

AGENDA

AGENDA OF THE WORK SESSION OF THE MAYOR AND COUNCIL OF THE CITY OF BISBEE, COUNTY OF COCHISE, STATE OF ARIZONA, TO BE HELD ON TUESDAY, OCTOBER 20, 2015, AT 5:30 PM IN THE BISBEE MUNICIPAL BUILDING, 118 ARIZONA STREET, BISBEE, ARIZONA.

THE MEETING CALLED TO ORDER BY _____ AT _____ PM.

ROLL CALL

COUNCIL

Councilmember Eugene Conners, Ward I
Councilmember Joan Hansen, Ward II
Councilmember Shirley Doughty, Ward III
Mayor Ronald Oertle
Councilmember Anne Cline, Ward III, Mayor Pro Tempore
Councilmember Douglas Dunn, Ward II
Councilmember Serena Sullivan, Ward I

STAFF

Jestin Johnson, City Manager
Ashlee Coronado, City Clerk
Sharon Buono, Finance Director
Albert Echave, Police Chief
Mark Burneleit, Fire Chief
Thomas J. Klimek, Public Works Director/City Engineer
Peg White, Library Director

CITY ATTORNEY

Britt Hanson

COMMENTS FROM THE PUBLIC WILL BE ALLOWED AT THIS MEETING. A SIGNUP SHEET WILL BE AVAILABLE.

THE FOLLOWING ITEM WILL BE DISCUSSED AT THIS MEETING:

1. Presentation on the Final Bisbee AzTAP Report by the Urban Land Institute.
Jestin Johnson, City Manager

ADJOURNMENT

Individuals with hearing disabilities can contact the City Clerk's Office (520) 432-6012 to request an Assisted Listening Device, at least 24 hours before the meeting.

Anyone needing special accommodation to attend this meeting should contact Ashlee Coronado at (520) 432-6012 at least twenty-four hours before the meeting.

Public documents referred to herein may be viewed during regular business hours at the City Clerk's Office at 118 Arizona St., Bisbee.

Pursuant to A.R.S. § 38-431.03(A)(3), the Council may vote to enter executive session at any point during this meeting for discussion or consultation for legal advice with its attorney(s), who may appear telephonically.



AGENDA ITEM NUMBER 1

MAYOR & COUNCIL WORK SESSION FOR October 20, 2015

DATE ACTION SUBMITTED: October 13, 2015

DISCUSSION/PRESENTATION ONLY

SUBJECT: PRESENTATION ON THE FINAL BISBEE AzTAP REPORT BY THE URBAN LAND INSTITUTE

FROM: Jestin Johnson, City Manager

RECOMMENDATION:

PROPOSED MOTION: WORK SESSION ONLY

DISCUSSION:

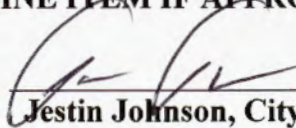
Mike Hammond, one of the esteemed ULI AzTAP Panelists (CEO of PICOR) will present the Final Bisbee AzTAP Report to the City Council.

FISCAL IMPACT: NA

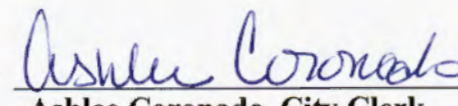
DEPARTMENT LINE ITEM ACCOUNT: NA

BALANCE IN LINE ITEM IF APPROVED: NA

Prepared by:


Jestin Johnson, City Manager

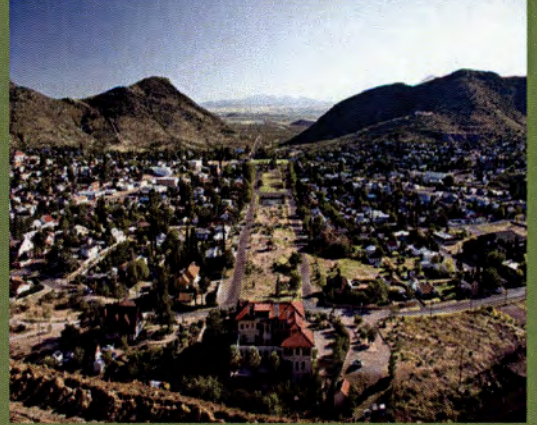
Reviewed by:


Ashlee Coronado, City Clerk



**Urban Land
Institute**

Arizona



CITY OF BISBEE

ULI Arizona Technical Assistance Panel

June 9, 2015



Funding for the ULI Arizona City of Bisbee TAP was
generously provided by the Union Pacific Building America Foundation

Table of Contents

Acknowledgements	2
City of Bisbee Mayor and Council	2
City of Bisbee Staff	2
iBisbee Committee	2
ULI Arizona Technical Assistance Panel (AzTAP) Leadership	2
AzTAP Committee	2
AzTAP Panelists	3
Special Acknowledgement	3
ULI Arizona Staff	3
Introduction and Overview	4
About ULI	4
About ULI Arizona TAPs	4
Bisbee TAP Process	5
Executive Summary	6
Overview and Process	6
AzTAP Panel Questions	7
Strategies for Consideration	8
Going Forward: Top 5 Priorities	10
Overview of Bisbee	11
Context	11
Development Conditions	13
Demographics	15
Economics	16
Strategies and Actions for Consideration	18
Question 1. Tourism	18
Question 2. Industrial and Business Development	22
Question 3. Housing	25
Question 4. Healthcare	28
Question 5 Agriculture	30
Going Forward: Top 5 Priorities	32
Panelist Biographies	33
Appendix	36
Agenda of City of Bisbee AzTAP Panel Session	37

Acknowledgements

City of Bisbee Mayor and City Council

The Honorable Ron Oertle, Mayor

Anna Cline, Councilmember Ward III

Eugene Conners, Councilmember Ward I

Shirly Doughty, Councilmember Ward III

Douglas Dunn, Councilmember Ward II

Joan Hansen, Councilmember Ward II

Serena Sullivan, Councilmember Ward I

City of Bisbee Staff

Jestin Johnson, City Manager

Ashlee Coronado, City Clerk

Corinna Carbajal, City Liaison

iBisbee Committee

Stanley Stern, Chairman, Bank Consultant

Peter Goldlust, Artist

Carrie Gustavson, Bisbee Museum Director

Elias J. Juen, School District Business Manager

Fred Miller, Copper City Inn Owner

Kathy Sowden, Finders Keepers Antiques and Collectibles Owner

Scott Ries, Grande Valley Development Corporation President/CEO

ULI Arizona Technical Assistance Panel (AzTAP) Committee Leadership

Lance C. Ross, SIOR, ULI AzTAP Chair
President, Ross Property Advisors

Amy Malloy, ULI AzTAP Vice-Chair
Assistant Vice President, Development,
Macerich

AzTAP Committee

Dan Alpers, Analyst
VIZZDA

K.C. Brandon, President
Oridian Construction Services

Cameron Carter, Partner
Rose Law Group pc

George T. Cole, Director
Fennemore Craig, P.C.

Mark Davis, Partner
Davis Enterprises

Susan Demmitt, Member
Gammage & Burnham

Leslie Dornfeld, FAICP, Principal
Plan-et

Daniel "Buzz" Gosnell, President
DWG Phoenix, LLC

Tom Hester, Urban Design Practice Leader
Parsons Brinckerhoff

Judie Scalise, Principal
ESI Corporation

Don Keuth, President
Phoenix Community Alliance

Todd Severson, Development Manager
Walton International Group

Kyle Mieras, AICP, Development Services
Director
Town of Gilbert

Jon Vlaming, Community Development Director
City of Eloy

Mitchell Rosen, Development Manager
Papago Park Center, Salt River Project

Jacob E. Zonn, Senior Planner
Tiffany & Bosco

AzTAP Panelists

Judie Scalise, Moderator
Principal, ESI Corporation

Dr. Peter Livingston, Associate Professor of
Professional Practice, College of Agriculture and
Life Sciences/Engineering
University of Arizona

Christopher J. Cacheris, Vice President
Harvard Investments

Gary Molenda, President
Business Development Finance Corporation

Michael S. Hammond, SIOR, CRE
President/CEO, Cushman & Wakefield | PICOR

Susan Sternitzke, Owner
Limelight Creative Group

Susan Harden, AICP, LEED AP, CNU-A, CMSM
Senior Vice President | National Planning
Practice Lead, Michael Baker International

Michael Traylor, Director
Arizona Department of Housing

Special Acknowledgement



The Urban Land Institute Arizona District Council (ULI Arizona) would like to thank the **Union Pacific Building America Foundation** for underwriting costs of the ULI Arizona / City of Bisbee AzTAP. This funding enables smaller Arizona communities and nonprofits to benefit from this unique resource.

The AzTAP Committee would like to extend special thanks to **Jeremy Sharpe, Rancho Sahuarita Company**, for connecting the City of Bisbee with the resources of the Urban Land Institute.

ULI Arizona Staff

Debra Z. Sydenham, FAICP
Executive Director

Carrie Martin
Manager

Kristen Busby, AICP
Director

Stacey Haggerson
Associate



Introduction and Overview

About ULI

The Urban Land Institute is a 501(c) (3) nonprofit research and education organization supported by its members. Founded in 1936, the Institute has members in 95 countries worldwide, representing the entire spectrum of land use and real estate development disciplines working in private enterprise and public service. The mission of the Urban Land Institute is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

The ULI Arizona District Council was formed in the early 1980s, as a direct response to the need for educational forums and events at a local level. ULI Arizona boasts over 1000 members, and has one of the highest member participation rates of any ULI District Council. Known as the industry gold standard, ULI Arizona is at the forefront of real estate trends in Arizona. ULI Arizona is a trusted neutral convener, educator, and advisor positioned for high impact. ULI Arizona brings public and private sector leaders together to share and exchange ideas, information, and experiences to shape the way communities grow. For additional information, please visit: www.arizona.uli.org.

