise	The skills, connections and abilities of local professionals.	1.3
Government	The citizenry and government agencies/committees, whose decisions and opinions shape the community's actions.	0.8
Infrastructure	The land, buildings and infrastructure necessary to advance many of the business development strategies.	1.5
Labor	The labor force of a community.	3.0
Location	The relative proximity of the community to the marketplace.	1.6
Scores reflect the community's relative capacity in each category on a scale from 0 to 4.		

Assets

The "Assets" category generally presents *Key Success Factors* unique to particular strategies. For example, the "availability of energy resources" is a unique Key Success Factor to the Energy Development strategy.

Unique Key Success Factors that scored high for Ft. Defiance are related to Cultural Tourism, Healthcare and Value-added Agriculture. This bodes well for success in the implementation of the plan. It should be noted that several Key Success Factors in the Asset category scored significantly low, a 1 or a 0 and would make the implementation of several strategies such as Bedroom Community, Attracting Retirees, Value-added Forest Products and Downtown Development extremely challenging.

Key Success Factors - Assets

Existing or prospective cultural attraction	4
Financially sound existing health care facility	4
Proximity to large volumes of agricultural commodities	4
Proximity to nationally recognized attractions	4
Proximity to travel routes	4
Availability of energy resources	3
Desirable climate	3
Expandable educational institution	3
Proximity to raw materials and minerals	3
Sufficient local entrepreneurial base	3
Insulation from industrial business annoyances	3
Accurate, long-term analysis of infrastructure needs and costs	2
Proximity to urban population and workforce centers	2
Sufficient base of local businesses	2
Quality residential neighborhoods	1
Available, desirable housing	1
Existence of recreational amenities	1
High availability of urban services	1
Proximity and access to forests and forest products	1
Local recreational and visitor attractions	0
Proximity to fisheries commodities	0
Recognizable central business district/downtown	0

Capital

Access to—and consistent availability of—capital is significant in two general respects. First, businesses must be able to secure sufficient debt and/or equity capital for their formation, operations, retention and expansion. Second, development organizations must have reliable sources of funding in order to regularly engage in activities consistent with their mission.

For businesses, access to capital is the lifeblood of the business itself. For small businesses that can demonstrate loan repayment capability, programs to provide

Key Success Factors - Capital

Ability to secure power-purchase agreements	3
Access to small business financing	3
Access to large-scale capital	3
Access to long-term infrastructure loans and grants	3
Dedicated local financial resources for staffing recruiters	2
Availability of appropriated funds	1
Ability to secure long-term contracts for forest materials	0
Competitive recruitment incentives	0
Local funding for downtown development	0
Sufficient marketing, promotion, or public relations budget	0

such capital can be very traditional (bank and credit union lending), or they can be government-supported loan, loan guarantee or credit enhancement measures designed to supplement traditional lending.

For development organizations, reliable funding is necessary so the board and staff can engage primarily in activities consistent with the organizational mission, rather than regularly chasing funding sources for the preservation of the organization itself.

The Key Success Factors relating to Capital are overall quite low for the community of Ft. Defiance. Six of the ten factors score a 2 or below. Capital will need to be specifically addressed in the Essential Action Steps of every strategy implemented by the Steering Committee.

Expertise

In this information age, it should be no surprise that one of the broadest and most important categories of Key Success Factors is expertise. The successful implementation of virtually every strategy requires expertise from a broad array of professionals in any community.

Not only must sufficient expertise be possessed by the individuals on the front lines of community and business development, but such capability is also important in various professional sectors of the local economy, for the advancement of targeted tourism and downtown development strategies and in the professionals backing up the front-line community and business developers (city managers, public works directors, county commissioners, etc.).

Scores in the Expertise category are generally low. Of the 22, only nine score a 2 or above, and none score a 4. This will mean that Ft. Defiance will need to actively solicit and secure help from individuals outside the community to train and assist them until they can build or recruit the necessary expertise to continue on their own.

Key Success Factors - Expertise

Ability to build a team comprised of energy-development experts	3
Ability to identify product and service gaps	3
Ability to successfully market materials	3
Cooperation of economic development staff and educational community	3
Local ability to identify and advance a funding proposal	3
Ability to network and attend relevant trade shows	2
Ability to understand industry trends and opportunities	2
Competent, strategic-minded hospital and health-care executives	2
Relative sophistication in coordinating and marketing local events	2
Ability to compete in a global market	1
Cultural development and advocacy organization	1
Dedicated business coaching staff	1
Relationship with site selectors	1
Staff focused on recruitment objectives	1
Support from local education professionals at all levels	1
Supportive post-secondary education training program	1
Capable, experienced economic development professionals	0
Downtown organization and staff	0
Existing excellence in local health care	0
Implementation of national Main Street Four-Point Approach™	0
Sophisticated tourism development & promotion	0
Sophisticated use of the internet for marketing	0

Government

Increasingly people argue that "if only government would get out of the way" our communities and businesses would thrive. In reality, however, it is through government (federal, state and especially local) that key strategies are envisioned, defined and implemented.

Governmental bodies not only establish policies and funding programs, but establish cultures and attitudes that are either pro-development or anti-development. Strong collaboration between government and the private and volunteer sectors is an essential ingredient for success.

This is the lowest-scoring category for Ft Defiance. There was a considerable amount of discussion among the Steering Committee members concerning community apathy and an obvious disconnect between the community and tribal government. The relationship with the community and the chapter, along with Apache County, seemed positive overall. Cultivating a strong relationship with tribal departments will help Ft. Defiance with the Key Success Factors in this category, as well as in the Expertise category.

Key Success Factors - Government	
Community acceptance of the visitor industry	2
Favorable state policies with respect to office locations	2
Support for attracting retirees	2
Community support for needed infrastructure rate increases	1
Local focus on revenues from visitors	1
Local government support	1
Strong relations between economic development organization and local businesses	1
Strong state and/or federal legislative delegation	1
Supportive state energy policies and incentives	1
Active engagement of downtown building and business owners	0
Local pro-business climate	0
Projected growth in government budgets	0
Strong community support	0
Support from local businesses	0
Supportive local government policy and focus	0

Infrastructure

In order for communities to be attractive and appropriate for the implementation of many strategies, they must possess sufficient land, infrastructure, buildings and housing. Building Communities uses the term infrastructure in a very broad sense in this context (beyond just sewer, water and power facilities).

Unfortunately, scores are also low in this category. However, the Steering Committee carefully considered this as they selected their strategies. Over half of the Key Success Factors related to Infrastructure score a 1 or a 0. Four of these six are determined at the tribal level. Issues of land ownership, including industrial land and buildings for business development, are not controlled at the local level.

Key Success Factors - Infrastructure	
Availability of brownfield sites	3
Availability of local infrastructure	3
Adequate telecommunications infrastructure	2
Land/Buildings/Campus for education development	2
Proximity to transmission lines with excess capacity	2
Availability of local land	1
Availability of local buildings	1
Excess water and sewer infrastructure capacity	1
High-speed internet	1
Adequate housing for labor force	0
Availability of industrial-zoned land for industrial park development	0

Labor

It takes a deeper bench than simply the "experts" to successfully implement many strategies. The availability and skills of the local labor force are critical to the implementation of many strategies.

Key Success Factors - Labor	
Local, available, low-skill labor pool	3
Local, available, high-skill labor pool	3

Ft. Defiance scored well in this category. It was generally recognized by the Steering Committee that there are adequate numbers of both low- and high-skill labor to meet the needs of a growing business community.

Low-skilled labor is generally defined as positions requiring little, if any, training. They are usually entry-level positions. High-skilled labor refers to those positions that require certification, registration in the respective field or an academic degree from a post-secondary institution.

Location

The location of the community is of great significance to many strategies. For example, communities strategically located to provide access to markets have a comparative advantage versus relatively isolated communities.

Key Success Factors - Location	
Advantageous location for government or education expansion	3
Prospect of an expanded geographic market for health care	3
Proximity and access to markets	1
Strategic location for distribution centers	1
Proximity to scheduled air service	0

Generally speaking, Ft. Defiance is a community on the way to somewhere else. This means that the Key Success Factor scores are low for certain strategies such as a Transportation Distribution Center, but scores for Healthcare and Education Development are relatively high.

There are several outlying smaller communities near Ft Defiance that would benefit from and enjoy the services of expanded Healthcare and Education Development.

Selected Strategies

Cultural Tourism
Downtown Development
Education Development
Environmental Restoration
Health Care
Value-added Agriculture

Selected Strategies

Ft. Defiance's Selected Strategies

Ultimately, the Steering Committee recommended the advancement of six strategies to enhance the economic condition and overall quality of life for Ft. Defiance.

On the following pages, each strategy is listed and described. In addition, the overall objective of the strategy is presented as well as the strategy-specific results of the Key Success Factor Analysis. The Essential Action Steps associated with each strategy are also listed.

Two figures lead out on each strategy's page—"Score" and "Rank."

Score - This represents each strategy's overall score on a basis of 100 points, and is the result of the Steering Committee's collective responses to the Key Success Factor Analysis in the first session of Plan Week. A score of 85 or higher indicates a strategy that is highly recommended for advancement. A score of 70 to 84 indicates a strategy that should be seriously considered for advancement.   A score below 70 indicates that there likely exist serious impediments to successful implementation of the strategy.

Rank - This represents the position of each strategy among all the strategies, based on its score.

