



CHAPTER VII

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ECONOMIC POTENTIALS AND CONSTRAINTS

INTRODUCTION

This chapter provides a brief analysis of the CAAG District's regional economic development potentials and constraints, in an effort to identify area strengths and weaknesses which are necessary to successfully identify and formulate a comprehensive, regional economic development strategy. Economic development potentials can be identified as certain factors, which provide the CAAG District with positive advantages in attracting and sustaining economic development activities. Economic development constraints can be identified as those particular factors, which could possibly hinder further expansion of the regional economic base, and eventually lead to the decline of development activities and employment opportunities.

While it is acknowledged that individual communities may have specific needs which differ somewhat from the local needs that have been identified within other communities throughout the District, this particular chapter encompasses the specific community needs and concerns of all governmental entities within the CAAG District to form a regional construct in an effort to identify commonly shared economic development potentials and constraints.

Throughout Gila and Pinal Counties, the main issues which have been identified as District wide economic development potentials include the District's ability to capitalize on the North American Free Trade Agreement (NAFTA); proximity to natural resources; recreational advantages; an available labor force to meet industrial employment demand; quality of life; lower costs of land and housing; potential for industrial development; increased awareness of economic development efforts throughout Gila and Pinal Counties; centralized transportation networks which provide accessibility to the state's major metropolitan areas; quality two-year college educational facilities; available health facilities; capacity of regional utilities; and continuing increases in regional tourism. The major constraints which have commonly been identified by District communities include the lack of adequate infrastructure for development; the lack of capital investment; the lack of available private land for development; various regional environmental concerns; the lack of capital improvement planning conducted by communities; and the recent concerns addressing water rights and the proper usage of existing and available water resources.

The overall condition of the economy throughout the State of Arizona has remained favorable, as more people, businesses, and industries are relocating to the state as the result of desirable climatic conditions, and an increasingly favorable quality of life factor. Along with recent state trends, both Gila and Pinal Counties have also been able to capitalize on the quality of life factor in an effort to enhance economic opportunities. Recent efforts to increase economic development awareness, and to attract and retain business and industry throughout the District have escalated over the past ten years. Many communities and economic development organizations within Gila and Pinal Counties have initiated well-coordinated marketing efforts to attract industry into the region. The CAAG District contains lands, which are available for industrial development and maintains important basic market advantages, which are attractive incentives for the sustainment of economic development.

Such market advantages are identified in the following section as District wide economic development potentials.

REGIONAL ANALYSIS OF POTENTIALS

North American Free Trade Agreement with Mexico and Canada

In 1994, the United States Congress passed legislation supporting the implementation of the North American Free Trade Agreement (NAFTA) with Mexico and Canada. The major benefits of NAFTA include the elimination of trade and investment barriers between the United States, Mexico, and Canada. Since its inception, NAFTA has directly benefit the economy of Arizona by providing investment opportunities for businesses, industries, and financial corporations located within the state; by increasing the sale of products and services from the State of Arizona to the Nation of Mexico; by attracting Mexican businesses to invest in the state; expanding tourist opportunities for Mexican visitors; and by increasing investment into infrastructure projects in an effort to accommodate more efficient transportation routes, and transport-related facilities for the importation and exportation of services and goods.

As the result of many studies conducted by various state and federal agencies, it has been determined that the creation of a trading corridor should be established between the State of Arizona and the Nation of Mexico which places an emphasis upon the facilitation and free movement of people, goods, and services between the two nations. According to the findings and results of the 1993 *Arizona Summit on Free Trade*, the conceptual functioning of such a corridor would ultimately entail the implementation of a well-developed intermodal physical infrastructure which would include highways, rail, air and sea linkages, and ports of entry that provide efficient access to multiple markets; an established commercial infrastructure including distribution and warehousing operations, foreign trade zones, and a harmonized regulatory environment; a regionally integrated communications infrastructure; the provision of domestic and international business, professional, and academic expertise; and the development of cultural, social, governmental, environmental, educational, and business linkages throughout the trade corridor.

Although the NAFTA process has impacted transportation-related infrastructure, activities, and various ports of entry for the counties within the State of Arizona that share a common boundary with the Nation of Mexico, the CAAG District is also in a position to directly capitalize from the NAFTA process. The CAAG District offers a homogeneous labor force with direct cultural ties to the Nation of Mexico, and could economically benefit from the agreement by supporting the construction and implementation of basic transport-related services and distribution centers along the 8 and 10 interstate highway corridors, to facilitate the increasing levels of highway transportation expected to result from the signing of the NAFTA legislation. Major transcontinental rails hauling heavy volumes of freight also parallel these highway corridors, and could be utilized to construct distribution centers for agricultural products, and various other goods and services. Since the initial passing of NAFTA, the CAAG District has already experienced increased exports in cattle, cotton, and lumber products to Mexico. In addition, the CAAG District could benefit from NAFTA by the creation of a foreign free trade zone within Pinal County, and through increased recruitment of Canadian and Mexican businesses to locate activities within Gila and Pinal Counties.

CANAMEX Corridor

In 1995, the U.S. Congress defined the CANAMEX Trade Corridor in the National Highway Systems Designation Act as a High Priority Corridor. CANAMEX Trade Corridor plans to define a trade corridor through Arizona, Nevada, Utah, Idaho, and Montana in the United States; the Mexican states of Sonora, Sinaloa, Nayarit, Jalisco, Guanajuato, Queretero, Estado de Mexico, and the Federal district; and the Canadian Province of Alberta. In Arizona, this corridor includes I-19 from Nogales to Tucson, I-10 from Tucson to Phoenix, and U.S. Routes 60 and 93 from the Phoenix area to Nevada. A portion of the Tucson-to-Phoenix I-10 segment traverses a portion of the CAAG District, specifically west-central Pinal County. Map 17 illustrates the CANAMEX Corridor.

The five U.S. states listed recently joined in a cooperative project to develop a Corridor plan in order to stimulate investment and economic growth in the region traversed by the Corridor. CANAMEX development is expected to affect areas of these states well beyond the physical route or specific highway.

It was realized that a designated transportation corridor running from Mexico through the United States to Canada would have impacts beyond traditional transportation of freight. A high-profile linkage route of this magnitude would also benefit the tourist industry and, as such, aid in the economic development of the CANAMEX region. For this reason, an initiative entitled "Smart Tourist Corridor" was included in the plan (the plan contains a total of five initiatives).

Proximity to Resources

The CAAG District has traditionally been one of the leading mining regions within the State of Arizona, and maintains its competitive edge in the world marketplace for the production of copper. The southern region of Gila County and the eastern region of Pinal County are highly mineralized, and contain the majority of the District's mining operations. The most frequently extracted minerals within the District are copper, manganese, silver, gold, and tungsten. Other frequently extracted minerals include asbestos, zinc, iron, uranium, and molybdenum. Due to the fact that several of the major mineral producers maintain substantial underground reserves, the mining industry within these particular regions of the CAAG District is expected to continue its presence in the future.