About ULI Arizona TAPs

The ULI Arizona Technical Assistance Panel (AzTAP) Program is a service offered by ULI Arizona to assist Arizona municipalities, counties, regions, and nonprofits in the preliminary study of complex land use planning, development, and redevelopment issues. Drawing from a seasoned professional membership base, TAPs provide objective and responsible guidance on a variety of land use and real estate issues ranging from site-specific projects to public policy questions.

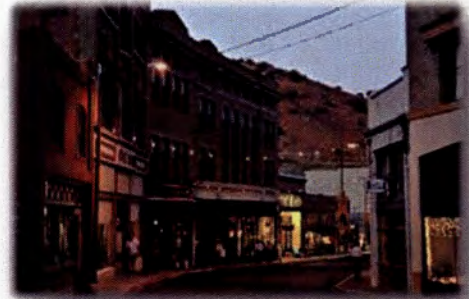
AzTAP was initiated by the ULI Arizona District Council in 2003 as an extension of the time-tested national ULI Advisory Services Program that was established in 1947 with proven success for its comprehensive, pragmatic approach to solving land use challenges. TAP interdisciplinary panel teams are carefully chosen for their specific knowledge and the holistic examination that they provide to help resolve local issues.

Communities gain valuable insight and ideas from highly qualified industry professionals who volunteer their time. Professionals who bring their expertise to bear also get a better understanding of the unique development challenges facing communities. The interaction between panel experts, local communities, and residents strengthens the community fabric and builds opportunities for strong public and private sector collaboration to promote thriving Arizona communities. The focus and scope of issues defined by the local sponsoring community make each TAP unique. Past ULI Arizona TAP reports are available to view and download at www.arizona.uli.org.

Bisbee TAP Process

ULI Arizona and the City of Bisbee undertook the AzTAP process to discuss economic development and housing strategies that will steer the City toward success and long-term sustainable economic vitality.

1. The City/iBisbee Committee submitted an application in November 2014 to the ULI Arizona District Council requesting a Technical Assistance Panel be conducted, focusing on ways to leverage the City's community development strengths and how to overcome challenges to stimulate growth and diversify economic development.
2. The ULI AzTAP Committee evaluated the City's goals for the TAP and gathered additional insight from City Staff and the iBisbee Committee regarding the scope of development issues to be addressed.
3. Members of the ULI AzTAP Committee and ULI Arizona staff conferred with iBisbee officials to review the TAP process and refine development questions pertaining to strategic housing and economic development approaches that will support revitalization and future growth.
4. The ULI AzTAP Committee selected Panel members with expertise specific to the City's key questions.
5. The City/iBisbee Committee prepared and delivered Briefing Book materials about the City's history, demographics, economics, and other pertinent community data to the Panel members. A dinner was held the evening prior to the TAP to introduce City Officials to the Panel Members and ULI AzTAP Committee Members.
6. The Bisbee AzTAP took place on June 9, 2015 at the Bisbee City Hall. This day-long Panel Day began with a study area tour narrated by the Bisbee City Manager with the remainder of the day being a moderated Panel discussion. The TAP meeting was attended by City Council Members, City staff, the iBisbee Committee, and interested stakeholders. For specific details refer to the AzTAP Agenda in the Appendix.
7. A draft report was prepared capturing the Panel's recommendations and conclusions and sent to the Panel and the City for review. The Final AzTAP Report was submitted to the City Council for consideration and potential implementation.



Executive Summary

Overview

The City of Bisbee was one of the Southwest's richest mining boomtowns, often referred to as the crown jewel of copper in Arizona. When the large scale mining operations shut down in the mid 1970's, Bisbee evolved into an attractive artist and retirement community. People all over the world visit Bisbee today for its history and distinctive charm, however, the City of Bisbee continues to lose population. The City's iBisbee Committee (Invest in Bisbee) was established by the City Council in 2013 to focus on economic development and diversification initiatives to support a sustainable future.

The iBisbee Committee approached the Urban Land Institute Arizona District Council (ULI Arizona) to help analyze community strengths and weaknesses in attracting new development and to make recommendations regarding market potential and (re)development opportunities.

The ULI Arizona City of Bisbee Technical Assistance Panel (Bisbee AzTAP) was convened to examine the opportunities and challenges associated with the City's economic and housing development potential with regard to efforts in tourism, industrial and business development, healthcare, and agriculture. The overall goal was to provide ideas and strategies for the City to consider to improve the economic vitality of Bisbee while leveraging and maintaining its authentic, one-of-a-kind, creative character. The Panelists represent a wide variety of land use and development industry disciplines, which helped the City holistically view responses to their questions aimed at building a reliable economy attractive to residents, businesses, and customers.



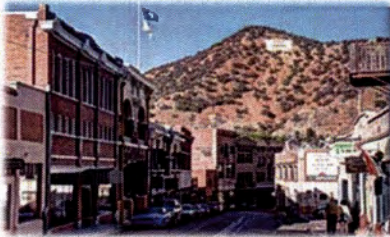
Process

The Bisbee AzTAP initiated in November 2014 with conversations between ULI Arizona and City iBisbee Officials discussing the City's development challenges and the desired goals for assistance. Throughout Spring 2015, the ULI AzTAP Committee worked with the iBisbee Committee to hone the specific questions to be addressed. The Bisbee AzTAP took place in early June with an introductory dinner on June 8, 2015, followed by a study area tour and the Panel convening on June 9th that focused on five key questions. The Panel discussion set forth a series of strategies and actions for the City to consider, including the top five actions recommended to move the City's economic development and revitalization efforts forward.

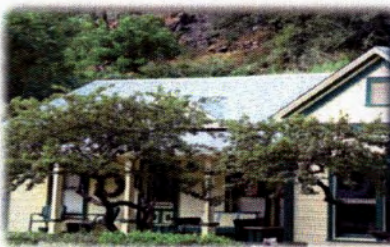
Panel Questions



Tourism: How can Bisbee leverage its assets and grow opportunities for increased tourism activity? What are the necessary steps to attract and retain the “creative class”?



Industrial and Business Development: How can Bisbee leverage its proximity to Mexico, its Municipal Airport, and City-owned land to create an industrial corridor? What business and industry should be targeted? What commercial infill should be targeted?



Housing: Are there ways to springboard housing development ahead of economic development? What are creative, alternative, infill housing opportunities? What steps can the City take to “prime the pump” for future housing development considered?



Healthcare: How can the City attract an assisted-living facility developer/operator? What else needs to be done to address the long term health care needs of the City?



Agriculture: Are there opportunities for extension of the Sulphur Springs farming businesses to attract hydroponic growers to the area and/or expand existing truck farming?

Strategies for Consideration

Question 1. Tourism:

- ✓ **Leverage existing tourism marketing resources** in the region and state to act as catalysts for new efforts and assets underway in Bisbee.
- ✓ **Develop a clearly defined brand and advertising message** that informs people that everyone is welcome in Bisbee. The City of Bisbee is a cool place to visit throughout the year celebrating a rich history and diverse culture.
- ✓ **Market for “whole destination tourism”** to promote multiple regional destinations.
- ✓ **Connect the City with a regional path /trail system** to link both visually and physically the Old Bisbee Downtown Area with the communities of Warren, Lowell, and San Jose.

Question 2. Industrial and Business Development:

- ✓ **Focus on high margin, low production manufacturing** as an alternative to maquiladora assembly-type and industrial operations that have been under consideration by the City.
- ✓ **Harness the “maker movement”** and leverage local talent and the creative vibe of Bisbee, blending older and younger people together to create products via incubator workspaces.
- ✓ **Encourage the development of cottage industries**, such as micro distilleries, “Made in Bisbee” fashion design, and fair-trade coffee roasters.
- ✓ **Collaborate with Cochise College** to develop programs focused on skilled workforce development and improved primary school education in the region.

Question 3. Housing:

- ✓ **Host housing focus groups** with Border Patrol and military families to ascertain housing needs and preferences and the opportunities that would entice them to live in Bisbee.
- ✓ **Rehab and update the existing housing stock** to be attractive, yet preserve the City’s historic character and remaining affordable to buyers and renters and.

- ✓ **Focus on improving essential services** and the lifestyle amenities that are foundational in demographic markets today for successful economic and residential development.

Question 4. Healthcare:

- ✓ **Explore finance options for a Senior Citizen Assisted Living Facility** considering the City's market study revealed demand and need for such a facility in the community.
- ✓ **Focus on the technology of healthcare** by thinking long term and staying ahead of the industry curve. Special

Question 5. Agriculture:

- ✓ **Focus on small plot and integrated farming** over largescale greenhouse production which requires very large facilities and huge capital and water investments.



Going Forward: Top 5 Priorities

Focus on health and wellness as an economic driver by initiating organic, niche agriculture efforts, building a connected trail system, expanding rural healthcare opportunities, and weaving it together through concentrated tourism promotion and branding efforts that celebrate Bisbee's unique culture and history.