The strategies selected by the Ft. Defiance Steering Committee are:

- Cultural Tourism
- Downtown Development
- Education Development
- Environmental Restoration
- Health Care
- Value-added Agriculture

Strategies not selected include:

- Attracting Government Funding
- Attracting Government Jobs
- Attracting Lone Eagles
- Attracting Retirees
- Bedroom Community
- Business Cultivation
- Business Recruitment
- Business Retention and Expansion
- Destination Tourism
- Energy Development
- Entrepreneurial Development
- Infrastructure Development
- Leading-edge Development
- Local/Regional Tourism
- Pass-through Visitor Services
- Transportation Distribution Center
- Value-added Fisheries
- Value-added Forest Products
- Value-added Mining

Pass-through Visitor Services was the highest scoring strategy for Ft. Defiance. However, after lengthy consideration, the Steering Committee decided that any approach for this strategy would need the support of other strategies. Accordingly, the Committee decided they would put their time and energy into the implementation of other key strategies. These strategies would naturally boost the opportunities for Pass-through Visitor Services by providing places and activities that give pass-through visitors reasons to stop and shop. The community will pursue a Pass-through Visitor Services strategy at a later point in time.

Recommendations for Implementation

The Steering Committee, OUR Tse Ho Tso, is off to a very impressive start. This committee will need to remain energized and continue its active solicitation of additional members, increase community involvement and secure implementation experts. The creative use of video by the Steering Committee to create a documentary of its activity and progress should prove to be a great motivator.

In general, the Steering Committee should meet monthly and hear reports from its members about the progress in advancing the Essential Action Steps for each strategy.

In addition to the monthly meeting, the Steering Committee should hold a meeting approximately every nine months to consider every Essential Action Step in a systematic fashion. For each step: 1) completion of the step should be noted; 2) progress should be noted; 3) efforts to restart the effort should be planned; or 4) the particular step should be recognized as no longer relevant. This systematic approach will ensure that nothing falls through the cracks during strategy implementation.

Cultural
Tourism

Cultural Tourism

SCORE: 63   RANK: 4

Strategy Summary

Many communities have capitalized on local culture to create jobs. Cultural opportunities based on dance, theater, music, food or other human interests can stimulate the local economy.

In order to be successful in capitalizing on cultural tourism, a high standard of excellence must be set and pursued. People will travel from hundreds of miles away, for example, for an excellent Shakespearean Festival.

The pursuit of a new cultural tourism attraction should not be undertaken without significant research into the prospective competitive advantages that the community would enjoy, and the long-term operational and marketing obligations required.

Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see Ft. Defiance implement this strategy and 2) whether or not they believed Ft. Defiance could successfully implement it. Below is a summary of community responses:

Would you like to see Ft. Defiance implement this strategy?

92% Yes   8% No

Do you believe that Ft. Defiance can successfully implement this strategy?

92% Yes   8% No
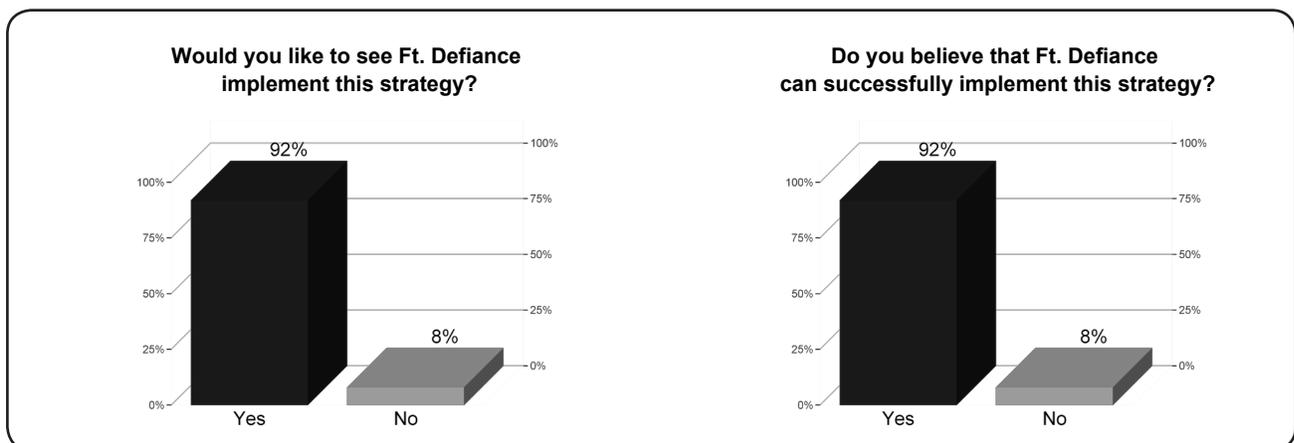
Objectives of Strategy Implementation

Together with Downtown Development, Cultural Tourism is a key strategy. It can provide revenue to support some of the social/educational initiatives outlined in other strategies, as well as justification for beautification and cultural development versus for example, resource extraction or government offices. It can help restore vitality to the community not only through economic stimulation, but through fostering cross-cultural friendships and understanding. Having an influx of visitors will make Ft. Defiance a more effective model of sustainable development.

Findings from the Key Success Factor Analysis

Cultural attractions in or near this small community are numerous and significant. They include: Canyon de Chelly, Hubble Trading Post National Historic Site, Window Rock, and also Blue Canyon, Navajo Nation Cultural Center, Navajo Nation Zoo, Navajo Nation Annual Fair, arts and crafts (jewelry, rugs, etc.) and homesteads, traditional foods, and...the Navajo people!

The availability of labor and the kinds of jobs pursuing this strategy will create are topics that will need to be considered. Also, Essential Action Steps will have to address the need for an advocacy organization and a marketing and promotional budget.

Key Success Factor Report - Cultural Tourism

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	**Slight Comparative Advantages**
Existing or prospective cultural attraction	Local, available, low-skill labor pool Local, available, high-skill labor pool
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	**Major Comparative Disadvantages**
Cultural development and advocacy organization	Sufficient marketing, promotion, or public relations budget

Downtown Development

Downtown Development

SCORE: 3   RANK: 25

Strategy Summary

Most communities have a central business district commonly referred to as their "downtown". Frequently, this area is recognized as the community's business center, and can become the emotional heart of the community.

The National Trust for Historic Preservation created the National Main Street Center approach which recognizes a four-point method for downtown advocacy:

- Organization (volunteers, staffing, board of directors)
- Promotion (events, public relations, advertising)
- Design (building and amenity stabilization, preservation, beautification)
- Economic Restructuring (supporting existing businesses; promoting new businesses)

Often ignored is the large employment centers represented by downtowns. While most downtown business activity is in response to serving other businesses and residents, it still represents a vital economic sector for most communities.

By capitalizing on the four-point approach described above, jobs are created, communities have increased vitality, and a sense of pride and optimism is maintained.

Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see Ft. Definace implement this strategy and 2) whether or not they believed Ft. Defiance could successfully implement it. Below is a summary of community responses:

Do you believe that Ft. Defiance can successfully implement this strategy?

Do you believe that Ft. Defiance can successfully implement this strategy?
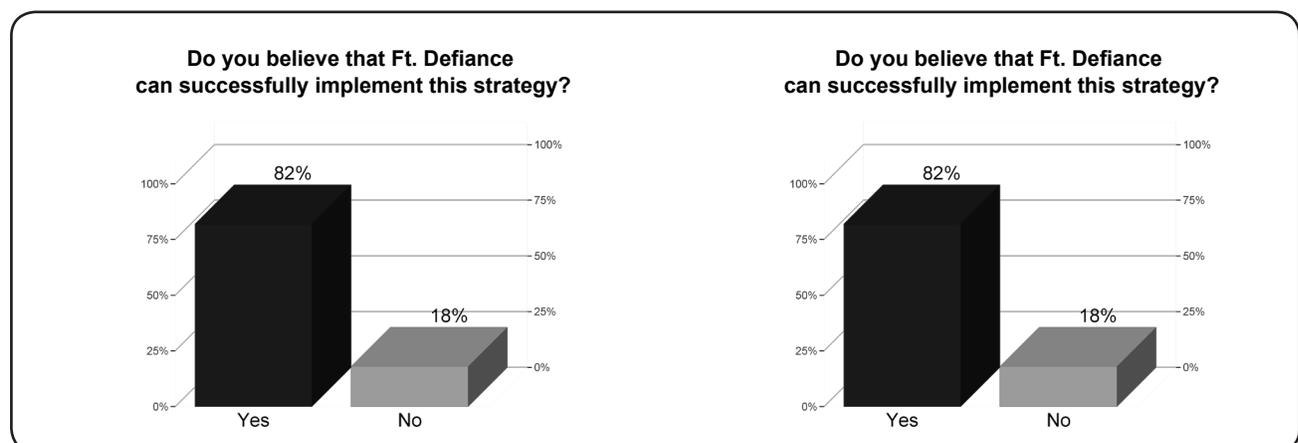
Objectives of Strategy Implementation

This strategy is the keystone of the Ft. Defiance strategic plan. With the implementation of the other selected strategies, Downtown Development is almost guaranteed. This strategy is designed to capitalize on the other strategies by marketing and promoting the activities and projects that will be taking place on the renovated campus of the old hospital as described in the Environmental Restoration and Cultural Tourism strategies. It is essential to the objectives of this plan to provide a safe and healthy community for residents. The implementation of this strategy will encourage community activity and participation in health, education and social activity.

Findings from the Key Success Factor Analysis

Scores for this strategy reflect the hard work that Ft. Defiance has in front of it. It is only because the Environmental Restoration strategy will improve the central business/downtown area that this strategy is feasible. Without an official downtown organization, the Steering Committee will have to be the driving force behind this strategy.