Within northern Gila County, forestry has traditionally been a major component of the regional economic base, and with proper land management, is expected to remain an important industry in the future. The region immediately surrounding the Towns of Payson and Star Valley contains thousands of acres of mature timber that is situated upon private lands, and upon areas, which are under jurisdiction of the U.S. Forest Service.

Within central Pinal County, agricultural production is expected to remain an important part of the county's economy, and contains sufficient underground water preserves and rich soils that are suitable for the growth and production of various cash crops. Although sufficient groundwater preserves are available to area farmers, more of an emphasis has been placed upon CAP (Central Arizona Project) water allotments in an effort to avoid further depletion of the regional water table.

Recreational Advantages

The CAAG District is comprised of extremely diversified topographical features, which range from the Sonoran Desert lowlands of southern Pinal County, to the northern coniferous forests located in northern Gila County. The CAAG District contains portions of the Coronado and Tonto National Forests, six regional lakes, various wilderness areas, and contains many natural scenic and historical attractions throughout both Gila and Pinal Counties. The majority of land within Gila County is under the direct jurisdiction of the U.S. Forest Service, and has been preserved in its natural beauty. The northern Gila County region contains the Mogollon Rim, which is a 7,000-foot-high natural escarpment stretching across the northern perimeter of the county, and functions as one of the state's major recreational areas. The southern Gila County region contains Roosevelt and San Carlos Lakes, which are also very popular recreational areas easily accessible to the majority of the state's population.

Within Pinal County, approximately 54 percent of all land is under the direct jurisdiction of the state and federal governments, and has been preserved in its natural state. Pinal County contains the Table Top, White Canyon, and Aravaipa Canyon Wilderness Areas, several lakes and scenic riparian areas, portions of the Coronado and Tonto National Forests, scenic mountain routes, and also offers numerous sites which are located on the National Register of Historic Places. Due to the region's natural aesthetic beauty, favorable climate, protected conservation areas, and abundance of recreational opportunities, both Gila and Pinal Counties have continued to attract increasing numbers of visitors, which has tremendously enhanced the economic base of the tourism industry.

Labor Force

Both Gila and Pinal Counties contain a large percentage of their populations within the primary work force category, which ranges from 20 to 54 years of age. The primary work force category reflects an accurate depiction of the number of people, which actually comprise a large percentage of the District's available work force. According to 2000 U.S. Census Bureau statistics, 40.1 percent of Gila County's 51,335 people were within the 20 to 54 age category; whereas 45.3 percent of Pinal County's 179,727 people were within this particular age group.

Within Pinal County, the total civilian labor force increased from 44,401 in 1990, to approximately 59,425 people in 2000, which represents a total increase of 33.8 percent in available labor. Within Gila County, the total civilian labor force declined from 15,179 in 1990, to approximately 17,175 people in 2000, which represents a total increase of approximately 13.1 percent. Between the years of 1997 and 2000, both Gila and Pinal Counties have shown a slight decrease in the total available civilian labor force. However, the decrease is primarily due to the increasing numbers of the retired population residing throughout the counties. With the majority of the working population being comprised of individuals between the ages of 19 and 54, the CAAG District has an abundant supply of labor to sufficiently meet immediate and long-range labor demands.

Quality of Life

Residents of Gila and Pinal Counties enjoy a favorable quality of life factor, which is characterized by extremely desirable weather conditions, vast open spaces, and a clean environment. The warmer climates of central Arizona allow for continual outdoor recreational opportunities, such as boating, camping, fishing, hiking, hunting, mountain climbing, sight seeing, and various other warm weather activities. With the majority of land holdings under governmental jurisdiction, Gila and Pinal Counties

have maintained their natural rural character, and have not experienced many adverse development conditions, which are generally associated with larger urbanized areas. With the exception of several isolated pockets of air quality nonattainment areas, the CAAG District maintains high air quality standards, and contains a relatively clean environment.

Lower Costs of Land and Housing

Due to the rural character of Gila and Pinal Counties, the costs of land and residential properties have been lower in comparison to urbanized areas throughout the state. In addition to the quality of life factor, the relatively inexpensive cost of land and residential properties throughout the District are a positive incentive for the relocation of business and industry into the region. Several communities and economic development organizations throughout the District have been able to effectively market the concept of inexpensive, rural land for commercial and industrial development, which has resulted in numerous business relocations into the region. These particular factors have also been a strong influence in the attraction of retirement-aged individuals who are seeking a better life in a Sun Belt environment. The communities of Apache Junction and Payson have been very successful in the attraction of full and part-time retirement residents, which are steadily becoming a viable component of the regional economy.

Industrial Development

Industrial development within the CAAG District is an essential element in sustaining continued economic growth and development in communities throughout Gila and Pinal Counties. The CAAG District contains several positive factors, which would provide a suitable environment for the fostering and sustainment of industrial development at the local and regional levels. Such factors include the CAAG District's sunbelt location, and its geographic proximity to the larger metropolitan markets of Phoenix and Tucson; an available labor pool to accommodate future industrial employment demands; an increasing population; accessible and centralized transportation networks for the import and export of products; and a favorable quality of life.

In an effort to improve, expand, and diversify the existing industrial base at the local and regional levels, economic development organizations have actively engaged in aggressive business and industrial attraction activities designed to locate new businesses into the region. The primary focus of these particular marketing efforts include the identification and recruitment of desirable target industries, which will ultimately benefit the local or regional economy by creating high quality jobs, and by diversifying the local economic base. In order to attract business and industry into the District, it will become necessary to provide quality infrastructure to accommodate future development at both the community and regional levels.

Increased Awareness of Economic Development Efforts

As discussed in Chapter III, more citizens, business people, administrators, and elected officials have become increasingly aware of the importance in pursuing well-coordinated and strategic economic development planning in an effort to enhance local and regional initiatives that develop stable and diversified economies; create quality employment opportunities; and improve the overall quality of life.

The CAAG District presently contains many local and regional departments and economic development organizations that have successfully implemented business retention, expansion, and attraction programs in an effort to stimulate local and regional economies. Communities such as Casa Grande, Coolidge, Eloy, Florence, Globe, Miami, and Payson have benefited immensely through such initiatives, and are also taking the opportunity to coordinate efforts with county, state, and federal agencies to strengthen economic development activities. The continued cooperation and coordination among various communities and governmental entities to develop, and further improve upon existing comprehensive efforts to enhance economic development remains a District potential which will ultimately lead to creating quality jobs, strengthening the economic base, and improving the quality of life for residents of Gila and Pinal Counties.

Transportation Networks

The CAAG District contains a regional transportation highway network, which provides sufficient linkage to the incorporated communities of Gila and Pinal Counties, and accommodates regional travel in between the major metropolitan areas of Phoenix and Tucson. According to the Arizona Department of Transportation, the CAAG District contains a total of 5,563 miles of roadway, including 94 miles of interstate highway. The major regional highways throughout the CAAG District include interstate highways 8 and 10, which provide strategic linkages between the metropolitan areas of Phoenix and Tucson, and the state of California; United States Highway 60, which links the central region of the CAAG District into metropolitan Phoenix; State Route 87, which links northern Gila County with metropolitan Phoenix; State Routes 77 and 79, which link US 60 to metropolitan Tucson; and State Routes 88 and 188, which link US 60 with State Route 87. Other connecting highway routes of inter-regional importance have been identified in Chapter IV.