Develop a cohesive, consistent brand and messaging campaign that heralds Bisbee's distinctive heritage and captures the welcoming feeling that the City exudes. Layer the most authentic, unique aspects of Bisbee (e.g. the ambience, rich history, the arts, the elevation, the climate, the international location, the intangible creative spirit, the "be yourself Bisbee") and connect it to other regional assets to attract residents and visitors.

Create a culture of entrepreneurialism and "communiversity" supporting small business and niche operation development (e.g. craft, "maker" movement) and tailoring education and workforce development (e.g. JTED focus) to the needs of the community.

Hone in on a target demographic market and focus resident attraction and associated housing and economic development efforts. Consider targeting empty-nesters in the near term. Strive for the next level of attracting families by developing additional amenities and improving education.

Consider the vacant middle school for hydroponic agriculture and incubator space opportunities to transform an underutilized asset and repurpose it as an accelerator for start-up, small business, and workforce development opportunities.

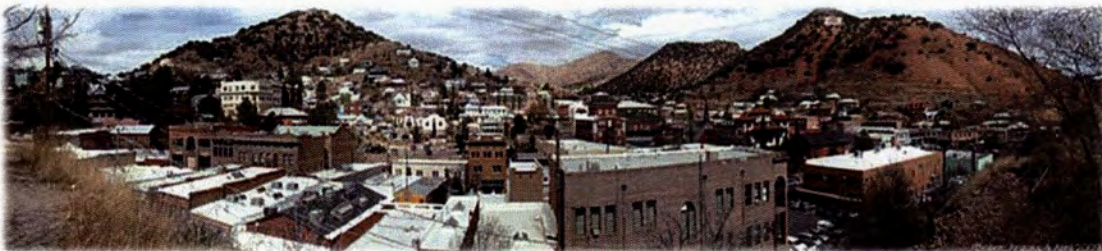
ULI AzTAP findings and ideas are strategic to help guide achievable next steps. Moving forward implementation, there will be a number of issues and opportunities that the City of Bisbee will experience and ULI Arizona remains a source for advice and local technical assistance resources.

Overview of Bisbee

The following is a synopsis of the City's demographic, economic, infrastructure, and development conditions.

Context

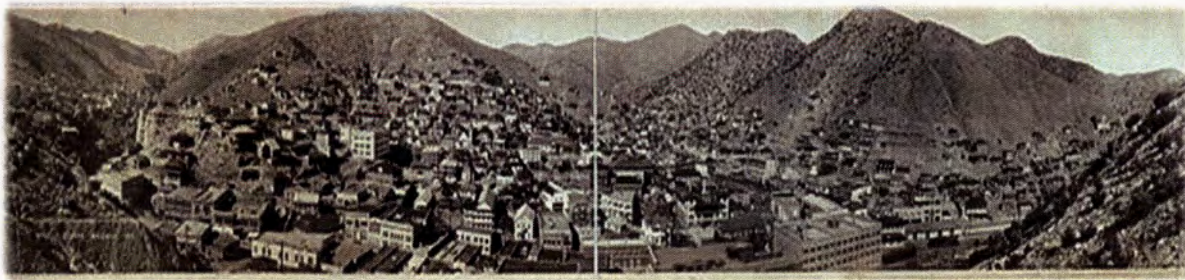
Location The City of Bisbee is located in southeast Arizona in Cochise County approximately four miles from the international border with Mexico and the State of Sonora. The City is located approximately 50 miles from Interstate 10, 90 miles southeast of Tucson, and 205 miles southeast of Phoenix. State Highways 80 and 92 meet at the center of the City. At an elevation of 5,350 feet, Bisbee is the third largest of seven incorporated places in Cochise County and is the County seat. Bisbee was founded in the 1880s as a mining camp and was once one of the world's richest mineral sites producing copper, silver, gold, zinc, lead, and manganese. Phelps Dodge ceased mining operations in the area in the 1970s. Since then, the city has been known for its mining history and as an artist and retirement community. Freeport-McMoRan, which acquired Phelps Dodge in 2007, has examined the feasibility of resuming mining operations in the Bisbee area in the distant future. Bisbee includes the communities of Old Bisbee, Warren, and San Jose. Old Bisbee is the main tourism district and includes Queen Mine Tour, Bisbee Mining and Historical Museum, and numerous other attractions including shops, art galleries, and restaurants. The Warren District includes Warren Ballpark— widely considered the oldest continuously operating professional ballpark in the United States; along with the recently revitalized and renovated Arizona Street, a classic American Main Street with a mixture of homes, commercial buildings, churches, a medical clinic, and government offices. San Jose is the primary residential shopping district with Safeway, Ace Hardware, and other retail and restaurant establishments. San Jose is also a residential community and has considerable land available for planned developments. Smaller neighborhoods in Bisbee include Bakerville, Briggs, Don Luis, Galena, Lowell, Saginaw, South Bisbee, and Tintown.



History Bisbee was founded as a copper, gold, and silver mining town in 1880, and named in honor of Judge DeWitt Bisbee, one of the financial backers of the adjacent Copper Queen Mine. In 1929, the Cochise County seat was moved from Tombstone to Bisbee, where it remains.

Mining in the Mule Mountains proved quite successful: in the early 20th Century the population of Bisbee soared. Incorporated in 1902, by 1910 its population had swelled to 9,019, and it sported a constellation of suburbs, including Warren, Lowell, and San Jose, some of which had been founded on their own (ultimately less successful) mines. In 1917, open-pit mining was successfully introduced to meet the copper demand during World War I.

A high quality turquoise promoted as Bisbee Blue was a by-product of the copper mining. Many high-quality mineral specimens have come from Bisbee area mines and are to be found in museum collections worldwide. Some of these minerals include: Cuprite, aragonite, wulfenite, malachite, azurite, and galena.



Miners attempted to organize to gain better working conditions and wages. In 1917, the Phelps Dodge Corporation, using private police, transported at gun point over 1,200 striking miners out of town to Hermanas, New Mexico, due to allegations that they were members of the Industrial Workers of the World (IWW); the company wanted to prevent unionization.

The re-introduction of open-pit mining in the 1950s and continued underground work enabled Bisbee to survive changes in mining. Neighboring towns had mines that closed, with a resulting dramatic loss of population. But, by 1950, the population of Bisbee had dropped to less than 6,000. In 1975 the Phelps Dodge Corporation halted its Bisbee copper-mining operations.

In 1968, Phelps Dodge donated their old headquarters building to the City of Bisbee to serve as the community's future museum. Opened to the public in 1971, the Bisbee Mining & Historical Museum, a private, nonprofit public trust, is the first rural museum, nationwide, to become an Affiliate of the Smithsonian Institution and recipient of numerous state and national awards for its innovative exhibitions.

In 1975 Phelps Dodge leased the Copper Queen Mine to the City of Bisbee for development of an underground mine tour. Phelps Dodge helped the City of Bisbee implement development of a mine tour

and historic interpretation of a portion of the world-famous Copper Queen Mine as part of an effort to create heritage tourism as another base for the economy. This helped compensate for the economic loss due to the end of the mining industry in the area.

The Queen Mine Tour was officially opened to visitors on February 1, 1976. More than a million visitors, from all 50 states and more than 30 foreign countries, have taken the underground mine tour train

From 1950 to 1960, the sharp population decline changed and the number of residents of Bisbee increased by nearly 160 percent when open-pit mining was undertaken and the city annexed nearby areas. The peak population was in 1960, at 9,914.

Artist Stephen Hutchison and his wife Marcia purchased the Copper Queen Hotel, the City's anchor business and architectural gem, from the Phelps-Dodge mining company in 1970. Hutchison purchased and renovated the hotel, as well as other buildings in the downtown area. One held the early 20th Century Brewery and Stock Exchange. Hutchison began to market Bisbee as a destination of the "authentic," old southwest.

This period of Bisbee's history is well documented in contemporary articles in *The New Yorker* and in an article by Cynthia Buchanan in *The Cornell Review*. It was at this time that Bisbee became a haven for artists and hippies fleeing the larger cities of Arizona and California. Later it attracted people priced out by gentrification of places such as Aspen, Colorado.

Today, the historic downtown area of Bisbee is known as "Old Bisbee," is a nationally registered historic district and is home to a unique downtown cultural scene. The City's hilly terrain is exemplified by the old four-story high school; each floor has a ground-level entrance. This area draws visitors from around the world and is noted for its distinctive shops, fine art galleries, charming inns, restaurants, and picturesque architecture, including Victorian-style houses and an elegant Art Deco county courthouse. Old Bisbee is compact and walkable because its plan was laid out to a pedestrian scale before the automobile. Old Bisbee is famous for being a quintessential small town with iconic design, arts and culture, a revered heritage, entertainment, and historic residential neighborhoods.

Development Conditions

Existing Land Use According to information provided by Cochise College Center for Economic Research, new home construction within the City of Bisbee has been slow over the past few years, following the Great Recession in 2008. For the ten full years for which data has been provided, there has been an average of 3.7 homes built per year; an increase over the last planning period where the average number of homes built was two per year. Land area is 4.81 square miles.

Bisbee Existing Land Use, 2014	
Category	Approx. Acreage
Agriculture	0
Mining	0
Industrial	2
Commercial/Office	210
Residential	781
Public/Quasi Public	484
Recreation	24
Vacant/Undeveloped	2,370

Sources: City of Bisbee Community Development Department, 2014.