Key Success Factor Report - Downtown Development

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	**Slight Comparative Advantages**
No Entries	No Entries
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	**Major Comparative Disadvantages**
Local government support	Recognizable central business district/downtown
	Local funding for downtown development
	Downtown organization and staff
	Implementation of national Main Street Four-Point Approach™
	Active engagement of downtown building and business owners

Education Development

Education Development

Strategy Summary

The provision of educational services, especially in rural communities, comprises a significant portion of the overall economy of a community. Communities that are home to community colleges, and especially four-year higher education institutions, benefit from an even higher percentage of economic impact derived from provision of educational services.

More and more, the ability to derive a family-wage is dependent upon educational attainment. As such, counties, states and regions that have a more educated population tend to compete better in the 21st century marketplace.

The combination of these two dynamics may inspire a community to develop an Education Development Strategy.

By developing a community development—and a political—strategy to create or enhance provision of educational services at all levels, communities can derive economic benefit. Wages associated with the delivery of educational services tend to meet family-wage levels.

Such a strategy might simply entail the augmentation or expansion of existing post-secondary educational services. Alternatively, a strategy could be more ambitious such as the creation of an institute dedicated to researching and resolving emerging issues or perhaps the establishment of a four-year educational institution.

Communities desiring to pursue an Education Development Strategy must be cognizant of the budget dynamics and emerging educational trends associated with the educational institution they are trying to attract/expand.

Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see Ft. Defiance implement this strategy and 2) whether or not they believed Ft. Defiance could successfully implement it. Below is a summary of community responses:

Would you like to see Ft. Defiance implement this strategy?

100%

0%

Yes   No

Do you believe that Ft. Defiance can successfully implement this strategy?

92%

8%

Yes   No
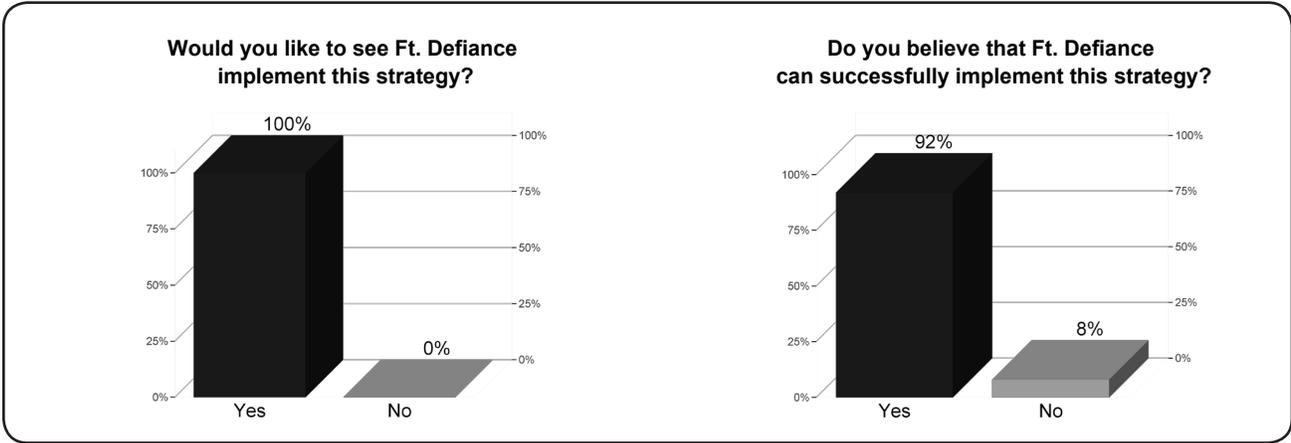
Objectives of Strategy Implementation

Recognizing the need and opportunity for continuing education and training, this strategy was chosen by the Steering Committee to support the other strategies. Opportunities for extension courses through a land grant institution are numerous in Health Care, Value-added Agriculture, hospitality and business development.

Findings from the Key Success Factor Analysis

The Key Success Factors reveal that Ft. Defiance doesn't have any major advantages or disadvantages. The opportunity to work with extension offices from both the Arizona and New Mexico land grant universities, along with the Navajo Nation's Diné College, provides an instant framework to begin incorporating educational activities in support of the other strategies selected.

Key Success Factor Report - Education Development

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	**Slight Comparative Advantages**
No Entries	Expandable educational institution
	Advantageous location for government or education expansion
	Cooperation of economic development staff and educational community
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	**Major Comparative Disadvantages**
Local government support	No Entries

Environmental Restoration

Environmental Restoration

SCORE: 49   RANK: 8

Strategy Summary

Communities have the opportunity to "turn lemons into lemonade" by focusing on derelict industrial buildings and sites for redevelopment.

Frequently, communities may have industrial sites from a bygone era that are not currently in use. These sites relate to natural resource-based extraction industries that may have utilized chemicals or compounds that have left the industrial land unusable for future use without first completing clean-up activities.

The benefits of this strategy are twofold: 1) jobs can be created initially by clean-up activities; and 2) the residual industrial site becomes available for promotion and development thus creating jobs in the long-term.

First and foremost, communities must have an eligible site for an environmental restoration strategy. One or more former industrial sites that have environmental contamination preventing future redevelopment are essential to advance this strategy. These sites are frequently referred to as brownfield sites.

A community must then mobilize itself by first assessing the condition of the property, and then developing a specific action plan to remediate the environmental problem.

Of critical importance is the formation of a local team that can network with state and/or federal contacts to attract the funding necessary to assess and address the environmental problem.

Finally, communities must have the local sophistication to redevelop and market the restored site for future use.

Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see Ft. Defiance implement this strategy and 2) whether or not they believed Ft. Defiance could successfully implement it. Below is a summary of community responses:

Would you like to see Ft. Defiance implement this strategy?

92%

8%

Yes   No

Do you believe that Ft. Defiance can successfully implement this strategy?

90%

10%

Yes   No
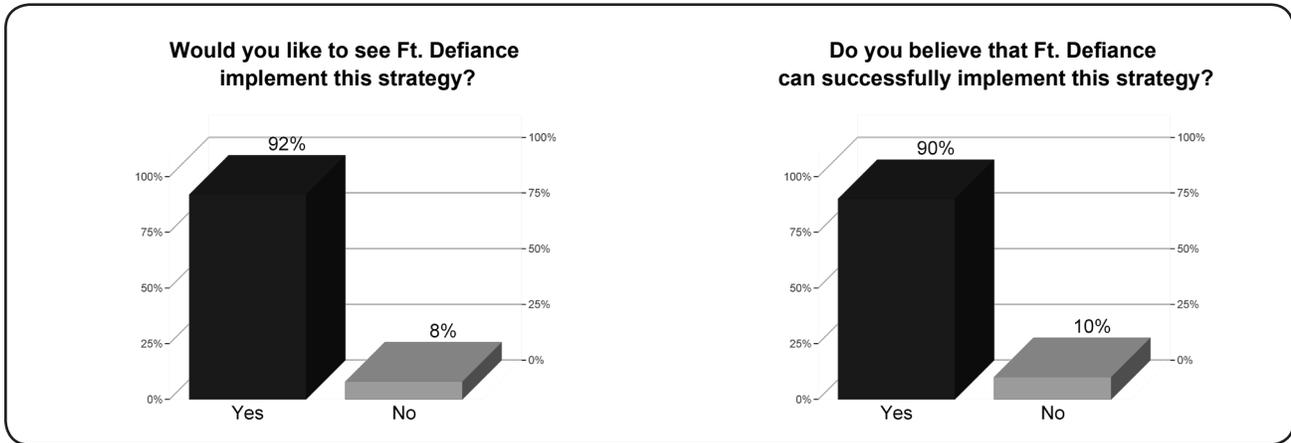
Objectives of Strategy Implementation

This strategy is closely tied to the Downtown Development strategy. The old hospital is at the core of the district that Ft. Defiance considers "downtown." The restoration of the old Ft. Defiance Hospital will facilitate and house several of the other strategies identified in this plan, i.e., Health Care, Cultural Tourism, Value-added Agriculture and Education Development.

The restoration of the riparian areas identified in this strategy will complement the Quality-of-life Initiative to provide places of beauty that promote emotional, spiritual and physical health and safety in the community.

There are four sites within the Ft Defiance community that have been identified as critical areas for implementation of this strategy.

Site 1 – The old Ft. Defiance Hospital has been identified as a site for removal of lead paint and asbestos.

Site 2 – The riparian corridors along Black Creek and Bonito Creek have been identified as in need of invasive plant species removal and replanting of appropriate native species. These corridors will be developed as nature parks with walking/equestrian/biking trails that connect key parts of the Ft. Defiance community – high school, middle school, old downtown, chapter house, post office, commercial areas and residential areas.

Site 3 – The proposed historic downtown preservation district (includes the old hospital) and surrounding land and buildings have been identified to be need of cleanup of trash and junk. The area is also in need of removal of invasive plant species, in particular Russian Olive trees and very large old Siberian Elm trees that pose a danger of falling over or dropping limbs. The area will be replanted with native tree species and fruit trees.

Site 4 – Within the area surrounding the proposed historic downtown district is a fenced in property containing a small mountain of electronic waste that has been identified as a site of special concern. The government agency responsible for this hazardous material will be requested to clean up the site in accordance with EPA requirements.

Findings from the Key Success Factor Analysis

The advantages for pursuing this strategy are the availability of brownfield sites (as noted above) and the access to capital this strategy will provide to clean-up the four sites listed. The slight disadvantages associated with the community's relationship to local, state and federal delegates will need to be addressed

as they move forward. The lack of economic development professionals within the community will require the Steering Committee to secure and rely on assistance from the Navajo Nation Economic Development Department as well as to seriously consider developing a strong working relationship with the Arizona Commerce Authority.