According to the latest available data from the Arizona Department of Transportation, the overall status of the District's regional highway network ranges in between fair to good condition. The widening and expansion of US 60 from central Phoenix to the City of Apache Junction has increased commuter, vehicular, and heavy truck traffic throughout northern Pinal and southern Gila Counties. This recent expansion has allowed for increased residential and commercial development around the Apache Junction area, and has benefited the local economies of Superior, Miami, and Globe, which are all located upon the US 60 transportation corridor. In addition, the recent widening of State Route 87 to four lanes in between Metropolitan Phoenix and the Town of Payson is expected to result in higher volumes of heavy truck traffic, which will have a positive impact upon the economy of northern Gila County.

In order to allow for increases in heavy truck travel, it is necessary to maintain and improve the regional road segments, which are of primary importance in facilitating the transportation of products. Aside from the expansions of SR 87 and US 60, interstate highways 8 and 10 are of major economic significance to the District, and accommodate heavy volumes of traffic on a daily basis. With the inception of the North American Free Trade Agreement, these particular highway corridors are an important component in the national and sub-regional network of roadways connecting cities throughout the western United States and Canada with the Nation of Mexico.

There are presently four railroad companies that are operating branch railway lines within the District, and consist of the San Manuel-Arizona Railroad; Copper Basin Railway Company; Union Pacific Railway; and the Arizona Eastern Railway. The majority of existing lines within Gila and Pinal Counties are primarily utilized for freight shipments and activities associated with regional mining operations. Amtrak passenger rail service is also available to residents of Pinal County, and presently operates upon the Union Pacific railway, which connects the metropolitan areas of Phoenix and Tucson.

As identified in Chapter IV, the CAAG District also maintains a sufficient rural airport network. Within Gila County, the Town of Payson and the Globe-San Carlos Airports are the primary airports within the county; whereas the Casa Grande Municipal, Coolidge Municipal, Eloy Municipal, Estrella Sailport, Kearny Municipal, and the Pinal Airpark are the primary airports within Pinal County. Several communities throughout the District have identified needs for extended cargo and commercial air service, and the possible expansion of existing runways and airport facilities. A recent Governor's study has identified the north central region of Pinal County as a possible location for a major regional airport, which would alleviate air traffic congestion at the Phoenix Sky Harbor International Airport. Such an investment would have a tremendous impact upon the economy of Pinal County.

College Educational Facilities

The CAAG District contains several college campus extensions located throughout Gila and Pinal Counties. The Central Arizona College operates its central campus at Signal Peak, located between the cities of Coolidge and Casa Grande, and offers courses at the Araivaipa Campus located south of the Town of Winkelman; the Superstition Mountain Campus located in the City of Apache Junction; and the Arizona State Prison Campus, which is located in the Town of Florence. The main campus for Eastern Arizona College is in the Town of Thatcher, which is located outside of the CAAG District in adjacent Graham County. However, Eastern Arizona College offers courses at the Gila Pueblo Campus, which is located in the City of Globe, and also offers course work at additional satellite campuses located in the communities of Hayden/Winkelman, Payson, and San Carlos.

The Central Arizona College (CAC) and the Eastern Arizona College (EAC) are both two-year community colleges, which offer Associate Degree programs. CAC offers an Associates of Art Degree, an Associates in Applied Science Degree, and an Associate in General Studies Degree; whereas the Eastern Arizona College offers an Associates of Art Degree, and an Associate in Applied Science Degree. The Northern Arizona University (NAU), located in the City of Flagstaff, Arizona, offers various junior and senior level courses, in addition to Bachelors and Masters degrees, primarily in the field of education, at the Central Arizona College. Also, the University of Phoenix periodically offers courses at various locations throughout Pinal County, which are transferable toward a degree at the University of Phoenix.

In addition to the Central and Eastern Arizona College degree programs, Bachelor, Master, and Doctoral Degree programs are available through the University of Arizona, located in the City of Tucson; Arizona State University, located in the City of Tempe; and Northern Arizona University, which is located in the City of Flagstaff.

Although the present community college system within the CAAG District offers a very solid education to residents of both Gila and Pinal Counties, the implementation of a four-year degree program culminating in a Bachelors Degree is a desirable goal, which would tremendously enhance future educational opportunities for residents of Gila and Pinal Counties.

Health Facilities

There are currently three hospitals located within the CAAG District, which provide quality regional health service to residents of Gila and Pinal Counties. The Payson Regional Medical Center is available to residents of northern Gila County, which is located in the Town of Payson, and the southern region of the county contains the Cobre Valley Community Hospital, which is located in the City of Globe. Both facilities are located within service areas that are immediately available to the majority of the county's population base. Within Pinal County, the Casa Grande Regional Medical Center, located in the City of Casa Grande, is both centrally located and readily accessible to the majority of the County's population base within a relatively short period of time.

Most of the populated areas within both Gila and Pinal Counties offer some form of available health care facility or adequate medical provision. However, with expected future population growth, and the increasing numbers of seasonal tourists to central Arizona, it is anticipated that the need for medical services will continue to rise. Although medical facilities are presently available to residents of various communities located within both Gila and Pinal Counties, there is warranted concern over the lack of diagnostic/specialist services, and of available doctors currently practicing within the District. In addition, the communities located within the region of southern Gila and eastern Pinal Counties presently lack medical clinics, which offer extended patient hours, and do not contain facilities, which are considered adequate for the treatment of medical emergencies.

Capacity of Supporting Regional Utilities

According to information provided by the Arizona Corporation Commission, as of 1999 the CAAG District was serviced by 44 water companies; 12 municipal wastewater treatment facilities; 16 privately owned and operated wastewater treatment facilities; 3 telephone companies; 3 gas companies; and 7 electric companies. The capacity for expansion of water, gas, electric, and telephone service in the many of the District's incorporated communities is considered favorable.

Increases in Regional Tourism

The tourism industry within the CAAG District has become increasingly stable over the past several decades, and is presently a very important aspect of the regional economy. Due to the region's aesthetic beauty and number of recreational opportunities and attractions, the number of annual visitors passing through, or directly visiting destinations within Gila and Pinal Counties has diversified employment opportunities within the tourism sector.

Realizing the tremendous impact that tourism has had upon the State of Arizona's economy, the Governor's Strategic Plan for Economic Development (GSPED) has identified the Tourism and Experience economic cluster as a major industrial sector of Arizona's economy. The Tourism and Experience industries include hotel and motel lodging places; urban and rural bed and breakfast

establishments; amusement and recreation services; eating and drinking establishments; auto rental and leasing; and motion pictures. The GSPED process has placed an emphasis upon moving the state's Tourism and Experience cluster toward higher value-added experiences for domestic as well as international visitors by developing a strategy to connect existing companies, resources, and attractions throughout the state; by initiating a regional marketing process to target domestic and international travelers; and by starting up specialty businesses that provide specific services to domestic and international visitors.