Commercial Development There are two major retail areas in the City of Bisbee. Old Bisbee has a wide array of specialty shops and galleries while San Jose has larger stores like Safeway and Ace Hardware. There are also a few small retail businesses in the Warren District, such as B & D Hardware. Recent figures compiled by Cochise College indicate that there are approximately 30 retail businesses throughout the City. With no new large-scale projects on the immediate horizon, commercial construction in Bisbee has remained slow.

Housing As a result of numerous foreclosures, homes in Bisbee and countywide have been exceptionally affordable. There have been only 37 single-family residential permits issued in the last 10 years. In recent years, there has been some interest in developing residential communities in Bisbee's San Jose District. In Bisbee there were 104 homes sold in 2013 (up 36.8 percent from 2012 for the fourth consecutive year of growth). In the first half of 2014, however, home sales were down 10.6 percent from the same period of 2013. The median home price in Bisbee in 2013 was \$88,000 (down 23.1 percent from 2012). In the first half of 2014, the median price was \$100,750 (up 34.3 percent from the first half of 2013). In 2013, foreclosures accounted for 23.1 percent of home sales in Bisbee (up from 18.4 percent in 2012). In the first half of 2014, foreclosures accounted for 16.7 percent of sales.

Demographics

Population Although the population of Bisbee is 5,424, the Bisbee area includes nearby populated areas that create a community of more than 35,000 residents, including Bisbee, Naco, surrounding unincorporated areas on the U.S. side of the border, and residents of Naco, Sonora, Mexico. Bisbee's population declined by 8.5 percent from 2000 to 2010, but the population of the wider Bisbee Census County Division (U.S. side of the border) grew by 20 percent. In addition to the residential population, local businesses also cater to tourists, sightseers, shoppers, and other visitors traveling from other areas of Arizona and the nation, as well as international tourists and day-shoppers from Mexico.

Age The median resident age in Bisbee is approximately 47 years old.

Bisbee Age Group Distribution		
	2000	2010
under 5 years	5.9%	5.1%
5-9	5.9%	4.3%
10-14	5.8%	4.9%
15-19	6.0%	5.7%
20-24	4.8%	5.0%
25-34	10.3%	9.6%
35-44	13.8%	10.1%
45-54	15.6%	15.2%
55-59	6.5%	9.1%
60-64	5.7%	10.3%
65-74	10%	12.1%
75-84	7.1%	6.1%
85 and above	2.5%	2.4%

Source: U.S. Census Bureau (Census 2000 and Census 2010) and Cochise College Center for Economic Research.

Ethnicity

White	84.2%
Black or African American	1.4%
American Indian and Alaska Native	1.5%
Asian	0.5%
Native Hawaiian and Other Pacific Islander	0.1%
Other	12.3%
Hispanic or Latino (of any race)	34.4%

Source: U.S. Census Bureau (Census 2010) and Cochise College Center for Economic Research. The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race.

Income Estimated median household income in 2013: \$33,682 (it was \$27,942 in 2000).

Education Colleges/Universities near Bisbee: Cochise College (about 13 miles; Douglas, AZ)

ARIZONA A-F LETTER GRADE ACCOUNTABILITY SYSTEM (2014)	
Bisbee High School	C
Lowell School	C
Greenway Primary School	B

Source: Arizona Department of Education.

Economics

Employment Bisbee saw a net loss of 131 jobs in 2013 for job growth of -5.7%. Bisbee's annual unemployment rate in 2013 was 9.9 percent (up from 9.3 percent in 2012). In August 2014, the City's seasonally adjusted monthly unemployment rate was 9.1 percent, down from 9.8 percent in August 2013. Bisbee's retail sales were down 2.3 percent in 2013 and 2.6 percent in the first seven months of 2014. The City's restaurant and bar sales were up 8.3 percent in 2013 and 4.5 percent from January through July 2014. Citywide accommodation sales were down 10.8 percent in 2013, but up 12.5 percent in the first seven months of 2014. Cochise County, Freeport-McMoRan, and Copper Queen Community Hospital are the City's top employers.

MEXICO The Town of Naco, Sonora, Mexico shares a border with Naco, Arizona, an unincorporated area of Cochise County bordering Bisbee. The population of Naco, Sonora as of 2010 was approximately 6,400 (according to Mexico's Instituto Nacional de Estadística y Geografía). Population of Naco, Arizona as of Census 2010 was 1,046. A 2008 study by University of Arizona indicated 80.1 percent of Mexican residents entering the United States through Naco did so for the purpose of shopping—second highest of all land ports in Arizona behind Douglas. Naco Port of Entry is open 24 hours a day, 7 days a week to vehicle and pedestrian traffic. Naco is the fourth largest commercial port in Arizona measured by total value of imports and exports.

iBISBEE COMMITTEE In 2013, the Bisbee City Council established the iBisbee (Invest in Bisbee) Committee to advise the City on economic development issues. The iBisbee Committee has hosted several economic developers in the hotel, residential construction, and assisted living industries; promoted collaboration between the City and Copper Queen Community Hospital by studying the feasibility of developing an assisted living facility in Bisbee; proposed a rebranding campaign to enhance tourism and promote the City; and recommended a change in zoning for 80 acres adjacent Bisbee Airport to facilitate light industrial use.

Area Attractions

QUEEN MINE TOUR The most popular tourist activity in Bisbee is a trip down into the now inactive Queen Mine, which was one of the richest copper mines in history when it opened in 1877.

BISBEE MINING & HISTORICAL MUSEUM The West's first rural Smithsonian Institute affiliate.

ART SCENE Bisbee is home to many artists and musicians and has an active art scene with live music, galleries, unique public art pieces, and the monthly Bisbee After 5 Artwalk.

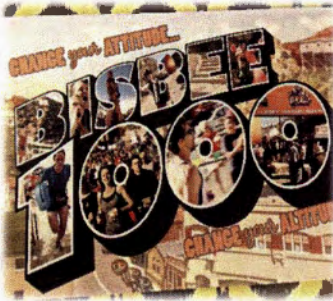
WARREN BALLPARK Home to the Bisbee Blue Base Ball club, this is widely considered the oldest continuously operated ballpark in the United States with the first game played in 1909. Copper Classic Vintage Base Ball Tournament is held every April.

BISBEE'S STAIRS/BISBEE 1000 one of Bisbee's magnificent architectural achievements is the unique system of stairways, which follows mule paths from the city's copper mining days, has given rise to the popular Bisbee 1000, an annual event that allows participants to traverse stairs and backroads through Old Bisbee.



Strategies and Actions for Consideration

Five questions were the basis for the ULI AzTAP panel discussion to identify strategies for the City to consider in its economic and housing (re)development efforts to steer the City of Bisbee toward long-term sustainable economic vitality.



Question 1 Tourism: How can Bisbee leverage and grow opportunities for increased tourist activity? What is needed to attract and retain the 'creative class'?

Bisbee has an unconventional, picturesque, compact downtown, part of a nationally designated historic district that boasts of many notable buildings. This setting, that features unique shopping, a range of price-varied accommodations, and a diverse number of restaurants all within walking distance, attracts visitors as overnight destination. It is a hub for exploring southeastern Cochise County's Coronado National Forest districts, birding areas of the San Pedro riparian area, and other natural wonders. It is six miles from Mexico.

Leverage existing tourism marketing resources in the region and state to act as catalysts for new efforts and assets underway in Bisbee. Strategic efforts to improve tourism in Bisbee have been underway locally, regionally, and at the state level with different organizations over many years. Building on those efforts by targeting capacity building grants, and prioritizing deployment of new tourism marketing resources will maximize effectiveness.

Strategies/Implementation Actions:

- Continue to be a partner in the Arizona Office of Tourism (AOT) Marketing Cooperative program, which promotes and encourages visitation to Arizona's unique rural destinations by collaborating with AOT on advertising efforts extending the reach of marketing programs and maximizing available funds.



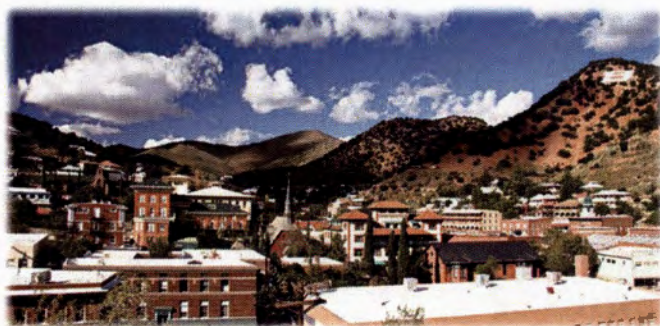
- Target marketing and branding opportunities that are high value, lower cost, especially electronic, social media, and outlets with content submitted by travelers themselves (e.g. Lonely Planet, TripAdvisor, Yelp, etc.).
- Encourage continued and increased collaboration with the Cochise County Tourism Advisory Council to maximize regional resources.
- Pursue marketing participation in the future Tucson regional tourism center, the *Southern Arizona Regional Orientation Center*, which is currently being developed through a public-private partnership with project funding from the current Pima County bond proposal for the November 3, 2015 election.

Develop a clearly defined brand and advertising message that informs people that everyone is welcome in Bisbee. The City of Bisbee is a cool place with to visit throughout the year celebrating a rich history and diverse culture.