Key Success Factor Report - Environmental Restoration

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	**Slight Comparative Advantages**
No Entries	Availability of brownfield sites Access to large-scale capital
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	**Major Comparative Disadvantages**
Local government support Strong state and/or federal legislative delegation	Capable, experienced economic development professionals

Health
Care

Health Care

SCORE: 60   RANK: 6

Strategy Summary

Communities that have established notable centers of excellence for broad-based health care or specific health care specialties benefit from an unusually large cadre of well-paid professionals.

Communities such as Rochester, Minnesota, home of the Mayo Clinic, for example, benefit substantially from having a high health care location factor. ("Location factors" are an economic term referring to a high density of employment in an industry within a specific region.)

National trends have a significant impact on health care, especially in rural communities. Mergers and acquisitions create a dynamic where there are fewer health care conglomerates controlling hospitals dispersed throughout the country.

Additionally, federal policies on Medicaid and Medicare reimbursements have created a significant financial challenge for rural hospitals.

Communities desiring to pursue a health care-based business development strategy should begin with a very objective analysis of the true competitive position of their local hospital and medical community. While every community likes to boast that they have competitive superiority with respect to health care professionals and facilities, a realistic assessment may prove otherwise.

It may be more realistic to target a specialty area of health care. For example, many rural hospitals have targeted orthopedic care based upon the superiority of one or more orthopedic surgeons and the investment in state-of-the-art orthopedic assessment and surgery equipment.

Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see Ft. Defiance implement this strategy and 2) whether or not they believed Ft. Defiance could successfully implement it. Below is a summary of community responses:

Would you like to see Ft. Defiance implement this strategy?

Yes 83%   No 17%

Do you believe that Ft. Defiance can successfully implement this strategy?

Yes 83%   No 17%
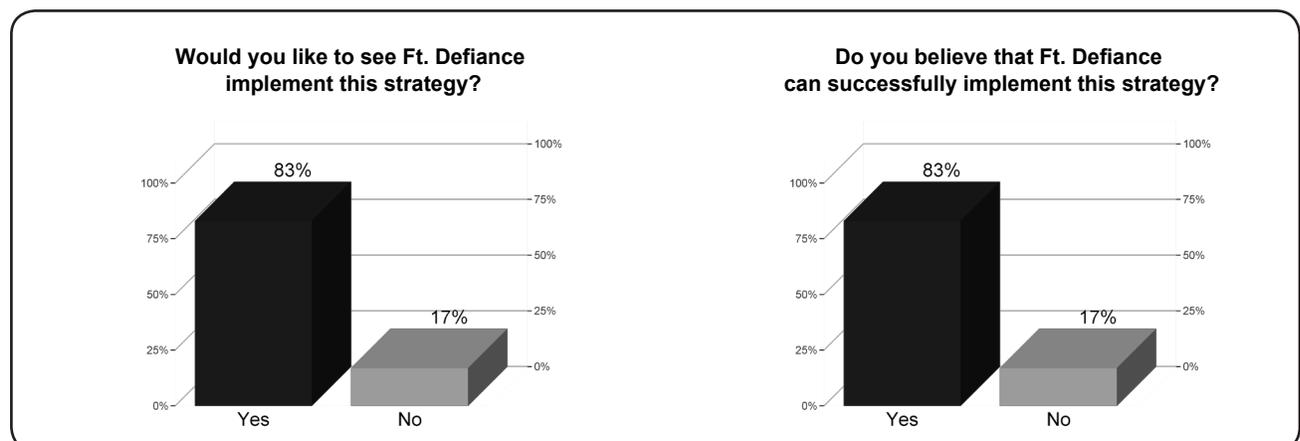
Objectives of Strategy Implementation

While there are solid economic reasons for pursuing this strategy, the overall objective is not just economic development. Implementing a Health Care strategy in Ft. Defiance is closely tied to several quality-of-life issues as well. The purpose of this strategy is to create a safe, healthy environment for healing. Unfortunately, substance, physical and emotional abuse are prevalent in Ft. Defiance. OUR Tse Ho Tso wants to address these issues by providing the community with competent, nurturing professionals and a clean, safe environment.

Findings from the Key Success Factor Analysis

Ft Defiance has several strengths to build upon for implementing a Health Care strategy. These advantages will provide a solid foundation for addressing the challenges of marketing, community support and a lack of excellence in the existing health care provided to residents. The Essential Action Steps for this strategy promote relationship building with the current health care provider and provide ways to address the needed requirements.

Key Success Factor Report - Health Care

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	**Slight Comparative Advantages**
Financially sound existing health care facility	Prospect of an expanded geographic market for health care
	Local, available, low-skill labor pool
	Local, available, high-skill labor pool
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	**Major Comparative Disadvantages**
No Entries	Sufficient marketing, promotion, or public relations budget
	Existing excellence in local health care
	Strong community support

Value-added Agriculture

Value-added Agriculture

SCORE: 74   RANK: 2

Strategy Summary

Counties—and frequently clusters of counties—may produce an inordinate amount of one or more agricultural products based upon competitive advantages such as soil types, climate, and elevation.
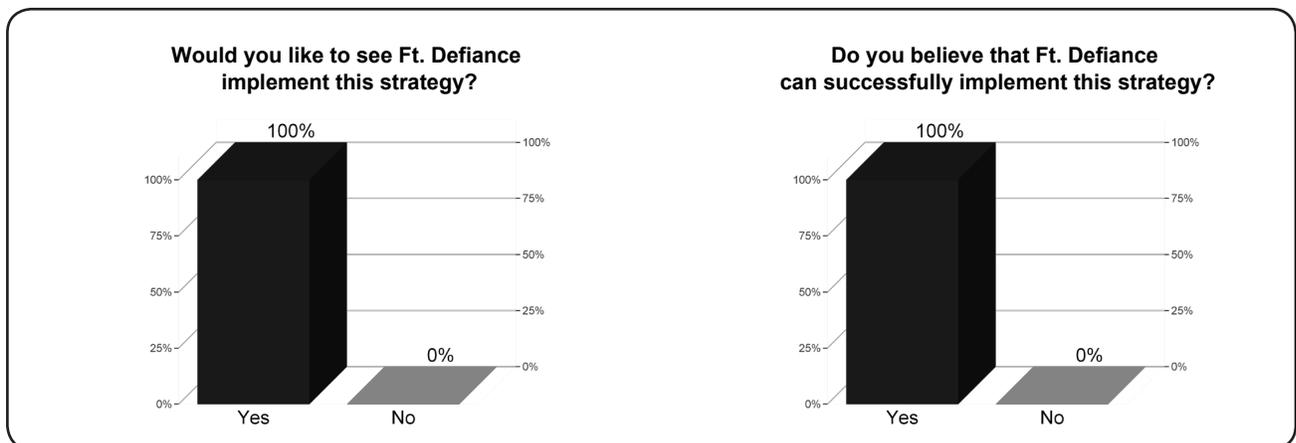
If sufficient volumes of individual raw materials are produced, communities may have an opportunity to "add value" to the raw commodities through processing. Examples include producing french fries from potatoes, sugar from sugar beets/sugar cane, steaks from cattle, and wine from grapes.

Advantages from value-added agricultural business include retaining profits and job-creation opportunities locally, providing jobs consistent with skill levels of the local labor force, and reinforcing the culture and economy of local communities.

Drawbacks from a value-added agriculture strategy typically include a high demand on local utilities (typically water, sewer, and power), frequently below-to-average wage levels, and sometimes undesirable wastewater and air emissions.

Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see Ft. Defiance implement this strategy and 2) whether or not they believed Ft. Defiance could successfully implement it. Below is a summary of community responses:

Would you like to see Ft. Defiance implement this strategy?

100%

Yes: 100%   No: 0%

Do you believe that Ft. Defiance can successfully implement this strategy?

100%

Yes: 100%   No: 0%

Objectives of Strategy Implementation

Once again, the Steering Committee has chosen to include an economic development strategy for more than job creation and other economic benefits, although these elements are certainly advantages. Agricultural activity has become limited in the area. One often hears stories of "the good old days" when fields of wheat, corn, squash, and other crops were a common sight in and around Black Creek Valley. Changing climate,

compromised water resources and shifting economic and cultural trends have contributed to this loss. Yet, this nostalgic heyday of agriculture was the product of an industrial system that was imposed on the region and its people. It is a system far-flung from the traditional practices used for centuries in the Southwest and is not something that the community is striving to resurrect. Industrial agriculture relies on heavy equipment, synthetic chemicals and an abundance of fresh water; it wears out the soil and often oversteps local markets.

In contrast, implementation of this strategy is intended to promote traditionally inspired agriculture that is small-scale and carefully adapted to the local climate, making it more sustainable and resilient. In an era of increasing climate uncertainty and food insecurity, Ft. Defiance needs an adaptable system. Added to this, the community is largely poor and suffers disproportionately from diet-related diseases. The community needs an agricultural system that prioritizes the local market, making fresh produce, eggs, dairy and meat, as well as healthy value-added products available and affordable to every community member. An added benefit of ultra-local, diversified, small-scale agriculture is the broad community involvement it engenders. The benefits associated with this are numerous: healthy physical exercise, acquisition of life skills, understanding of biological processes, botany, climate, and water management, appreciation of food, connection to cultural traditions, etc.

Findings from the Key Success Factor Analysis

Considering the unorthodox approach that Ft Defiance is making in the pursuit of this strategy, the advantages listed in the table below become even more significant. The challenges of proximity and access to markets are addressed in the Downtown Development strategy to create a farmers' market. Using traditional farming methods will reduce water consumption. The availability of local land and buildings will not have the impact it normally would on this strategy because the focus will be on creating small, community and family-sized gardens.