In 1994, the Pinal County Arizona Strategic Planning Process for Economic Development (PCASPPED) addressed the Tourism and Experience cluster by conducting a workshop on regional tourism within the county, which was represented by a cross-section of area administrators, elected officials, business people, and tourism professionals. This particular meeting resulted in the formation of the Pinal County Tourism Council, which is a countywide committee comprised of individuals that are committed to advancing the tourism and experience industries within Pinal County. Aside from the formation of this committee, there has been an increased amount of cooperation among various Chambers of Commerce located in communities throughout both Gila and Pinal Counties over the past several years.

The tourism industry within the CAAG District is expected to play a significant economic role at the local and regional levels by increasing community revenue, and by creating employment opportunities. Continued cooperation and coordination among professionals within this particular sector will continue to strengthen the economic base of the region by promoting the recreational opportunities and attractions that Gila and Pinal Counties have to offer.

2002 Regional Tourism Marketing Strategy

Realizing that the most efficient method to further the development of the region's tourism potential is grounded in cooperation among agencies, a grant application was submitted to the United States Department of Commerce, Economic Development Administration (EDA) in 2001, requesting funds for the purpose of developing a *Regional Tourism Marketing Strategy Plan* for Gila and Pinal Counties. The plan documents the district's natural and historic resources, special events and festivals, as well as existing tourist-support facilities, and infrastructure. Existing strengths and weaknesses within the regional tourism industry are also discussed and were important in the formulation of the final strategy. Additionally, this strategy identifies general resource requirements, current marketing strategies, and the responsible parties whose actions are, ultimately, of paramount importance to the success to the plan.

The eventual strategy was developed from input obtained from a series of meetings of the Comprehensive Economic Development Strategy Committee's Tourism Subcommittee. In addition, numerous individuals reviewed various portions of the draft plan and provided input. This input, combined with existing tourism data, was used as the basis for the development of the strategy.

It is the intention of the subcommittee to execute a complete update of the strategy every five years. The five-year updates should be based on new market information, changing attitudes of the district's residents, and evaluations of tourists' experiences. The Regional Strategy is intended to be dynamic as there is no way to address tourism issues that may arise in the future.

Regional Tourism Goals and Objectives

The goals and objectives, which constitute the strategy of the CAAG District's *Regional Tourism Marketing Strategy* are outlined below.

GOAL 1: ENHANCE LEADERSHIP CAPACITY TO SUPPORT TOURISM

OBJECTIVES:

1. Develop a regional network of individuals and organizations to coordinate, organize collaborative efforts, share information, and provide technical support to partners.
2. Increase the level of expertise among the district's tourism professionals. This includes various aspects of tourism and should not be restricted solely to marketing.
3. Develop regional partnerships to ensure coordinated efforts in order to maximize the use of personnel and to support eco- and heritage-based tourism.

GOAL 2: DEVELOP THE ECONOMIC POTENTIAL OF TOURISM IN THE CAAG DISTRICT

OBJECTIVES:

1. Establish regional themes emphasizing heritage tourism (e.g.: Museums, Military History, Transportation, the Old West, etc.) and eco-tourism (e.g.: Bird Watching, Hiking, Geologic History, etc.).
2. Capitalize on the district's scenic resources afforded by the mix of natural landscapes from desert to the high country.
3. Link multiple attractions as a strategy to emphasize the district as a destination for tourists.

GOAL 3: PROTECT AND MANAGE THE DISTRICT'S HERITAGE AND NATURAL ASSETS IN ORDER TO ENHANCE AND SUPPORT TOURISM

OBJECTIVES:

1. Encourage protection of the environment and ecosystems necessary to maintain the quality of the district's tourism assets.
2. Promote investment in the protection of natural, historical, and cultural features.

GOAL 4: ENCOURAGE THE CREATION AND MAINTENANCE OF QUALITY TOURISM PRODUCTS AND SERVICES

OBJECTIVES:

1. Increase the range and quality of tourism opportunities throughout the district.
2. Increase (or decrease) as appropriate, the levels of use of existing tourist attractions to ensure quality and the potential to market them over time.
3. Strengthen the capacity of the CAAG District's employers to create jobs and compete by enhancing the quality of tourism products and services offered.

GOAL 5: IMPROVE PHYSICAL INFRASTRUCTURE TO SUPPORT TOURISM

OBJECTIVES:

1. Encourage the improvement of transportation facilities and services throughout the district.
2. Encourage transportation authorities to initiate programs that will assist the development and enhancement of tourism opportunities.
3. Improve transportation linkages (e.g.: roads, paths, trails, or services such as shuttles, guided trips, etc.) between regional tourism destinations.
4. Determine which transportation systems should be developed based on tourism experiences.

CANAMEX Tourist Element

The plan states that the national parks, national recreation areas, and state parks in the CANAMEX region form “an obvious critical mass of well-established attractions.” A reduction of barriers to international travel in conjunction with regional population increases has created a growing demand for tourism products. As a result of this increased demand, CANAMEX states have the opportunity to develop new tourism themes and products. The Smart Tourist Corridor Initiative contains five elements:

- The use of Intelligent Transportation System (ITS) technology and investment to enhance the safety and quality of the tourist experience.

- Outreach to local tourism and economic development officials to integrate local products into regional marketing programs.
- The development of a new branding concept.
- The development of new tourism products in support of the branding concept.
- The cooperative marketing campaign in part based upon those products and the concept.

Authors of the plan estimate that the tourism initiative will create approximately 113,000 new jobs in the CANAMEX states by 2030. It is estimated that Arizona alone would see around 27,000 of these new employment opportunities.

The Smart Tourist Corridor Initiative calls for the improvement of facilities, marketing, and telecommunications for travelers. It is predicted that Corridor use by tourists would then increase resulting in a positive economic impact to the district. While these types of improvements would not generally impact the environment, the construction of new cell towers might be controversial in some areas due to potential negative visual effects.

The CANAMEX plan addresses tourism as an important element of rural economic development and points out that policy-makers at both the state and national levels are concerned that rural areas have not benefited from new technologies that have contributed to the accelerated pace of economic change to the extent that the more urban areas have. This concern exists for all five of the CANAMEX states. Many community economies in these states (and specifically, the CAAG District) have been largely dependent on mining and agriculture. Several of CAAG's communities that have historically depended on mining are now struggling as the mining sector curtails or closes operations. Opportunities to offset troubled economies may exist by providing linkages to the CANAMEX Corridor. Strategies to bring about a change in the economies of these communities through tourism include:

- The CANAMEX Corridor has numerous additional natural and historic assets that can be developed into new and more exciting tourism products.
- The five-state Corridor provides an opportunity for branding and cooperative marketing.
- The tourism industry within this region benefits from increased use of information technology.