Strategies/Implementation Actions:



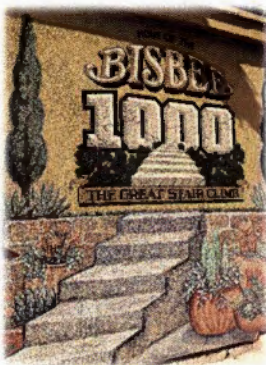
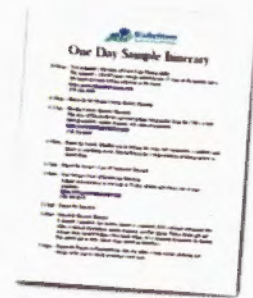
- Extend the retail season in Bisbee because the climate is much cooler than other places, and summer is a key timeframe for vacationers, especially from Phoenix and Tucson. Many businesses in Bisbee are already closed by June, which is disconcerting for visitors and restricts the City's tourism market potential.
- Market the City's consensus tagline everywhere. The tagline is being finalized through the City's hiring of a marketing consultant via an RFP that closed June 12th. ("Change you Attitude – Change your Altitude", "Bisbee is Really Cool", "Everyone is Welcome" were discussed as possible options).
- Know the niche market the City is targeting and focus limited resources accordingly (e.g. Millennials, retirees, Phoenix/Tucson, out-of-state, international, etc.)
- Utilize electronic media as much as possible. It is often less expensive than print and can be very effective if done right. Maximize blogging to distribute messages to broad markets.
- Target tourists from Mexico given the City's close border proximity. Sonora's middle class is rapidly growing with increased disposable income for travel.
- Ensure marketing and tourism resources are bilingual.



Market for “whole destination tourism” to promote multiple regional destinations.

Strategies/Implementation Actions:

- Establish stronger partnerships with other municipalities in the region (i.e. Tombstone, Willcox, and Douglas) to jointly advertise and bundle travel experiences and attractions, especially to the Tucson and Phoenix markets.
- Work with the Cochise County Tourism Council to develop individual community itineraries that complement each other and draw visitors along a continuum of place to place (e.g. capitalize on Willcox wine tourism).
- Promote Bisbee in the contexts of international and regional routes (i.e. Cananea, Mexico and Sonoita, Arizona).
- Ensure marketing resources focus on adventure, authentic experiences, and indicate to people the time and money that they will want to spend in each place.
- Layer as many travel/tourist opportunities as possible because people are more shrewdly spending travel dollars.
- Note what people can do with children to attract family travelers.



Connect the City with a regional path /trail system

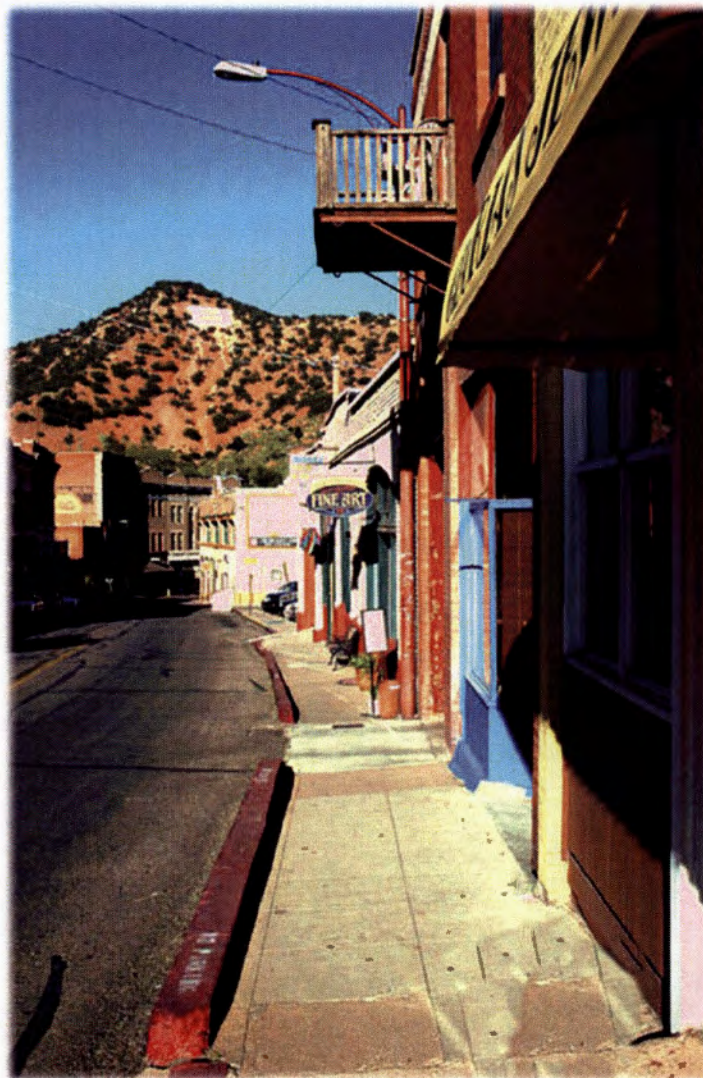
to link both visually and physically the Old Bisbee Downtown Area with the communities of Warren, Lowell, and San Jose. Increasing connectivity to these areas will strengthen the City's cohesiveness and walkability and will be an attraction to industries, businesses, residents, and visitors. A trail system will also enhance the historic 1000 steps experience and will be a draw for tourism.

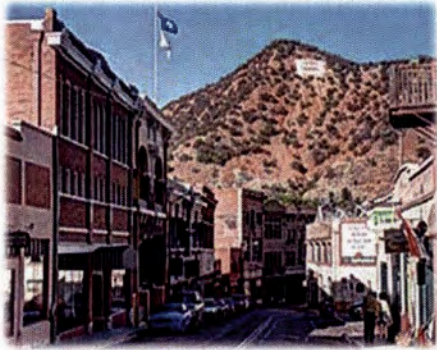
Strategies/Implementation Actions:

- Create an attractive walking and biking path along the Mule Gulch Channel that includes interpretative themes celebrating the rich history, arts and culture, and traditions of Bisbee. Develop planning and design elements that enable an interactive, self-guided learning experience for residents and visitors.
- Develop a Trails Master Plan to prioritize, identify funding, and implement walking, biking, and active transportation improvements. The planning process will be an opportunity for the City to work collaboratively with a variety of stakeholders (e.g. Cochise County, BLM, US Army Corps of Engineers, ADOT, Arizona State Parks, health officials, landscape architects, recreation specialists, and others) to discuss location, design, materials, funding resources, and maintenance strategies.
- Assess grants and technical assistance available to build trails for walking and biking. There are a variety of resources nationally for non-motorized, active transportation, and building healthy

places (e.g. National Rails to Trails Program, National Trails Training Partnership, American Hiking Society, National Park Service, Federal Department of Transportation, Arizona Department of Transportation, Southeastern Arizona Governments Organization (SEAGO), Arizona Department of Health Services, Centers for Disease Control (CDC), Kresge Foundation, Robert Wood Johnson Foundation, other private national endowments, etc.).

- Orient visitors with welcoming gateway to enter Lowell will weave together the walkability of Bisbee and complement the unique characters and historic features of the different communities.
- Explore a Public-Private Partnership (P3) with Freeport-McMoRan to help develop trail system, (e.g. Den Mine Master Plan).





Question 2 Business and Industrial Development: How can Bisbee take advantage of their proximity to Mexico and their Municipal Airport and City-owned land to create an industrial corridor? What business and industry should be targeted? What commercial infill should be targeted?

Despite Bisbee's proximity to Mexico and probably in part due to the low numbers of border crossing at Naco (vs. Douglas and Nogales), the community has not seemed to leverage Mexico for either tourism or trade opportunities. Additionally, Bisbee owns 80 acres adjacent to the Municipal Airport, which has over \$3.2M awarded in the last couple decades for improvements and upgrades. Finally, Bisbee has been working collaboratively with Cochise County to re-zone the property to Light Industrial Zoning (L-1) and proposed a "Bisbee Airport Commerce Park".

Focus on high margin, low production manufacturing as an alternative to maquiladora assembly-type and industrial operations that have been under consideration by the City. It will cost millions of dollars to get the airport property site shovel-ready with the necessary infrastructure, which is not feasible in the near term. There is also a lot of change with cross-border manufacturing (e.g. off-shoring clothing assembly to East Asia and consolidating automobiles to major markets in big cities).

Strategies/Implementation Actions:

- Focus on niche operations, such as hydroponic greenhouse agriculture, especially integrated, "whole farm agriculture" (e.g. feed chickens, algae production) (discussed in greater detail under *Opportunity 5: Agriculture, pg. 24*). Greenhouses take year round effort and require flat land, which is available at the airport site. The challenge will be getting water infrastructure and power to the site. Municipal Arizona Water Company sources would likely be cost prohibitive for users, but water from Sulphur Springs could be a more feasible option.
- Leverage Bisbee's close proximity to Nogales, where produce is distributed. *Sunizona Family Farms*, located in Willcox, Arizona, grows and distributes to *Whole Foods* grocers organic, "veganic" produce of tomatoes, microgreens, lettuce, and herbs via trucks at the Nogales produce supply chain. Bisbee is closer to Nogales, so perhaps there is opportunity to capture some of the organic agriculture market. Naco is an easy entry border port, but it currently is not a focus point for trade. However, Cananea is restoring order and safety with the mine back in production and less violent drug trafficking.