Key Success Factor Report - Value-added Agriculture

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	**Slight Comparative Advantages**
Proximity to large volumes of agricultural commodities	Access to large-scale capital
	Ability to successfully market materials
	Local, available, low-skill labor pool
	Availability of local infrastructure
	Local, available, high-skill labor pool
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	**Major Comparative Disadvantages**
Proximity and access to markets	No Entries
Availability of local land	
Excess water and sewer infrastructure capacity	
Availability of local buildings	

Quality-of-Life Initiatives

Quality-of-life initiatives

Summary

Although *Quality-of-life Initiatives* are not regarded as Building Communities strategies in traditional economic development strategic planning, the broadening of objectives from "economic development" to "quality-of-life" brings a new set of considerations for communities.

Quality-of-life Initiatives have been added to the traditional Building Communities approach and include the additional *Key Success Factors* and *Essential Action Steps* that this broader approach requires.

These initiatives are included, in part, to surface considerations encompassed in the U.S. Department of Housing and Urban Development's Livability Principles (see table above).

Housing and Urban Development's Livability Principles	
Provide more transportation choices	Develop safe, reliable, and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions, and promote public health.
Promote equitable, affordable housing	Expand location- and energy-efficient housing choices for people of all ages, incomes, races, and ethnicities to increase mobility and lower the combined cost of housing and transportation.
Enhance economic competitiveness	Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs of workers, as well as expanded business access to markets.
Support existing communities	Target federal funding toward existing communities—through strategies like transit oriented, mixed-use development, and land recycling—to increase community revitalization and the efficiency of public works investments and safeguard rural landscapes.
Coordinate and leverage federal policies and investment	Align federal policies and funding to remove barriers to collaboration, leverage funding, and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.
Value communities and neighborhoods	Enhance the unique characteristics of all communities by investing in healthy, safe, and walkable neighborhoods—rural, urban, or suburban.

Quality-of-life Initiatives differ from the traditional 25 strategies in that they encompass a critical set of disciplines and values (housing, transportation, and environmental quality). Discussions related to *Quality-of-life Initiatives* will be widely divergent from one community to the next, based upon the specific interests and opportunities of the communities themselves.

These broader considerations will help each community identify issues, challenges, opportunities, and potential development projects that can be supported by programs aimed at improving quality of life, as well as those that promote community and economic development.

Example Projects and Initiatives

- New or expanded transit services connecting housing to jobs and services
- Affordable housing development strategically situated to minimize traditional transportation time and costs
- Mixed-use development projects combining housing, services, and work opportunities
- Proactive zoning to facilitate growth
- Health and fitness walking path systems/promotional campaigns urging pedestrian and bicycle transportation activity
- Sustainable local foods initiatives Forest stewardship initiatives

- Energy conservation activities
- Establishment of arts and crafts coops
- Green jobs initiatives
- Strategic use of treated wastewater
- Development of Parks and Recreational Facilities

Potential Advantages to Implementing these Initiatives

- Improve local quality of life
- Long-term perspective on infrastructure investments
- Reduction of traffic congestion
- Upgrading historically blighted areas
- Air quality improvement
- Short-term job creation from development projects
- Forest sustainability
- Support for local farmers and growers
- Engagement of cross-section of local population focused on sustainability
- Support for other strategies related to community livability

Potential Drawbacks to Implementing these Initiatives

- Effort-to-visible-benefit ratio sometimes challenging
- Perception that local resources are being redirected to benign initiatives

Brief Overview of Selected Initiatives

Ft. Defiance thoroughly evaluated the Quality-of-life Initiatives and found them to be in line with what they wanted for their community. Additionally, the community input received during the Voice of the Community session was substantially focused on these quality-of-life initiatives.

Both the Steering Committee and the community participants acknowledged that in order to achieve their vision for Ft. Defiance, the focus needs to be on more than just the economy.

Community Clean-up

This Quality-of-life Initiative is self explanatory. The Steering Committee has included this effort in the Downtown Development xtrategy and in the Environmental Restoration xtrategy. The Committee will organize volunteer clean-up activities through-out implementation of its plan.

Walk-able Pathways

As part of the Health Care strategy, the Steering Committee has included the design and development of pathways to the downtown area. which includes medical service facillities. This initiative was chosen as a solution to alternative transportation for medical services, as an opportunity to promote a healthier lifestyle and as a way to connect the community with an attractive, safe environment.

SafeHouse/Healing Center

The emotional, physical and mental health of community members is a high priority for the Steering Committee. The challenges of marginalized people are often manifest in the health and overall well-being of these individuals. The Steering Committee's vision of a safe place of healing for all community members has been incorporated into the Health Care Strategy.

Performing Arts Center/Museum

During the community's discussion on preserving and protecting its culture, the Steering Committee discussed the need for a space to celebrate and showcase traditional cultural arts. Understanding

the opportunity to educate its youth and visitors about Navajo culture, the Committee incorporated this initiative into several different strategies. Woven into the Downtown Development strategy, the Environmental Restoration and the Cultural Tourism strategies include Essential Action Steps that provide space, scheduling of events and marketing for this initiative.

Community Greenhouses

As a part of the concern for community members health and the desire to address the sustainability of reliable, safe food sources, the Steering Committee chose to make the development of community greenhouses a central part of the Value-added Agriculture strategy. These greenhouses will emphasize traditional foods and gardening methods.

OUR Tse Ho Tso

OUR Tse Ho Tso is the name the Steering Committee chose for itself to express the community-based leaders they want to be. OUR stands for Organizing, Uplifting, Restoring and Tse Ho Tso is short for Tse Hootsooi, the community's name in the Navajo language.

Key Considerations

With ever-increasing focus and attention being placed on livability and environmental issues, communities that proactively address quality-of-life projects are riding a popular wave. State and federal agencies, as well as foundations, are redirecting funding and technical resources toward these initiatives.

Quality-of-life initiatives may be viewed by traditional community and (especially) business development activists as peripheral to the essential development activity needed by the community. Alternatively, many communities advance these initiatives as a central cornerstone to their economic development program.

Community Organizer Results

Community Organizer Results

Overview

Recognizing that the successful implementation of an economic development strategic plan takes more than simply selecting the right strategies, Building Communities presents the Community Organizer tool. This tool helps Steering Committee members to ask and answer the right questions with respect to the identification of the current and desired levels of capacity to implement business and community development strategies. The Ft. Defiance Steering Committee met to consider both the business development and community development approaches to the Community Organizer tool.

The tool presents a series of scenarios that describe alternate levels of capacity with respect to seven elements relevant to business development and community development. The Steering Committee was asked to consider each scenario and to reach a consensus about which one best describes the current capacity of their community. Each of the members were also asked to identify their desired level of capacity. The tables below present the results of the Community Organizer tool for Business and Community Development Capacities.

The *Community Organizer Assessment* not only presents a description of the current level of capacity,

Business Development Capacity Report

ELEMENT	SCENARIO SCORES										ASSESSED CAPACITY	PRESCRIBED CAPACITY
	A	B	C	D	E	F	G	H	I	J		
Business Development Strategy	7	10	7	4	—	—	—	—	—	—	28 / 37	37 / 37
Local Staff and Team Development	5	0	0	5	0	—	—	—	—	—	10 / 37	37 / 37
Industrial Land and Infrastructure	0	0	0	7	0	8	10	10	0	2	37 / 68	68 / 68
Targeted Industries	2	2	0	—	—	—	—	—	—	—	4 / 19	19 / 19
Marketing	0	0	0	4	4	—	—	—	—	—	8 / 33	33 / 33
Prospect and Lead Management	8	4	3	—	—	—	—	—	—	—	15 / 27	27 / 27
Closing the Deal	0	3	6	2	4	—	—	—	—	—	15 / 26	26 / 26

TOTAL POINTS   **117 / 247**   **247 / 247**

Community Development Capacity Report

ELEMENT	SCENARIO SCORES					ASSESSED CAPACITY	PRESCRIBED CAPACITY
	A	B	C	D	E		
Strategic Plan/Vision	10	3	2	7	2	24 / 32	32 / 32
Project and Issue Development	1	2	4	3	2	12 / 16	16 / 16
Organizational Capacity	7	10	5	7	1	30 / 38	38 / 38
Staffing	8	1	5	1	—	15 / 23	23 / 23
Civic Volunterism	5	3	—	—	—	8 / 8	8 / 8
Community Attitude	5	3	—	—	—	8 / 13	13 / 13
Maintaining Community as the Goal	0	2	—	—	—	2 / 9	9 / 9

TOTAL POINTS   **99 / 139**   **139 / 139**

but also prescribes the steps necessary in order for the county to achieve its desired level of business and community development capacity.

Business Development Capacity

The information below itemizes the specific "capacity building action steps" needed in order for the community to reach its desired level of capacity for both business development and community development activities.

1 - Business Development Strategy

ASSESSED SCORE: **26 / 37**   PRESCRIBED SCORE: **37 / 37**

Definition

A business development strategy, which can be viewed as a subset of a community and economic development strategy, should be very clear in its scope. In addition to answering the question "What types of business development activities should we engage in?", the strategy should be equally clear in identifying "What business development activities are beyond the scope of our community?" That is, many communities, due to limitations in factors such as labor force, proximity to markets, and available infrastructure, ought to conclude that the recruitment of large-scale business development opportunities is beyond the realistic grasp of the community.

Business development strategies should also assess the desirability of business growth for a community. Many urban and suburban cities experienced such dramatic growth in the 1990s that they became very selective about new job creating possibilities.   Times of economic recession cause communities to rethink these policies.