The plan states that the theme "History of the American West" has potential to garner even more international appeal than it currently experiences. The CAAG District itself is rich in western lore and contains numerous sites and buildings associated with this historic period. Though other areas in the state, such as Tombstone, have capitalized on this theme, most communities in Gila and Pinal Counties could go much further in capturing a portion of this market. The CANAMEX Plan goes on to state that:

"All five states, could cooperate in a new marketing campaign. The domestic marketing strategy could be directed at the numerous historical societies and organizations to promote off-peak season travel. The foreign marketing campaign could take advantage of the romantic images of the American West conveyed by landscape painters and generations of Hollywood movies."

Recommendations for improvements to the “Smart Tourist Corridor” include the following:

- Development of state-of-the-art rest stops.
- Rest stop amenities should include access to traveler information services such as tourist attractions (hours, locations, and reservation information), border crossing (hours, required documents), hospitality services (choices and locations), and hunting and fishing licenses.
- The development of enhanced emergency response infrastructure—universal wireless coverage, a single emergency number for the CANAMEX Corridor, emergency phones, and a network of service patrols.
- The elimination of “dead spots” for cellular coverage.

Once operational, the “Smart Tourist System” will provide both personal and commercial travelers with static and real-time traveler information. This information will be made available via web site, kiosks at major rest stops, and en-route via Variable Message Signs (VMS) and Highway Advisory Radio (HAR). The system would be designed to also provide an open inter-face to private sector service providers in support of in-vehicle wireless Internet services.

POTENTIAL FOR ECONOMIC DEVELOPMENT WITHIN SPECIFIC INDUSTRIAL SECTORS

The majority of people within the CAAG District are employed within the governmental, wholesale and retail trade, mining, manufacturing, and service-related employment sectors. As of 2000, approximately 87.1 percent of the total civilian, nonagricultural labor force within Gila County was employed within the five sectors mentioned above; whereas approximately 91.5 percent of the total civilian, nonagricultural labor force within Pinal County was employed within these particular employment sectors. The following information provides a brief analysis of total employment within each employment area, and provides information pertaining to employment trends for each sector, and the potential impact, if any that each sector is expected to have on the economy of Gila and Pinal Counties. When referencing figures directly related to the total civilian labor force, it is important to note that the composite percentages are exclusive of agricultural employment data.

Within Gila County, the transportation, communication, and public utilities; construction; and finance, insurance, and real estate employment sectors, represented approximately 12.8 percent of the county's total civilian, nonagricultural labor force in 2000. Within Pinal County, these particular employment sectors represented approximately 8.4 percent of the county's total civilian, nonagricultural labor force in 2000. Although the transportation, communication, and public utility; and the finance, insurance, and real estate sectors have experienced slight declines in both counties over the period from 1990 to 2000, the outlook for these particular sectors is anticipated to remain relatively stable over the next ten years. The construction sector experienced an increase in total overall employment as the result of recent residential expansion, and nonresidential construction activity that is anticipated to occur over the next several decades within both Gila and Pinal Counties.

Manufacturing

At present, the majority of municipalities throughout both Gila and Pinal Counties contain community lands that are available for industrial usage; and have become increasingly aware of the importance of promoting industrial lands in an effort to capitalize upon local employment opportunities, and enhancing the local tax base. Manufacturing activities in Gila and Pinal Counties have traditionally been an important element of the overall regional economy, and the potential for the increased number of manufacturers and manufacturing-related employment within the CAAG District remains favorable. In 2000, approximately 8.6 percent of the total civilian labor force within Pinal County was employed within the manufacturing sector; whereas 7.5 percent of the Gila County labor force was employed within manufacturing.

Over the decade of the 1980's, the total number of people employed within the manufacturing sector in Pinal County increased by 35 percent. Although, during the years of 1990 to 2000, manufacturing employment within Pinal County has decreased at a rate of approximately 6.6 percent. Recent trends in manufacturing employment within Pinal County indicate that the sector is stable, and projections indicate that manufacturing activity and employment opportunities are expected to increase over the next several decades.

The manufacturing sector within Gila County has experienced a 25 percent decline over the decade of the 1980's. Statistical data from the Arizona Department of Economic Security, Research Administration, also displays a 24.5 percent decrease in manufacturing employment over the period of 1990 to 2000. Over the decade of the 1980's, the communities of Globe and Miami, located in southern Gila County, experienced serious declines in manufacturing; whereas the Town of Payson experienced a 263.2 percent increase in manufacturing employment growth. As of 1990, 25 percent of all individuals actively employed within the manufacturing sector were employed within the Town of Payson, and 11.1 percent of those employed in the manufacturing sector within Gila County were employed in the Communities of Globe and Miami. This trend in declining manufacturing employment is expected to stabilize throughout Gila County. Recent activities undertaken by communities located in southern Gila County to initiate economic development opportunities through industrial expansion and business attraction efforts has already begun to take effect.

The CAAG District presently maintains an available labor force, a centralized and accessible transportation network, and lower costs of buildings and land, which are all necessary attributes to meeting the needs and demands of prospective manufacturers interested in locating within the District. In an effort to accommodate new forms of industry and business, it will become necessary for communities to focus upon constructing and maintaining desirable infrastructure to foster and sustain industrial development.

Government

Governmental employment within Gila and Pinal Counties represents a major component of the overall regional economy. In 2000, approximately 37.9 percent of the total civilian labor force within Pinal County was actively employed within the governmental sector; whereas 33.2 percent of the total civilian labor force within Gila County was employed within the governmental employment

sector. Federal, state, county, and local government employment is expected to remain the predominant form of available employment opportunity for most residents in the District throughout the decade of the 1990's. Aside from County and local governments, the majority of employment within Gila County occurs within various state and federal agencies. Within Pinal County, the largest government employer is the Arizona Department of Corrections, which operates a maximum security state prison complex located within the Town of Florence.

Wholesale and Retail Trade

Over the decade of the 1990's, employment within the wholesale and retail trade sector within Gila County experienced a 31.6 percent increase; whereas wholesale and retail trade employment within Pinal County experienced an overall increase of 31.4 percent. As of 2000, approximately 23.3 percent of the total civilian labor force was employed within trade-related activities in Gila County; whereas 21.0 percent of the Pinal County labor force was employed within this particular sector.

The wholesale and retail trade sector is expected to remain stable within both Gila and Pinal Counties throughout the next decade. With the recent rise in tourism-related activities throughout Gila County, along with recent commercial developments along the US 60 corridor in southern Gila County, and in the Town of Payson, the retail trade sector is expected to display moderate increases. Within Pinal County, the recent surge in commercial activity within the Cities of Apache Junction and Casa Grande, along with the development of major retail outlet malls in the Greater Casa Grande Valley, is expected to generate increasing employment opportunities within the retail trade sector in the future.