Harness the “Maker Movement” and leverage local talent and the creative vibe of Bisbee, blending older and younger people together to create products via incubator workspaces. Nationwide “makerspaces” are popping up to satisfy demand for shared work spaces that spark imagination between inventors to develop prototypes and products under one roof. Truckee, CA is a good example of a community maximizing its local creative class and entrepreneurial spirit.

Strategies/Implementation Actions:

- Convert vacant space to incubator workspaces and create opportunities for start-up and small businesses. Providing incubator, accelerator and co-working spaces to small businesses in Bisbee will transform the underutilized and vacant commercial spaces and build capacity for businesses to grow and expand. Creating incubator space in vacant buildings is also more feasible in the near term rather than developing the infrastructure at the airport property.
- Consider the empty middle school site as a possible incubator cooperative. It is important to remember that incubator opportunities do not all have to be located in the Downtown area.

Encourage the development of cottage industries, such as micro distilleries, “Made in Bisbee” fashion design, and fair-trade coffee roasters.



Strategies/Implementation Actions:

- Focus on high-end, high margin, low production fashion design because high volume today emphasizes cheap labor sources, which have largely gone overseas.
- Use electronic media to harness creative access and target Millennials.
- Consider entering the distillery marketplace now. Whiskey grains can be locally grown, and unlike the microbrewery industry that is becoming saturated, distilleries are at the front end of market development. For example, the Kingman Airport has a distillery and people travel distances to go there.
- Explore finance opportunities for microbrewery and distillery development because Small Business Assistance (SBA) loans are available. The Business Development Finance Corporation (BDFC) in Tucson (contact Panelist, Gary Molenda, BDFC President) and the Arizona Commerce Authority (ACA) are potential resources.
- Consider unique labeling and branding opportunities with a local distillery (e.g. “Bisbee Whiskey of Yester-Year”, “The Spirit of Bisbee”).
- Partner with microbreweries and distilleries to sponsor local tourism events (e.g. bike/cycling events, marathons, art festivals, etc.) to draw more people to the City.

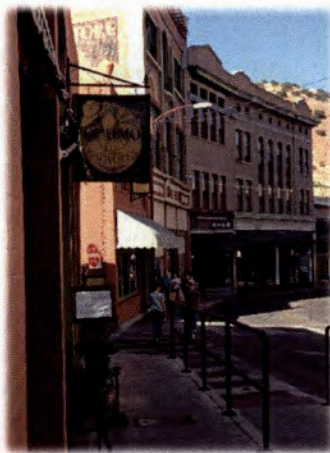
- Develop a small business toolkit to assist entrepreneurs getting started. Sending a message that Bisbee is open for business and supportive of local businesses and entrepreneurs is very important.
- Account for the home-based businesses operating in the City by surveying and creating an inventory. Home-based business owners have the potential to grow and could lease larger commercial space, employing a number of people, so it is important to know the existing and potential operations.

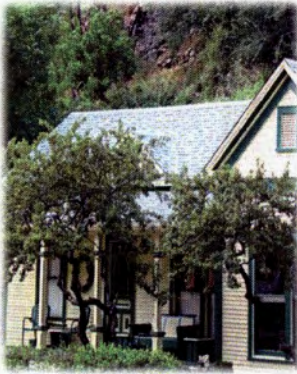
Collaborate with Cochise College to develop programs focused on skilled workforce development and improved primary school education in the region.



Strategies/Implementation Actions:

- Maximize the City's Joint Technological Education District (JTED) (not withstanding further Arizona Legislature cuts of the Arizona JTED program), which is an independent school district specifically established to provide approved career and technical education and vocational, hands-on learning programs.
- Use the JTED to nurture the local youth and educate them to want to stay home to add their talent and expertise to a home-grown workforce.
- Consider creating a craft school at the vacant middle school to expand core workforce strengths and economic development opportunities. Craft schools are also an opportunity to focus education on niche, creative operations (e.g. glass-blowing).
- Leverage the top performing programs at the local K-12 schools to work toward improving overall performance standards, currently in the C-range. Consider making this the mission the JTED.
- Reconstitute a five-day school week. The current four-day week is an impediment for working families and will detract from economic development efforts and appealing to Fort Huachuca and Border Patrol families that could be interested in living in Bisbee.





Question 3 Housing: Is there a way to springboard housing development ahead of economic development? What land exists for creative, alternative, infill housing opportunities? What steps can the City take to 'prime the pump' for future housing development?

Bisbee currently has outdated housing stock and has been unable to attract additional housing developers. Many City leaders feel that if there were better housing opportunities, border patrol, county, college, mine, and health care workers and administrators would be a source of home owners and renters in Bisbee (vs Sierra Vista or outlying areas). Also Bisbee would like to attract retirees, but is lacking places for them to live. The natural and beautiful surroundings of Bisbee are universally celebrated and could be leveraged to attract both Boomer and Millennial workers with ability to work remotely.

Host housing focus groups with Border Patrol and military families to ascertain housing needs and preferences and the opportunities that would entice them to live in Bisbee. The Border Patrol is expecting a substantial hiring increase in the next several years, which could be a valuable opportunity to attract people to Bisbee.



Strategies/Implementation Actions:

- Utilize the focus group results to guide home ownership and rental housing strategies and implement the necessary steps to attract more people desiring homes in Bisbee.
- Share the focus group information with local realtors in Bisbee, Sierra Vista, and other areas and engage their input on quality of life in Bisbee and developing strategies to strengthen livability.



Rehab and update the existing housing stock to be attractive, yet preserving the City's historic character and remaining affordable to buyers and renters. Most of the current stock is not new or turn-key and the economics for new housing is not suitable at present with 135 homes on the market and only 36 new home permits in the last 10 years. It is important to demonstrate to masterplan and residential developers that successful housing

absorption is possible in Bisbee.

Strategies/Implementation Actions:

- Explore establishing a Community Development Corporation (CDC) or other type of nonprofit that actively focuses on housing restoration, neighborhood revitalization, adaptive reuse of old buildings, historic preservation.
- Focus on ways to “prime the pump”, such addressing the structural preparedness of buildings for adding residential space above commercial so tenant improvements are easier. There is strong market demand for imaginative, mixed use in numerous small and large communities today.
- Target the creative class who want to live in smaller, historic, unique homes.
- Market to the different demographic groups that Bisbee is a welcoming community and an excellent place for people to be themselves (e.g. Bisbee for the Woodstock generation, the Millennials, the LGBT community, artists, the creative class, and more).
- Explore partnerships with organizations like Habitat for Humanity to help with housing rebuilding for low income families.
- Collaborate with Cochise College to utilize their plumbing, electrical program to help with sustainable housing rehabilitation (e.g. plumbing homes to reuse grey water).
- Work with the Arizona Department of Housing (ADOH) to utilize state and federal technical assistance and affordable housing assistance programs, such as setting up a Community Housing Development Organization to utilize federal Home Investment Partnership (HOME) funding, using the Low Income Housing Tax Credit Program to promote affordable housing development, and leveraging Community Development Block Grant (CDBG) funding for community revitalization.

**Focus on improving essential services**

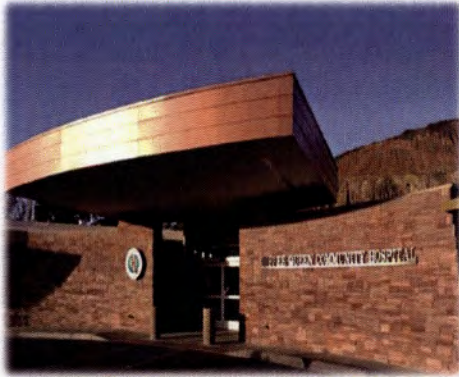
and the lifestyle amenities that are foundational in demographic markets today for successful economic and residential development. Quality schools, healthcare, recreation, and lifelong-learning opportunities are important buyer attractions.

Strategies/Implementation Actions:

- Rally the community to have pride in quality education and engage in efforts to improve the performance of the local schools. Low performing schools are an economic development impediment, but there are assistance resources to help remedy this issue. This is a statewide issue so Bisbee is not alone in this challenge. Some areas in the state are leaning on charter and faith-based school until public schools improve.
- Start tracking students to record and promote stories about their successful journeys growing up in Bisbee.

- Look for ways to bring back the 5-day school week to demonstrate the City's commitment to quality education.
- Consider targeting empty-nesters and other demographic groups, as opposed to families in the short-term, until more systemic education problems can be further studied and addressed.
- Promote the City's good healthcare (i.e. the hospital, telemedicine, and Medevac services to Tucson). This is attractive to retirees.
- Evaluate catalyst projects that could be anchors for residential development and spur other types of projects (e.g. specialized medical treatment facility or a health resort, similar to Canyon Ranch in Tucson).
- Be strategic and prioritize key activities against manageable quantities of effort and resources to achieve the highest returns on investment (i.e. the trail system versus a structured parking garage).
- In the spirit of trying new things, it will be important to preserve the historic character and rich heritage and maintain authenticity since it is "the secret sauce" making Bisbee so special today.





Question 4. Healthcare: How can the City attract an assisted -living facility developer/operator? Can the city utilize impact fees and/or other non-monetary means to attract a developer? What else needs to be done to address the long term health care needs?

Currently Bisbee has a 15-bed hospital, two clinics and several 'alternative' medical practitioners. Significantly, with an aging population, a recent study co-sponsored by the City and Copper Queen Hospital concluded there is a market for some type of Senior Citizen Assisted Living Facility.