Often overlooked, and frequently most important, are activities to support existing businesses within a community. In the end, a large percentage of jobs created in any community will come from the expansion of existing businesses. Additionally, communities can often offset the threat of curtailment of business operations with proactive business retention efforts.

Communities must also assess the business development climate that they offer. What is the condition of the state and national economy? How competitive is the state's business climate? How streamlined is the community's regulatory process for businesses?

1a. Relationship with Community's Strategic Plan

Capacity achieved. No further action necessary at this time.

1b. Desirability of Business Development

Capacity achieved. No further action necessary at this time.

1c. Appropriateness of Business Development

❑ While being mindful of any invitations, conduct a broad array of business development activities based upon relative strengths of the community.

1d. A Foundation of Support for Existing Businesses

❑ Monitor support for business development activities and conclude that there is a general "pro business" disposition toward business development .

❑ Proactively engage existing business community in business development activities; reinforce the symbiotic relationship between new and prospective businesses.

2 - Local Staff and Team Development

| ASSESSED SCORE: **28 / 37** | PRESCRIBED SCORE: **37 / 37** |

Definition

Similar to the community development capacity requirements, business development requires strong staffing, organization, and volunteerism to succeed. Communities must be careful not to assume that simply because they have broader community development organizations in place (that advocate for community livability, tourism development, downtown development, historic preservation, arts and culture, and/or other priorities), that they have a business development organization. Business development advocacy can be coordinated through an organization with broader purposes, but in order to be effective, the specific skills and focus of business development cannot be lost.

2a. Focused Business Development Organization

❑ Ensure that all business development priorities are specifically being advance by one or more organization(s).
❑ Ensure that the business development organization has long-term staying power in terms of its organization and budgeting.

2b. Stability of Business Development Organization

❑ Recognize that between four and ten percent of the time of the staff and volunteers is dedication toward budgeting and fundraising.
❑ Ensure that no more than four percent of the time of the staff and volunteers is committed toward budgeting and fundraising.

2c. Frequency of Meetings

❑ Ensure that meetings are conducted at least quarterly even if this means that certain opportunities are being missed.
❑ Ensure that that full board meets at least monthly.
❑ In addition to regular monthly board meetings, ensure that subcommittee activity also generates results.

2d. Business Development Staff

❑ Recognize that the community has a capable lead economic development person but the position is hampered by the lack of administrative support.
❑ Ensure that the organization not only has a capable staff person, but also has adequate administrative support.

2e. Business Development Training

❑ Provide limited training to economic professionals and volunteers.
❑ Ensure access and commitment to economic development training for staff.
❑ Ensure not only that the lead economic development professional has adequate training, but also that board members are exposed to economic development principals and practices.

3 - Industrial Land and Infrastructure

ASSESSED SCORE: **24 / 68**	PRESCRIBED SCORE: **68 / 68**

Definition

Many communities get geared up to conduct business development—and particularly business recruitment—activities without first conducting an objective analysis of the existing availability of land and infrastructure.

Frequently, communities confuse the availability of land "zoned industrial" with the true availability of such land for business expansion and business recruitment endeavors. Simply because land exists does not mean that it is for sale. It does not mean that it is for sale at a competitive price. It does not mean that the land is necessarily served by infrastructure. It does not mean that the land is served by specialized infrastructure requirements of a particular industry. And it does not mean that the land is clear from environmental constraints.

Indeed, the availability of land, or lack thereof, that is truly available, appropriate, and competitive for business development uses becomes a huge opportunity or constraint for a community.

Issues of land ownership must also be considered. Although the community may think it has land available, what really happens when the existing expanding business or the industrial prospect comes seriously knocking on the door? Will the price of the land suddenly escalate? Is the landowner truly motivated to sell? Are they legally empowered to sell?

Communities may wish to consider the public ownership of industrial land to ensure that the public interest, rather than an individual or corporation's private interest, dominates the motivations of a future transaction.

Perhaps this public ownership is in place through a port, county, city, or other public entity. Even if the land is publicly owned, does the public body have a strategy for its ultimate use?

3a. Availability of Industrially-Zoned Land

❏ Ensure that the community has adequate industrially zoned land.

3b. Potential for Land

❏ Inventory land capable of supporting business development.
❏ Commit to the regulatory and development processes necessary in order to make industrial land available.

3c. Land Ownership

❏ Begin a process to determine the motivation of the owner(s) of one or more parcels of industrial land.
❏ Ensure that the community has control over one or more parcels of land that can be immediately made available for development.
❏ Ensure that publicly-controlled industrial land is competitively priced.

3d. Environmental Considerations

Capacity achieved. No further action necessary at this time.

3e. Land Price

☐ Conduct a comparison of industrial land prices with competitive communities and conclude that the local land is generally at market rates.

☐ Ensure that the available industrial land is competitively priced.

3f. Availability of Buildings

☐ Not only document the availability of competitive industrial buildings, but also outline the expandability of such buildings.

3g. Basic Infrastructure

Capacity achieved. No further action necessary at this time.

3h. Access Infrastructure

Capacity achieved. No further action necessary at this time.

3i. Special Infrastructure

☐ Document the need for specialized infrastructure based upon the business development priorities being advanced.

☐ Ensure that availability of all of the needed specialized infrastructure based upon the business development priorities being selected.

3j. Land/Target Compatibility

☐ Complete specialized activities ensuring that all of the unique land requirements associated with business development activities can be met by the community.

4 - Targeted Industries

ASSESSED SCORE:	6 / 19	PRESCRIBED SCORE:	19 / 19

Definition

Similar to communities being focused on specific objectives within the context of a strategic plan, communities must also have a focus in their business development activities in order to be successful.

The concept of "targeted industries" is the most often used procedure to identify, on a selective basis, the types of industry that are consistent with the development and recruitment desires of a particular community.

Typically, businesses are targeted based on the type of industry they represent utilizing the North American Industry Classification System (NAICS). This system replaced the U.S. Standard Industrial Classification (SIC) system. There are additional methods for targeting industries that can be done either in addition to, or in replacement of, the industry selection process. Communities may target industries based upon a geographic region or based upon other factors such as the size of typical companies.

Communities may wish to begin their Targeted Industry Analysis by analyzing the types of companies that could locate in their community to produce products that are typically imported into their community. That is, they can substitute the local manufacturing of goods and services that have historically been imported into the community. This is a process known as "import substitution."

Still other communities may wish to conduct their Targeted Industry Analysis to be consistent with other objectives and priorities within a community. For example, communities that have historic strength—or current strategies—to expand the visitor industry, may wish to recruit businesses consistent with this focus.

Targeted Industry Analysis is a very sophisticated field, and communities can initiate fairly complex strategies and contract with specialized consultants to conduct such industry targeting.

4a. Import Substitution

❏ Conduct a full-scale import substitution analysis.

4b. Connection with Strategic Plan

❏ Ensure a general desirability for specific business development activities—and then engage in such activities.

4c. Targeted Industry Analysis

❏ Complete an informal target industry analysis.
❏ Engage a qualified consulting firm to develop a target industry analysis specific to the community.
❏ Ensure that the target industry analysis yields a series of businesses to be recruited.
❏ Ensure that current connect information exists for targeted businesses.
❏ Ensure that the target industry analysis provides sufficient background information about targeted businesses that the community has a "running start" with recruitment activities.

5 - Marketing

ASSESSED SCORE:	**25 / 33**	PRESCRIBED SCORE:	**33 / 33**

Definition

Once the business development strategy is in place, a local development team is poised, land and infrastructure is ready, and some level of Targeted Industry Analysis has been completed, the community is only then prepared to conduct specific business development marketing activities.

The sequential nature of the elements of business development capacity must be recognized. Conducting marketing activities without land to be offered is a waste of resources. Conducting a marketing strategy without some form of targeting, or market segregation, can be very inefficient—if not completely unproductive.

The community needs to take a holistic, sophisticated approach to marketing techniques including direct mail, industry trade shows, web sites, cold calling, alliances with site selectors, and other methods.

Finally, communities may wish to conduct business development–and, in particular, business recruitment–activities in concert with other communities and counties in their region. By conducting a regional approach, costs can be shared, and the possibility of attracting a company to the region increases.

5a. Marketing Track Record

❏ Research and document past business recruitment marketing efforts.
❏ Build upon past, albeit mixed, results of business marketing efforts.
❏ Build upon recent successes in business marketing to launch continued successful efforts.

5b. Professional Marketing Assistance

❏ Engage a professional business development marketing firm.
❏ Identify and articulate specific business development marketing techniques and outcomes to be initiated.
❏ Collaborate with a business marketing consultant to ensure success.

5c. Diversification of Marketing Techniques

❑ Ensure that at least two business development marketing techniques are being deployed.

5d. Financial Resources

❑ Dedicate at least $50,000 cash toward business marketing efforts on an annual basis.

5e. Use of the Internet

❑ Post a complete website generally providing 100% of the relevant business development information online.

❑ Create a client-specific business development reporting system allowing business development prospects to download relevant community-based reports.

6 - Prospect and Lead Management

ASSESSED SCORE:	**17 / 27**	PRESCRIBED SCORE:	**27 / 27**

Definition

All of the activities thus far in this business development capacity assessment tool are designed to ultimately generate business development leads or prospects (these terms are used interchangeably here, although prospects can refer to a more developed stage of relationship between a community and a business).

Businesses can take two years—or more—to make a business location decision after they have made preliminary contacts with cities and states for site information. Generally, however, this process takes between six and twelve months. Regardless of the duration of this period, communities must be prepared to address each and every concern and need of a prospect.