Projected increases in industrial and manufacturing activity are expected to occur within the CAAG District over the next decade, as the direct result of aggressive business expansion and attraction programs currently being conducted by various economic development organizations and community-based initiatives. Such activity has the potential to benefit the wholesale trade sector through the construction of warehouse facilities, which would be needed to accommodate relocating business and industry into the CAAG District.

Mining

Despite substantial employment reductions over the decade of the 1980's, business cycle fluctuations, and global downturns in the copper industry, the mining industry within the CAAG District remains a vital natural resource asset, which tremendously enhances the overall economic base of the region. Over the decade of the 1990's, mining employment within Gila County decreased by a total amount of approximately 45.0 percent. Within Pinal County, employment in the mining sector decreased by approximately 66.6 percent during the period from 1990 to 2000.

As of 2000, 4.9 percent of the total civilian labor force within Gila County was actively employed in the mining industry; whereas approximately 3.6 percent of the total civilian labor force within Pinal County was employed in the mining sector of the economy. The mining industry is expected to remain stable in terms of immediate, short term employment projections. However, long term employment over the next several decades is dependant upon existing underground ore deposits. In addition,

new technologies in ore extraction may eliminate the need for various positions, which were once necessary to facilitate mining operations.

Due to the high price of copper, activity within the mining industry is again experiencing an increase. Major exploration and construction is occurring in Superior as well as the Globe-Miami area. An influx of workers, primarily associated with the construction trades, has caused a housing shortage in those areas. Additionally, increased mining activities outside of the District have compounded the housing shortage as workers who are unable to find housing near their employment are commuting from the CAAG District to their jobs in neighboring counties.

Services

From the period of 1990 to 2000, the number of people employed in the service sector has increased by substantial levels within both Gila and Pinal Counties, and is projected to increase at rates that will possibly parallel all other growing employment sectors over the next two decades. As of 2000, approximately 18.1 percent of the total civilian labor force was employed within the service sector in Gila County; whereas 20.2 percent of the Pinal County labor force was engaged in service-related employment.

The increases in service-related employment within the District can in part be attributed to the tourism industry, which has experienced a significant resurgence throughout the State of Arizona. Basic services often associated with tourism and hospitality related activities include hotels, motels, clubs, restaurants, and additional establishments designed to facilitate visitors. The remaining increases can be directly attributed to the rising number of business services, which have opened or expanded operations in various communities throughout the District.

REGIONAL ANALYSIS OF ECONOMIC CONSTRAINTS

Lack of Adequate Infrastructure for Development

The lack of appropriate community infrastructure, and utility linkages to industrial and commercially zoned properties for industrial park utilization is a concern facing many of the CAAG District's 14 incorporated communities. The construction and maintenance of adequate infrastructure is a vital element in the attraction and retention of business and industry, and is an essential component in fostering and sustaining long-term community growth and economic opportunity. Infrastructure basically refers to the necessary public works installations and facilities on which the economic development and growth of a region or community depend. Such installations and facilities are inclusive of local streets, bridges, roads and highways; community water systems; wastewater treatment facilities; drainage and flood control facilities; local and regional airports; public buildings

and facilities, such as municipal office structures, police and fire stations, schools, and community libraries; and public facilities.

Within the CAAG District, the maintenance, or potential construction of new roads, water facilities, wastewater treatment facilities, public facilities and buildings, and public utilities are the major concerns of the local communities. The capability for industrial expansion in many of the incorporated communities throughout Gila and Pinal Counties is severely limited. The majority of communities simply lack adequate funds to construct or extend the necessary utilities to industrial parks or community lands, which have been zoned, or exclusively set aside for the purposes of commercial and industrial development. In many cases, outside funding sources would provide the needed stimulus to assist in the development of such infrastructure, which would tremendously benefit the local economy through the attraction of business and industry, and through the creation of employment opportunities. As discussed in Chapter IV, several of the District's communities are also in need of repairing, expanding, or replacing municipal wastewater treatment facilities.

Aside from public utilities, many communities are lacking updated municipal structures in which to conduct the daily operations of the community, and are also in need of additional up to date municipal facilities, such as administrative offices, libraries, and schools.

Lack of Capital Investment

Sustaining adequate governmental, public, and private funding for capital investment within the CAAG District has traditionally been a problem for many of the smaller incorporated communities. There has been a tremendous need at the local level for the maintenance and construction of infrastructure projects such as roads; road improvements; utility extensions; sewer, drainage, and water lines; public buildings and facilities; flood control facilities; and other infrastructure developments which are of primary importance to sustaining continued economic development.

Many of the smaller communities within Gila and Pinal Counties simply lack the funds to engage in large scale public service and infrastructure project expenditures. Also, the majority of communities lack effective community planning measures, and have not engaged in a comprehensive capital improvements process to identify long term infrastructure and community service needs. Individual communities throughout the CAAG District which lack the fiscal or professional means to effectively coordinate community development initiatives and goals must actively assess immediate needs, and take the necessary initiatives to identify local, county, state, and federal funding sources in order to ensure that crucial community projects are developed in a manner which will ultimately contribute to the development of the community, and that will sustain continued economic growth.

Lack of Available Private Land for Development

The majority of land holdings within the CAAG District are under the direct jurisdiction of the state and federal governments. Within Gila County, approximately 55.5 percent of all county land is under the jurisdiction of the U.S. Forest Service; 37.9 percent of all land is comprised of the Fort Apache, San Carlos, and Tonto Apache Native American Indian Reservations; 1.9 percent of all composite land holdings belong to the Bureau of Land Management; and a minimal percentage of county lands are under the jurisdiction of the National Park Service. Within Pinal County,

approximately 35.4 percent of county land is under the direct jurisdiction of State Trust; 20.1 percent of all land is comprised of the Gila River, Maricopa Ak-Chin, San Carlos, and Tohono O' Odham Native American Indian Reservations; 11.1 percent of all lands are under the jurisdiction of the Bureau of Land Management; 6.5 percent of all composite land holdings belong to the U.S. Forest Service; and minimal percentages of Pinal County lands are under the jurisdiction of the National Park Service, the U.S. Military, and by Pinal County for the provision of public parks and recreational lands.

Within Gila County, only 3.7 percent of all composite lands are under private ownership; whereas 26.5 percent of all composite land holdings within Pinal County are under private ownership. The mining industry also maintains vast acreages of these minimal private land percentages, which further reduces the amount of existing available private lands. This is an issue of immediate concern, which will eventually effect future economic and residential development throughout the District. Therefore, in an effort to maximize land use utilization and properly capitalize upon existing available resources, orderly land use planning policy should be adhered to.

Environmental Concerns

As discussed in Chapter V, there are several environmental issues, which are of concern to the regional environment of Gila and Pinal Counties. These include air quality nonattainment areas; the quality and quantity of existing groundwater reserves; the quality of public and private drinking water; and the areas that have been identified as state WQARF (Water Quality Assurance Revolving Fund) program superfund sites by the Arizona Department of Environmental Quality.