Explore finance options for a Senior Citizen Assisted Living Facility

considering the City's market study revealed demand and need for such a facility in Bisbee. Generally when there is demand, supply will follow. The key is finding the capital to make it happen as soon as possible.



Strategies/Implementation Actions:

- Accelerate interest in developing and operating an assisted living facility by widely communicating and promoting the results of the Senior Citizen Assisted Living Facility Market Study.
- Approach existing assisted living facility franchise owners in Arizona and in other states and encourage them to review the study outcomes to assess interest of opening a facility in Bisbee.
- Consider SBA financing for an assisted living facility that is owner occupied/managed (developer financed is not eligible for SBA support).
- Explore options that can reduce the costs and improve the economics for a potential owner. A Government Property Lease Excise Tax (GPLET) is a redevelopment tool that could be a viable finance option. GPLETs allow a city to take over the rights to a piece of land and lease it back to the developer at a significantly reduced rate that replaces the normal property tax.
- Consider a tax exempt authority for the facility since it opens the door for different finance options.
- Explore the development of smaller, 10-bed assisted living facilities since they will be under thresholds for additional state healthcare requirements (Dr. Livingston will forward information regarding similar facilities that have been developed in Tombstone and Tucson).

Focus on the technology of healthcare by thinking long term and trying to stay ahead of the industry curve.



Strategies/Implementation Actions:

- Explore ways to capture the medical tourism and equipment supply market in Bisbee rather than across the Mexican border where people are purchasing higher technology, durable medical products like wheel chairs, walkers, and oxygen tanks.
- Pursue healthcare as an economic driver for Bisbee if it is part of the City's vision. Develop the healthcare culture with passion and energy.
- Ramp up the focus on Bisbee being a healthy eating/living and naturopathy center to dovetail with the City's trendsetting, resourceful atmosphere.





Question 5. Agriculture: Can Bisbee partner with private developers and/or the county at these two sites to attract hydroponic growers to the area and/or to expand existing truck farming? What steps need to be taken to cultivate this opportunity?

Sulphur Springs Valley's agricultural history and proximity to Bisbee invites further development of organic and sustainable farming. Bisbee owns 80 acres adjacent to the Airport that could provide an opportunity for extension of the Sulphur Springs farming businesses.

Focus on small plot and integrated farming

over largescale greenhouse production that requires very large facilities and huge capital and water investments. Integrated farming is based on sustainable, holistic (whole farm) approaches that increase crop productivity by integrating animal and produce resources (e.g. the waste of one is recycled as resource for another).

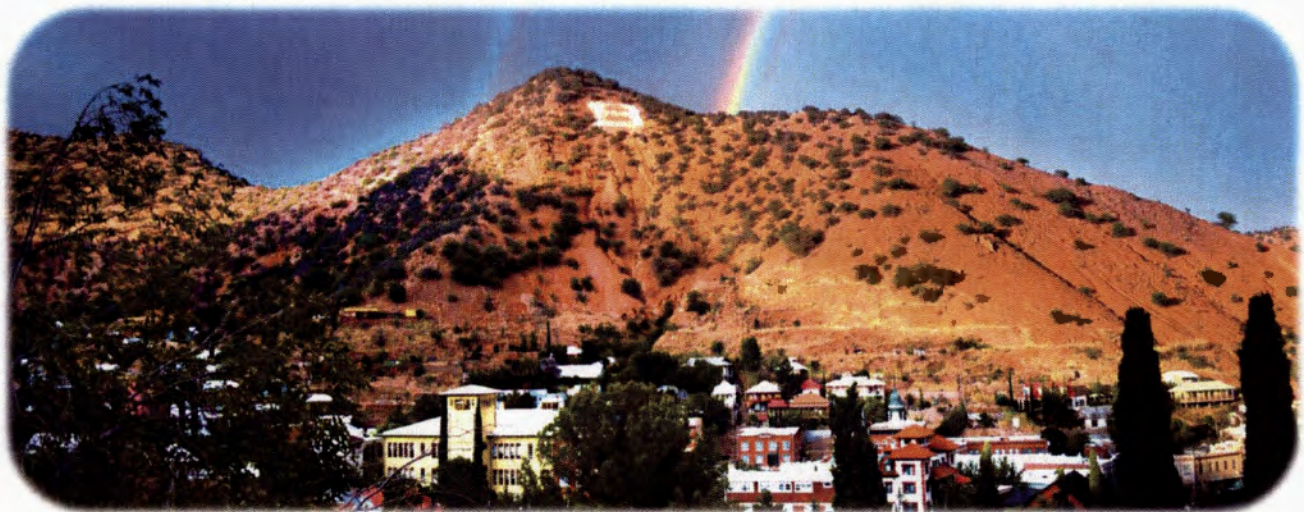


Strategies/Implementation Actions:

- Focus on small scale opportunities of 25 acres or less, such as producing free-range eggs or hogs that are in high demand presently.
- Evaluate contained farming opportunities for fish, lettuce, and mushrooms, but consider the heating needs in the winter and cooling in the summer. Mushrooms need dark places. Some basement facilities or dark mines could grow mushrooms or store artisan cheeses.
- Consider smaller greenhouses to set up aquaponics systems for a combination of fish and plant production using aquaculture and hydroponics.
- Focus on simpler, high value crops such as butter lettuce, herbs, and micronutrient herbs because it will be hard to compete with tomato production.
- Educate residents on the benefits of small scale farming as a side business to assist with job and income growth.
- Develop education materials, offer classes, and promote agri-tourism in Bisbee. For example, the Yuma Visitor's Bureau created its own model lettuce field for visitors to tour and experience because growers did not want people contaminating the fields. The tour has sold out every year

since it began 4 years ago. Also, recent cheese making classes at Café Roka sold out, so the restaurant is looking at offering more classes.

- Study rooftop opportunities for gardens because Bisbee has a number of flat roofs, but does not have a lot of empty land that does not already have higher use potential.
- Explore vermiculture opportunities. Vermiculture is the product or process of composting using various worms to create a mixture of decomposing vegetable or food waste.
- Explore incubator kitchens to tie whole health, food, agriculture, and education ideas with the “Maker Movement” concept (see *Opportunity 2: Industrial and Business Development*, pg. 18)
- Explore a 3-way partnership with the City, School District, and Freeport-McMoRan. Inquire whether Freeport-McMoRan has an empty warehouse space that could be used to implement classroom – greenhouse – kitchen ideas. The vacant middle school is also a viable location option.
- Develop a healthy food cooperative with the truck farmers in Sulphur Springs.



Going Forward: Top 5 Priorities: What are the top five steps that would have the potential to help Bisbee achieve long-term sustainable economic vitality, while maintaining its authentic, creative environment?

Focus on health and wellness as an economic driver by initiating organic, niche agriculture efforts, building a connected trail system, expanding rural healthcare opportunities, and weaving it together through concentrated tourism promotion and branding efforts.

Develop a cohesive, consistent brand and messaging campaign that heralds Bisbee's distinctive heritage and captures the welcoming feeling that the City exudes. Layer the most authentic, unique aspects of Bisbee, the ambience, the elevation, the climate, the international location, the intangible creative spirit, the “be yourself Bisbee” and connect it to other regional assets to attract residents and visitors (e.g. reconsider the regional passport idea to strengthen regional tourism and connectivity). In the spirit of trying new things, it will be important to preserve the historic character and rich heritage and maintain authenticity since it is “the secret sauce” making Bisbee so special today.

Create a culture of entrepreneurialism and “communiversity” supporting small business and niche operation development (e.g. craft, “maker” movement) and tailoring education and workforce development (e.g. JTED focus) to the needs of the community.

Hone in on a target demographic market and focus resident attraction and associated housing and economic development efforts. Consider targeting empty-nesters in the near term. Strive for the next level of attracting families by developing additional amenities and improving education. It will be important to aim for incremental growth and developing community capacity along the way for expanded growth.

Consider the vacant middle school for hydroponic agriculture and incubator space opportunities to transform an underutilized asset and repurpose it as an accelerator for start-up, small business, and workforce development opportunities. Renovating this blighted space into active commercial will send a message that Bisbee is open for business.

ULI AzTAP findings and ideas are strategic to help guide achievable next steps. Moving forward implementation, there will be a number of issues and opportunities that the City of Bisbee will experience and ULI Arizona remains a source for advice and local technical assistance resources.

Panelist Biographies



Christopher J. Cacheris, Vice President, Harvard Investments, Inc.

Christopher J. Cacheris joined Harvard Investments in 1995 and is responsible for the development of master planned communities in the Southwestern United States. Mr. Cacheris worked for 11 years in the real estate investment and development industry prior to joining Harvard Investments. He is a member of the Urban Land Institute and its Community Development Council. Mr. Cacheris is also a member of Lambda Alpha International, the honorary society for the advancement of Land Economics, the Men's Arts Council of the Phoenix Art Museum and the President's Club of the University of Arizona. Mr. Cacheris graduated from the University of Arizona with a Bachelor of Science in Business Administration and Southern Methodist University with a Master of Business Administration. He and his wife, Jan, have three children: C. J., Craig and Catherine.