Business development—and particularly business recruitment—is a process of elimination. Companies come to their ultimate site decision through a process of eliminating other communities that have one or more significant variances from the ideal conditions being sought by the company. Given this, communities must manage prospects by addressing each and every need.

Prospect management requires a very steady, professional approach to businesses. The combination of a strong network of civic advocates and, especially, a well-trained business development professional maximizes the likelihood of business development success.

6a. Community Profile

❑ Ensure that all of the relevant business development information is readily available online.

6b. A Professional Community Response

❑ Assemble a business development team that possesses the knowledge and skills necessary to professionally respond to business development inquiries; make business development responses a priority.

❑ Formalize the community's business response team and ensure that adequate training and resources are available for professional responses.

6c. Availability to Travel

❑ Create a standing business development account and resource team that are immediately available for proactive business recruitment.

7 - Closing the Deal

ASSESSED SCORE: **25 / 26**	PRESCRIBED SCORE: **26 / 26**

Definition

All of the prior steps in this business development capacity assessment mean virtually nothing if the community is not capable of "closing the deal." Generally, closing the deal is the process of eliminating any remaining uncertainties in the minds of the company decision makers. Almost always, these details—as well as the overall commitment by all parties (the company, the community, the state, and possibly other entities)—are formalized in a contract or memorandum of understanding.

Communities, therefore, have to be willing to put their commitment in writing. Both the company and the community may have to back up their commitment with potential penalties in the event that either party does not perform. Typically, performance from a community would be the guarantee of the delivery of land, infrastructure, and local incentives. Communities, and particularly the State, typically require a guarantee by the company to create the jobs negotiated in the site location process.

It is typical—and most preferable from the State's perspective—for the topic of incentives to be seriously discussed late in the site location process. Companies that insist upon detailed incentive commitments early in the process may have the importance of incentives out of balance with respect to other site location factors (access to markets, cost of labor, etc.). Nonetheless, incentives of some form almost always become a required provision of the memorandum of understanding.

7a. Deal Making Experience

- ❏ Document lessons learned from at least one "near miss" business development opportunity.
- ❏ Build on past success of closing successful business development deals.

7b. Expertise with Incentives

- ❏ Capitalize on "outside experts" (typically government employees) that have sophistication in their understanding and use of business development incentives.
- ❏ Recognize the depth of understanding of incentives and ability to "package the deal" in concert with state and federal partners.

7c. A Winning Attitude

Capacity achieved. No further action necessary at this time.

7d. Community Sophistication

- ❏ Access community-based legal services with expertise in business development deals.
- ❏ Recognize capability of in-house attorney with expertise in negotiating business development deals.

7e. Project/Contract Monitoring

- ❏ Develop a compliance document/system to ensure legal obligations are met.

Community Development Capacity

1 - Strategic Plan/Vision

ASSESSED SCORE: **24 / 32** PRESCRIBED SCORE: **32 / 32**

Definition

Communities are in various stages of commitment to a strategic planning process. Some communities have never engaged in such an effort to collectively envision the future and set specific projects in motion to capture that vision. Conversely, some communities not only have a strategic planning process in place, but have engaged in professional strategic planning consultants, widely participated in the development of the plan, reviewed the plan regularly, and have even engaged one or more times in updating their strategic plan.

1a. Existence of Community-wide Strategic Planning Document

Capacity achieved. No further action necessary at this time.

1b. Acceptance of Plan

Capacity achieved. No further action necessary at this time.

1c. Professional Development of Plan

Capacity achieved. No further action necessary at this time.

1d. Use of Strategic Plan

Capacity achieved. No further action necessary at this time.

1e. Plan Updating

❑ Recognize that the existing strategic plan has been updated on three or more occasions.

2 - Project and Issue Development

ASSESSED SCORE: **12 / 16** PRESCRIBED SCORE: **16 / 16**

Definition

Typically, a strategic planning process yields an overall vision statement and then a series of goals and objectives related to projects and issues.

For the purposes of this evaluation tool, projects and issues are separated from the strategic planning process.

Ultimately, it is the success, or lack thereof, of a community in advancing projects and issues that reinforces the community's commitment to long-term strategic planning. Communities must see this "pay-off" to reinforce a long-term outlook.

2a. Community Wish List

❏ Recognize that an existing "wish list" exists, and that the list is less than two years old.

2b. Identification of Strategic Issues

Capacity achieved. No further action necessary at this time.

2c. Large Project Advocacy

Capacity achieved. No further action necessary at this time.

2d. Coordinating Projects with State and Federal Processes

❏ Recognize that the community is a regular participant in state and/or federal funding processes.

2e. Incorporation into Community Facilities Plan

Capacity achieved. No further action necessary at this time.

3 - Organizational Capacity

ASSESSED SCORE:	**30 / 38**	PRESCRIBED SCORE:	**38 / 38**

Definition

Strategic planning and project identification means very little to a community if it does not have the organizational capacity to carry out the city's priorities.   Although there is not "one correct way" to organize a community to conduct community development activities, there are some basic principles that apply. First of all, the scope of the community development activities needs to be defined. Communities may desire to implement projects and address issues that deal with the following types of community development activities: tourism development, historic preservation, arts and culture development, infrastructure improvements, and community facilities. A community's priority list may even stretch longer than this.

A community may seek to empower one organization to advance the full gamut of community development priorities. Conversely, a community may wish to have more than one organization focused on specific priorities (a visitor and convention bureau, a downtown development association, a business recruitment organization, etc.). This Continuum is designed so as not to advocate for one form of organizational structure over another, but rather to simply advance the notion that the community must be specific in the priorities that it tends to advance and to empower one or more organizations to successfully advance these priorities.

This process advances, therefore, the following specific principles with respect to a community's "organizational structure":

- A community must have one or more organization(s) dedicated to advancing specific priorities identified in the strategic plan.
- If a community has more than one organization serving a community development advocacy role, the organizations must avoid duplication of services and serve to reinforce each other.
- Organizations should have adequate, stable funding and dedicate a majority of their time to reaching stated objectives rather than simply keeping the organization afloat.
- Organizations must meet frequently enough to advance identified priorities.

3a. Connectedness and Focus of Organization(s)

- ❏ Recognize that an existing strategic planning process has yielded projects that are being advanced by one or more orgainiztion(s).
- ❏ Identify and assign vast majority of community development priorities to one or more community development organization(s).
- ❏ Ensure that all of the priorities identified in the local strategic planning process are assigned to one or more community development organizations.

3b. Organizational Stability

- ❏ Begin a regular budgeting process that, except for severe budgeting shortfalls, commits funding to community and economic development activities.
- ❏ Ensure that a long-term sustainable, adequate funding stream is committed to one or more community development organization(s).

3c. Focus on Business of Community

- ❏ Ensure a complete, holistic approach to how community development is executed through completion of all of the activities identified in the strategic plan through one or more organization(s).

3d. Frequency of Meetings

- ❏ Ensure regular, monthly activity by the community development organization(s) with periodic project-based sub-committee activity.
- ❏ Commit to regular (at least monthly) activity by one or more community development organization(s) with regular sub-committee activity advancing community priorities.

3e. Organizational Board Training

- ❏ Engage in a broad, community-wide initiative to train community volunteers in leadership and project advocacy principals.

4 - Staffing

ASSESSED SCORE:	**15 / 23**	PRESCRIBED SCORE:	**23 / 23**

Definition

For community development organizations to reach optimal effectiveness, a professional staff person must serve them. Community development organization staffing requires a talented individual (or team of individuals), strong staff support, a connection to organizational objectives, and long-term staff training and development.

4a. Skill Level of Staff Person

- ❏ Recognize that the staff displays excellence in terms of skills, accomplishments, and credentials.

4b. Support Staff

- ❏ Recognize the effectiveness of the staff support.

4c. Staff Focused on Organizational Objectives

- ❏ Recognize and ensure that the staff does not spend more than four percent of his/her time on fundraising and budgeting matters.

4d. Staff Training

❑ Provide limited training opportunities for staff.
❑ Provide consistent and comprehensive training to staff.

5 - Civic Volunteerism

ASSESSED SCORE:	8 / 8	PRESCRIBED SCORE:	8 / 8

Definition

Individuals are frequently motivated to commit time to their community because they are willing to give to a greater cause. Volunteers appreciate being a part of a "winning team" and desire to see their community succeed. Successful communities inspire civic volunteerism, and often reward volunteers for their time and service.

5a. Opportunities for Service

Capacity achieved. No further action necessary at this time.

5b. Celebration of Volunteerism

❑ Periodically coordinate opportunities to honor civic volunteerism.
❑ Maintain and consider expanding regular events to honor civic volunteerism.

6 - Community Attitude

ASSESSED SCORE:	8 / 13	PRESCRIBED SCORE:	13/ 13

Definition

Although it is intangible, the attitude of a community is a major factor in the community's capacity for community development. Like individuals, communities can be either proactive or reactive. They can believe that they are in charge of their destiny or be resigned to the fact that too many issues are uncontrollable.

Success is contagious. Failure is contagious. Communities that have established a track record of envisioning and completing community development projects believe that their next success is imminent. Likewise, communities that have either tried and failed—or have not tried at all—do not sense a control of their destiny. It's all about attitude.

6a. Proactive vs. Reactive Communities

Capacity achieved. No further action necessary at this time.

6b. Viewing the Glass Half-Full

❑ Recognize that the community sees its "glass half full"; enact initiative to fill the glass.