Air quality nonattainment areas located within eastern Pinal and southern Gila Counties are the direct result of regional mining operations, and are continuously being monitored by the Pinal County Air Quality Control District in an effort to alleviate air pollution problems. In addition, the identified air quality nonattainment areas surrounding the City of Apache Junction and the Town of Payson are presently being addressed by the Arizona Department of Environmental Quality. Mining operations in the CAAG District have traditionally generated higher levels of sulfur dioxide (SO₂) and suspended particulate matter (PM₁₀); whereas the air quality nonattainment areas located in the communities of Apache Junction and Payson are primarily the result of suspended road dust generated by increasing volumes of vehicular traffic. Aside from suspended road dust, the Town of Payson has also experienced higher levels of PM₁₀ due to the excessive usage of wood burning stoves during the seasonally cooler periods of the year.

With the transition from groundwater utilization, to an increasing reliance upon CAP (Central Arizona Project) water allocations from the Colorado River for agricultural support, it is certain that future groundwater reserves within the central farming region of Pinal County will be maintained. The overall quality of existing groundwater reserves are considered to be favorable. However, isolated pockets of contaminants, such as Total Dissolved Solids (TDS), sulfates, nitrates, metals, volatile organic compounds, and pesticides have been detected within central Pinal County, and throughout other areas of the District. The majority of these contaminants can be directly traced to agricultural, mining, and industrial activities. Areas of industrial and agricultural surface water contamination are very limited throughout the District; while the severe areas of surface water contamination located in eastern Pinal and southern Gila Counties are the direct result of mining activities. As identified in

Chapter V, the Pinal Creek Site, which is located in southern Gila County, was issued a finding of violation by the Environmental Protection Agency on July 28, 1986, due to mining-related surface water contamination. This particular site is currently being monitored by the Arizona Department of Environmental Quality, and has been classified as a state WQARF site.

The quality of drinking water that is available from public and private systems throughout Gila and Pinal Counties is another area of concern. As identified by the Arizona Department of Environmental Quality, Water Compliance Unit, approximately 79 percent of all water systems within Gila County were out of compliance with the Environmental Protection Agency's drinking water quality standards; whereas approximately 78 percent of all water systems within Pinal County were out of compliance with federal standards. The Arizona Department of Environmental Quality, Water Compliance Unit, is presently addressing all noncompliance cases throughout the state in an effort to reduce the number of public and private drinking water systems that are experiencing operational and monitoring difficulties, or that are in direct violation of the Environmental Protection Agency's drinking water quality standards.

Lack of Capital Improvements Planning

With the exception of the Cities of Apache Junction and Casa Grande, and the Town of Payson, the remaining communities throughout the CAAG District have not undertaken a formal municipal planning process resulting in the implementation of a capital improvement plan. The CIP, or capital improvement plan, is simply a schedule of public projects designed to meet present and future community needs, and determines how much a community is willing, or able to invest in public services or infrastructure-related projects over a typical five to ten year period. A well-planned capital improvements program will entail detailed information as to what public services or projects a community will provide; where these particular services or projects will be located; and when the maintenance work, or initial construction will take place. Capital improvement planning should contain detailed information determining the future estimated costs of all public services and projects included within the plan, and information which specifies financing arrangements in relation to each community's budget. Capital improvement planning should complement the general, or master plan for the community, which provides an analysis for future growth and development.

Capital improvement planning generally requires a sufficient staff with expertise in calculating and determining the overall costs affiliated with public services and infrastructure projects. Many of the smaller communities within the CAAG District currently do not have professional staff members to facilitate a capital improvements process, or simply lack the funds, or the ability to effectively coordinate basic planning goals and initiatives which are necessary for the implementation of a coordinated, community development process.

Water Issues

Due to the fact that the majority of the CAAG District's surface lands are situated in locations, or environments which are generally characterized as semi-arid in terms of annual precipitation, the scarcity of available water, and the preservation of existing groundwater reserves are primary issues

throughout much of the District. As identified within Chapters IV and V, the CAAG District has been delineated into several surface water and groundwater basins, and is partially situated upon the Pinal, Phoenix, and Tucson Active Management Areas.

The availability of CAP (Central Arizona Project) water allotments has alleviated agricultural demand upon existing groundwater reserves, which is beneficial to the preservation of groundwater within Pinal County. However, there is some concern that future allotments will be subject to higher costs, which will make existing activities that rely upon such water supplies more expensive in the future, and could possibly have an effect upon various development potential. According to the Arizona Department of Water Resources, a major priority of the Pinal AMA (Active Management Area) is to extend the life of the agricultural economy within Pinal County for as long as feasibly possible, while considering the need to preserve water supplies for future non-irrigation uses. Presently, cities, towns, and various water companies maintain service area rights to pump groundwater as needed for the residents of their legally defined service area delineations. In response, a primary goal of the Pinal AMA is to reduce the availability of groundwater as a supply in the future, and placing an emphasis upon agricultural, industrial, and municipal water conservation.

Aside from concerns regarding the increasing costs of future CAP water allotments, within Pinal County, an adjudication process is currently pending which could affect water rights for residents located throughout southern Pinal County. In 1981, the Arizona Supreme Court consolidated several regional water adjudication processes into what is commonly known as the Gila River general adjudication process, which includes the Gila River and many of its tributaries. Although this particular process is still being reviewed, it could potentially affect the water claims of over 60,000 claimants, and several Indian Reservations.

INDIVIDUAL COUNTY ANALYSES

Gila County

Over the decade of the 1990's, the total civilian, nonagricultural labor force within Gila County increased by 13.1 percent, from a total of 15,179 people in 1990, to a total of approximately 17,175 in 2000. In 2006, unemployment within Gila County was estimated at approximately 5.6 percent, which was higher than the state and national averages.

Over the past several decades, the major economic strengths associated within Gila County have centered around the mining industry, which has maintained a strong presence in areas located throughout the southern region of the county. Communities such as Globe, Miami, Hayden, and Winkelman have relied heavily upon employment opportunities offered by the mines in the past, and are still very closely associated with these activities today. Although limited in scale, northern Gila County has had a past in timber production, and forest-related manufacturing activities. However, northern Gila County has traditionally remained an area known for its scenic beauty and recreational opportunities.

Gila County has traditionally remained as an area preserved in its natural state, containing vast open spaces, topographical diversity, and numerous recreational opportunities, which attract thousands of

annual visitors. The common travel patterns, or vacation destinations for the majority of visitors include Roosevelt Lake, the Old West Highway, Tonto National Forest, and the "Mogollon Rim" region of northern Gila County. The tourism industry within Gila County has been increasing in importance over the last ten years. Communities located throughout Gila County are in a position to capitalize upon this particular industry by effectively market themselves as destination travel areas, and by upgrading existing recreational areas, and providing basic amenities and services to accommodate the increasing amount of annual travelers. Increases in annual tourism help to strengthen other economic sectors, such as services and retail trade.