Michael S. Hammond, SIOR, CRE, President and Managing Shareholder, Cushman & Wakefield | PICOR

Michael Hammond has been in commercial real estate since 1978 and is President, Founder and Managing Shareholder of Cushman & Wakefield | PICOR, Southern Arizona's leading independent commercial real estate brokerage and management firm. As a national trainer for many years for the Society of Industrial and Office Realtors (SIOR), he taught sales and marketing to incoming real estate professionals early in their careers. In 2002, with his background in industrial real estate and interest in regional economic development, he began focusing on the border region and, more specifically, the State of Sonora, Mexico. Cushman & Wakefield | PICOR subsequently incorporated in Mexico and has successfully expanded their services into Southern Arizona and Sonora, Mexico.

Michael has numerous professional local, regional, state, and national affiliations, some of which include Chair of the Business Development Finance Corporation and the Community Finance Corporation, Immediate Past Chair of the Southern Arizona Leadership Council, Member of the Board of Directors for Tucson Regional Economic Opportunities (TREC), Member of the Tucson Airport Authority, State Transportation Board Member, Past Vice-President and Current Member of Arizona Town Hall, Full Member of the Urban Land Institute, and Member and International Advisory Committee of the Society of Industrial and Office Realtors (SIOR). Michael received "Tucson Man of the Year" honors from Greater Tucson Leadership in 2013.



Susan Harden, AICP, Leed AP, CNU-A, CMSM, Senior Vice President | National Planning Practice Lead, Michael Baker International

Susan Harden is the National Planning Practice Lead for Michael Baker International, charged with expanding planning throughout the organization and ensuring quality, innovation, and sustainability are always at the forefront. For nearly twenty years, Susan has built her career around community-based planning and visioning. Her core service areas include public involvement, downtown and neighborhood revitalization, comprehensive land use planning, and active transportation planning. Susan also leads the public involvement and facilitation in the western U.S., providing outreach support on a myriad of complex planning, infrastructure development and engineering projects. As an educator, author, and presenter, Susan is committed to empowering communities to create positive and meaningful change.

Susan co-authored an APA Planners Advisory Service Report entitled *Placemaking On A Budget* and has presented at numerous conferences, including the American Planning Association National

Conference, National Town Meeting on Main Street, New Partners for Smart Growth, Neighborhoods USA, and Arizona Governor's Rural Development Conference. She was appointed to the California Planning Roundtable in 2012 and currently is the Secretary of the Board of Directors for Jamboree Housing, a nonprofit affordable housing developer in California.



Dr. Peter Livingston, PE, Associate Professor of Professional Practice, College of Agriculture and Life Sciences/Engineering, University of Arizona

Dr. Livingston, PE has over 30 years' experience, with expertise in the field of Agricultural Engineering, with an emphasis in farm planning and design. His design projects range from 25 acre plots of land used by Native Americans to produce sustainable animal and crops to large commercial agricultural enterprises.

Peter has experience in irrigation design; pipeline hydraulic modeling; controlled environment system design, water resources planning; wastewater planning, design, and permitting; water master plans; permitting, design, construction, and operation of recharge facilities; design and operation of water distribution systems; and constructed wetland design and permitting. His expertise also includes various aspects of natural resource planning, preparation of National Environmental Policy Act (NEPA) documents, environmental planning, environmental impact analysis, and loan and grant application preparation. Dr. Livingston, PE is a registered and practicing biosystems engineer at his small engineering company, Bosque Engineering, and is an Associate Professor of Professional Practice in the Department of Agricultural and Biosystems Engineering at the University of Arizona. His design projects range from 25 acre plots of land used by Native Americans to produce sustainable animal and crops to large commercial agricultural enterprises. He gives back to his profession by volunteering as an industrial advisor to Pima County Department of Environmental Quality; Arizona Section officer with the American Society of Agricultural and Biosystems Engineers, and as a program reviewer for ABET, the entity that accredits engineering programs around the country. He is also the current Governing Board President for the Tanque Verde Unified School District in Tucson.



Gary Molenda, President, Business Development Finance Corporation

Gary joined the nonprofit BDFC in 1987 as Development Group Manager and has served as President of BDFC since 1993. His line manager responsibilities include serving as Project Manager for community development clients and staff project manager/financial advisor for the City of Tucson Industrial Development Authority and nonprofit Community Finance Corporation.

Gary is a registered architect, and prior to joining BDFC, he worked for Tucson commercial real estate developer JNC Companies and the national architectural firm Anderson DeBartolo Pan, specializing in complex health care and high technology projects.

Two career milestones include: 1). Project management/development of over \$140 million of institutional projects on time and within budget for a wide range of public sector and nonprofit clients; and 2). Developed a business strategy and built a portfolio of over \$900 million in office and correctional facilities owned by the nonprofit Community Finance Corporation and leased to governmental entities utilizing tax-exempt bond financing.



Judie Scalise, Principal, ESI Corporation

Judie A. Scalise is Founder and Principal of ESI Corporation. She specializes in economic development and pre-development planning services to a clientele consisting of government agencies, corporations, private developers, and utility companies. Prior to forming ESI Corp in 1991, she held the management positions of Executive Director of the Phoenix Economic Growth Corporation, Vice President and Manager of the Industrial and Economic Development Department of Security Pacific Bank and Director of Business and International Trade for the Arizona Department of Commerce.

A pioneer of economic development analytics with 30 years of established market expertise, Judie has authored more than 500 plans and economic studies. She holds a Bachelor of Science Degree in Public Management and Policy from the University of Arizona, School of Government and Public Policy, and is a graduate of the Economic Development Institute at the University of Oklahoma. She has achieved the professional designation of Certified Economic Developer (CEcD). Her professional affiliations include International Economic Development Council (IEDC), Full Member Urban Land Institute (ULI), and the California Association for Local Economic Development (CALED).



Susan Sternitzke, Owner, Limelight Creative Group

Susan Sternitzke is co-owner of Limelight Creative Group based in Yuma. Susan is a member of the State of Arizona's Tourism Advisory Council. The Tourism Advisory Council is comprised of 15 members appointed by the governor for terms of five years. The council assists and advises the agency director in preparation of the budget and in establishment of policies and programs which promote and develop tourism for this state. She was the previous Executive Director for the Yuma Visitors Bureau and has been in the tourism industry for over 20 years. She has a B.S. degree from the University of Wisconsin- Stout. Limelight Creative Group specializes in tourism and agriculture related projects. They offer brand management; marketing and advertising services; public relations; videography; photography and website design www.limelightcreativegroup.com.



Michael Traylor, Director, Arizona Department of Housing

Michael Traylor was appointed by Governor Jan Brewer as the Director to the Arizona Department of Housing in May of 2009. Prior to his appointment he served as Principle and Urban Development Specialist with Vanguard City home of Scottsdale. In that role, he developed multiple residential and retail projects.

Michael also owned and managed MDT Holdings, served as the Arizona Division President of Centex Homes and owned and managed Gold Key Development Company. He is also a former President/Life Director of the Central Arizona Homebuilders Association, former Chairman of the Multi-Family Housing Council and a former member of the Governor's Growing Smarter Oversight Council.

In his six years as Director of the Arizona Department of Housing Michael has increased staff capacity and improved policies and procedures to replicate best practices. He has targeted department resources to assist the most vulnerable populations in the state with housing and community revitalization. He has joined other community leaders in ending homelessness and building more sustainable communities.

Appendix

❖ **Agenda of AzTAP Panel Session**

❖ **TAP Briefing Document (prepared by City of Bisbee-under separate cover)**



5090 North 40th Street
Suite 210
Phoenix, AZ 85018
www.arizona.uli.org

City of Bisbee AzTAP Panel Day Agenda

Tuesday, June 9, 2015
8:00am to 4:00pm
Bisbee City Council Chambers
118 Arizona St. Bisbee, AZ 85603

8:00am	Panelists Meet for Study Tour at Old Bisbee Post Office on Main Street
8:15am	Tour of Study Area by Bus
9:15am	Welcome and Overview of Issues Being Considered Jestin Johnson, Manager, City of Bisbee Stanley K. Stern, Chair, I-Bisbee Committee
9:30am	Panel Introduction and ULI AzTAP Process Review Judie Scalise, Principal, ESI Corporation, ULI AzTAP Panel Moderator
9:45am	Opportunity 1 - Tourism How can Bisbee leverage its assets and grow opportunities for increased tourism activity? What are the necessary steps to attract and retain the "creative class"?
10:30am	Opportunity 2 - Industrial and Business Development How can Bisbee leverage its proximity to Mexico, its Municipal Airport, and City-owned land to create an industrial corridor? What business and industry should be targeted? What commercial infill should be targeted?
11:15am	Opportunity 3 - Housing Are there ways to springboard housing development ahead of economic development? What are creative, alternative, infill housing opportunities? What steps can the City take to "prime the pump" for future housing development?
12:00pm	Lunch
1:00pm	Opportunity 4 - Healthcare How can the City attract an assisted-living facility developer/operator? What else needs to be done to address the long term health care needs of the City?
1:45pm	Opportunity 5 - Agriculture Are there opportunities for extension of the Sulphur Springs farming businesses to attract hydroponic growers to the area and/or expand existing truck farming?
2:30pm	Going Forward: Top 5 Priorities What are the top five steps that would have the potential to help Bisbee achieve long-term sustainable economic vitality, while maintaining its authentic, creative environment?
3:15pm	Public Comment / Questions
3:35pm	Closing Remarks
4:00pm	Adjourn



Thank you Union Pacific Building America Foundation Fund for underwriting costs of the Bisbee ULI AzTAP.

Printing provided courtesy of



ULI Arizona Technical Assistance Panel



**Urban Land
Institute**

Arizona