7 - Maintaining the "Community" as the Goal

ASSESSED SCORE:	**2 / 9**	PRESCRIBED SCORE:	**9 / 9**

Definition

A community completes a strategic planning exercise. The exercise yields a series of community development projects. Local organizations, equipped with staff and volunteers, focus on the implementation of the strategic projects. How does the community, at that point, view the importance of the projects? Do the projects become of paramount importance over the broader, strategic direction of the community?   Or do civic leaders maintain the appropriate perspective of successful projects fitting into the broader community development vision?

Ideally, civic leaders will view their efforts to advance a project in the broader context. Even the chairperson for the largest community development project should view their project as subordinate to the community's strategic plan.

7a. Depth of Community "Vision" or "Mission Statement"

Capacity achieved. No further action necessary at this time.

7b. Formal or Informal Subordination of Projects to Community

❑ Formalize a "teaming of projects" to ensure coordination and potential collaboration.

Appendix

Prioritized Strategy Report w/ Community Input
Strategy Recommendations
Strategies by Group
Alphabetical Listing of Strategies
Key Success Factor Report

Appendix A

Prioritized Strategy Report w/ Community Input

STRATEGY	SCORE	WANT	CAN	STRATEGY GROUP
Pass-through Visitor Services	80	83%	67%	Tourism
Value-added Agriculture	74	100%	100%	Value-added
Education Development	68	100%	92%	Community Development
Cultural Tourism	63	92%	92%	Tourism
Value-added Mining	62	83%	58%	Value-added
Health Care	60	83%	83%	Community Development
Energy Development	58	83%	67%	Sector-specific
Environmental Restoration	49	92%	75%	Sector-specific
Destination Tourism	49	83%	83%	Tourism
Business Cultivation	42	92%	83%	General Business
Attracting Government Funding	41	92%	75%	Other
Business Retention and Expansion	38	92%	83%	General Business
Entrepreneurial Development	38	92%	67%	General Business
Value-added Forest Products	38	46%	83%	Value-added
Bedroom Community	38	67%	50%	Community Development
Infrastructure Development	38	92%	58%	Other
Leading-edge Development	34	67%	33%	Sector-specific
Value-added Fisheries	33	75%	67%	Value-added
Transportation Distribution Center	29	92%	67%	Sector-specific
Business Recruitment	27	75%	75%	General Business
Attracting Retirees	24	92%	58%	Other
Attracting Government Jobs	23	83%	67%	Other
Attracting Lone Eagles	21	75%	67%	Other
Local/Regional Tourism	10	83%	83%	Tourism

Appendix B

To aid communities in determining which community and economic development strategies are most viable for them, Building Communities answers three questions using input gathered from the community:

- What should we do?
- What do we want to do?
- What can we do?

The "Recommended Strategies" report is based on the findings of the Key Success Factor (KSF) Analysis and answers the question "What should we do?"

In the KSF analysis, the steering committee considered Ft. Defiance's comparative advantage relative to a host of specific factors in categories such as community assets, public- and private-sector expertise, access to funding, etc. Responses were run through Building Communities' strategy-selection algorithm which returned a rank-based list of strategies—the Prioritized Strategy Report—from which the recommendations below are drawn. Recommendation thresholds used in the Prioritized Strategy Report are:

Recommended (score of 85 and above) - It is highly recommended that these strategies be considered for implementation:

- No strategies recommended at this time.

Borderline (score between 70 and 84) - These strategies may be pursued with a degree of confidence, although existing obstacles may make successful implementation more challenging:

- Pass-through Visitor Services
- Value-added Agriculture

Not Recommended (score under 70) - Serious impediments exist which are likely to make successful implementation of these strategies very difficult:

- Education Development
- Cultural Tourism
- Value-added Mining
- Health Care
- Energy Development
- Environmental Restoration
- Destination Tourism
- Business Cultivation
- Attracting Government Funding
- Business Retention and Expansion
- Entrepreneurial Development
- Value-added Forest Products
- Bedroom Community
- Infrastructure Development
- Leading-edge Development
- Value-added Fisheries
- Transportation Distribution Center
- Business Recruitment
- Attracting Retirees
- Attracting Government Jobs
- Attracting Lone Eagles
- Local/Regional Tourism

- Downtown Development

As indicated, these recommendations are viewed in reference to the question, "What should we do?" Strategies are not selected on the basis of these recommendations alone, but are determined after considering the other two questions as well. Material examined and data gathered in the Voice of the Community and Community Organizer Assessment sessions of Plan Week were also considered before final selection of strategies took place.

Appendix C

Strategies by Group

STRATEGY	SCORE	STRATEGY GROUP
Business Recruitment	27	General Business
Business Retention and Expansion	38	General Business
Business Cultivation	42	General Business
Entrepreneurial Development	38	General Business
Energy Development	58	Sector-specific
Environmental Restoration	49	Sector-specific
Transportation Distribution Center	29	Sector-specific
Leading-edge Development	34	Sector-specific
Value-added Agriculture	74	Value-added
Value-added Forest Products	38	Value-added
Value-added Fisheries	33	Value-added
Value-added Mining	62	Value-added
Destination Tourism	49	Tourism
Cultural Tourism	63	Tourism
Local/Regional Tourism	10	Tourism
Pass-through Visitor Services	80	Tourism
Downtown Development	3	Community Development
Education Development	68	Community Development
Health Care	60	Community Development
Bedroom Community	38	Community Development
Infrastructure Development	38	Other
Attracting Retirees	24	Other
Attracting Lone Eagles	21	Other
Attracting Government Jobs	23	Other

Appendix D

Alphabetical Listing of Strategies

STRATEGY	SCORE	STRATEGY GROUP
Attracting Government Funding	41	Other
Attracting Government Jobs	23	Other
Attracting Lone Eagles	21	Other
Attracting Retirees	24	Other
Bedroom Community	38	Community Development
Business Cultivation	42	General Business
Business Recruitment	27	General Business
Business Retention and Expansion	38	General Business
Cultural Tourism	63	Tourism
Destination Tourism	49	Tourism
Downtown Development	3	Community Development
Education Development	68	Community Development
Energy Development	58	Sector-specific
Entrepreneurial Development	38	General Business
Environmental Restoration	49	Sector-specific
Health Care	60	Community Development
Infrastructure Development	38	Other
Leading-edge Development	34	Sector-specific
Local/Regional Tourism	10	Tourism
Pass-through Visitor Services	80	Tourism
Transportation Distribution Center	29	Sector-specific
Value-added Agriculture	74	Value-added
Value-added Fisheries	33	Value-added
Value-added Forest Products	38	Value-added

Appendix E - Key Success Factor Report

Key Success Factors with a Score of "4":

    Existing or prospective cultural attraction
    Financially sound existing health care facility
    Proximity to large volumes of agricultural commodities
    Proximity to nationally recognized attractions
    Proximity to travel routes

Key Success Factors with a Score of "3":

    Availability of energy resources
    Desirable climate
    Expandable educational institution
    Proximity to raw materials and minerals
    Sufficient local entrepreneurial base
    Insulation from industrial business annoyances
    Ability to secure power-purchase agreements
    Access to small business financing
    Access to large-scale capital
    Access to long-term infrastructure loans and grants
    Ability to build a team comprised of energy-development experts
    Ability to identify product and service gaps
    Ability to successfully market materials
    Cooperation of economic development staff and educational community
    Local ability to identify and advance a funding proposal
    Availability of brownfield sites
    Availability of local infrastructure
    Local, available, low-skill labor pool
    Local, available, high-skill labor pool
    Advantageous location for government or education expansion
    Prospect of an expanded geographic market for health care

Key Success Factors with a Score of "2":

    Accurate, long-term analysis of infrastructure needs and costs
    Proximity to urban population and workforce centers
    Sufficient base of local businesses
    Dedicated local financial resources for staffing recruiters
    Ability to network and attend relevant trade shows
    Ability to understand industry trends and opportunities
    Competent, strategic-minded hospital and health-care executives
    Relative sophistication in coordinating and marketing local events
    Community acceptance of the visitor industry
    Favorable state policies with respect to office locations
    Support for attracting retirees
    Adequate telecommunications infrastructure
    Land/Buildings/Campus for education development
    Proximity to transmission lines with excess capacity

Key Success Factors with a Score of "1":

Quality residential neighborhoods
Available, desirable housing
Existence of recreational amenities
High availability of urban services
Proximity and access to forests and forest products
Availability of appropriated funds
Ability to compete in a global market
Cultural development and advocacy organization
Dedicated business coaching staff
Relationship with site selectors
Staff focused on recruitment objectives
Support from local education professionals at all levels
Supportive post-secondary education training program
Community support for needed infrastructure rate increases
Local focus on revenues from visitors
Local government support
Strong relations between economic development organization and local businesses
Strong state and/or federal legislative delegation
Supportive state energy policies and incentives
Availability of local land
Availability of local buildings
Excess water and sewer infrastructure capacity
High-speed internet
Proximity and access to markets
Strategic location for distribution centers

Key Success Factors with a Score of "0":

Local recreational and visitor attractions
Proximity to fisheries commodities
Recognizable central business district/downtown
Ability to secure long-term contracts for forest materials
Competitive recruitment incentives
Local funding for downtown development
Sufficient marketing, promotion, or public relations budget
Capable, experienced economic development professionals
Downtown organization and staff
Existing excellence in local health care
Implementation of national Main Street Four-Point Approach™
Sophisticated tourism development & promotion
Sophisticated use of the internet for marketing
Team approach to infrastructure finance
Active engagement of downtown building and business owners
Local pro-business climate
Projected growth in government budgets
Strong community support
Support from local businesses
Supportive local government policy and focus
Adequate housing for labor force
Availability of industrial-zoned land for industrial park development
Proximity to scheduled air service

Fort Defiance

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