Gila County's overall economy is dominated by government employment, the service industry, and wholesale and retail trade. According to the Arizona Department of Economic Security, as of 2006, approximately 33.4 percent of the county's total civilian, nonagricultural labor force was employed within the governmental sector (a sub-section of the service-providing sector), whereas the total employment within the service-providing sector, which also includes: private service-providing; trade, transportation & utilities, accounted for 85 percent of employment. Of the remaining Gila County labor force, approximately 15 percent were employed within the goods producing sector. (For a detailed break-down of employment by sector, see Table 43 at the back of this document.) Within Gila County, the economic sectors which are expected to show the most growth and employment opportunity over the next decade include government, services, wholesale and retail trade, and manufacturing.

Over the decade of the 1980's, southern Gila County experienced heavy losses in manufacturing-related activity as a result of substantial declines in the mining industry. Over this particular time period, the Town of Payson experienced a 263 percent increase in manufacturing employment. As of 1990, the Town of Payson accounted for more manufacturing employment than any other community within the county. Recent economic development efforts throughout southern Gila County have placed more of an emphasis upon economic diversification, which has resulted in increased levels of commercial construction and associated employment activities. In addition, there has been more of an emphasis upon industrial attraction in an effort to recruit new manufacturing activity back into the region. Although there are lands available for industrial development within southern Gila County, communities such as Miami and Globe are not able to provide the increased level of appropriate infrastructure necessary to accommodate the majority of industrial inquiries by private sources.

Over the decade of the 1980's and 1990's, the southern Gila County communities of Globe, Miami, Hayden, and Winkelman have all experienced serious economic setbacks and population declines associated with employment layoffs within the mining industry. However, since 2000, there is sufficient evidence to support the fact that the communities of Globe and Miami will be stabilizing, and are presently entering into a process of economic diversification that would alleviate the sole reliance of the local economies upon one particular industrial sector. Recent growth in the City of Globe indicates that the area is entering an era of moderate economic vitality. However, the Towns of Hayden and Winkelman continue to rely upon the local mining sector, and are in need of attracting various alternative industry and economic activity in order to stabilize the area's overall economic base. Within northern Gila County, the Town of Payson has experienced tremendous growth and has become an economically stable, full-service community. As of 1990, the Town of Payson's civilian labor force led the remaining incorporated communities throughout Gila County for total employment within the construction; manufacturing; transportation, communication, and public

utilities; wholesale and retail trade; finance, insurance, and real estate; and service sectors of the economy.

The lack of available land for future development is a major concern facing communities throughout Gila County. As previously stated, only 3.7 percent of all composite lands are under private ownership, and a considerable percentage of the private lands are presently held by the private mining companies located throughout southern Gila County.

Pinal County

Over the decade of the 1990's, the total civilian, nonagricultural labor force within Pinal County increased by approximately 33.8 percent, from a total of 44,401 people in 1990, to a total of approximately 59,425 in 2000. The increase in the total available labor force within Pinal County is a solid indication that the existing labor pool is sufficient to meet future anticipated employer demand levels. For the year 2006, unemployment within Pinal County was estimated at approximately 5.0 percent, which was slightly higher than the CAAG District, state, and national averages.

The economy within Pinal County has traditionally been centered upon various agricultural and mining activities. Within central Pinal County, the communities of Casa Grande, Coolidge, Eloy, Florence, Maricopa, and Queen Creek have relied upon agricultural production for the basic support of their local economies over the past several decades. The primary crops, which have been harvested in the past, include cotton and various grains. Although the agricultural sector has declined in the total overall percentage of people that it employs, and no longer remains a sole source of economic support for communities within central Pinal County, it still produces large yields of cotton, and remains a vital component of Pinal County's overall economic base. Within eastern Pinal County, the communities of Superior, Kearny, and Mammoth have relied upon regional mining activities for their economic livelihood. Aside from this particular region, the southwestern area of Pinal County has also maintained past mining operations of relative importance to the county's economic base.

Pinal County is strategically situated in between the major metropolitan areas of Phoenix and Tucson, and contains a centralized transportation network, which includes 94 miles of interstate highway. Interstate Highway 10 connects Phoenix and Tucson, and serves as a junction for Interstate Highway 8, which connects the county with southern California. This particular interstate network is an important factor to the economy of Pinal County, and facilitates large volumes of vehicular and heavy truck traffic. Interstate Highway 10 also parallels the Union Pacific railway, which also facilitates large volumes of freight shipments, and passenger rail service.

The economy within Pinal County has been dominated by government employment, wholesale and retail trade, and the service sector. According to the Arizona Department of Economic Security, as of 2006, approximately 38.9 percent of the County's total civilian, nonagricultural labor force was employed within the governmental sector (a sub-section of the service-providing sector), whereas the total employment within the service-providing sector, which also includes: private service-providing; trade, transportation & utilities; information, financial activities, professional & business services; education & health services; leisure & hospitality; and other services, accounted for 85.5 percent of

employment. Of the remaining Pinal County labor force, approximately 14.5 percent were employed within the goods producing sector which includes mining & construction and manufacturing. Within Pinal County, the primary economic sectors, which are expected to project future growth, include wholesale and retail trade, services, and manufacturing. (For a detailed break-down of employment by sector, see Table 44 at the back of this document.) Due to increased levels of business and industrial attraction, the Greater Casa Grande Valley is expected to maintain substantial increases in commercial and industrial development over the next ten to fifteen years. The tourism industry within Pinal County is also expected to increase over the decade, as local chambers of commerce and countywide organizations coordinate efforts to promote the county as a tourist destination. With its proximity to the Superstition Mountains and the recreational lakes region, the City of Apache Junction has been very successful in capitalizing on the tourism industry.

Pinal County is expected to maintain a steadily increasing population growth rate over the next several decades, and will continue to expand its overall economic base through economic diversification. In a situation very similar to Gila County, the lack of available land for development is also a major concern within Pinal County. According to the Arizona State Land Department, only 26.5 percent of all composite lands within Pinal County are under private ownership, which could ultimately become a barrier to future residential and industrial development throughout the county.

EMPLOYMENT CENTERS

In 2005, CAAG began the building of a new department charged with the responsibility of compiling various data for the District. Starting from scratch, the Planning Department has created a number of original GIS databases. Included within these new databases is initial work to identify Employment Centers throughout the CAAG District. This agency's member entities were asked, in the form of a questionnaire, to determine their Employment Centers- those that currently exist, those that were being planned for the future, and those that were being thought about or discussed but not included in any official document as of yet. They were to be classified accordingly as:

- Expansion Centers: centers that have existing development, but also have additional land with infrastructure
- Future Centers: contained within a plan and may have no infrastructure or just basic infrastructure
- Aspirational Centers: not yet in a general plan or other officially adopted document
- Revitalization Centers: transitioning from existing use to another
- Built-out Centers: no remaining land for expansion, only buildings available

Located in the Map Section of this document are maps and data that have been compiled for eight entities. This is not intended to be a complete representation of the District and will be further developed as additional data is collected and compiled. To date, information has been entered into the database for: Apache Junction, Casa Grande, Coolidge, Eloy, Florence, Kearny, Mammoth, Maricopa, Pinal County, and Superior.