

CHINLE ARIZONA



Economic Development Strategic Plan

Final — September 2013



NORTHEAST ARIZONA
ECONOMIC DEVELOPMENT PLANNING GROUP



A Building Communities™
Strategic Plan



Chinle, Arizona Economic Development Strategic Plan

Prepared for
Chinle
and
Economic Development for Apache County

Prepared by



Building Communities, Inc.
6126 W State St. Suite 312 Boise, ID 83703
(208) 866-9030 | www.BuildingCommunities.us

About the Northeast Arizona Economic Development Planning Group

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



NORTHEAST ARIZONA
ECONOMIC DEVELOPMENT PLANNING GROUP

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

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

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

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

The second phase of the planning process entails the effort to build the Regional Plan. The participating communities meet to determine common issues and opportunities that, if addressed through regional cooperation, will

likely produce greater benefits. Communities readily recognize that some efforts will be more successful if approached in this way.

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



ECONOMIC DEVELOPMENT for APACHE COUNTY
EDAC

Steering Committee Members

Andy Ayze
Chapter President

Timothy Begay
*Assistant to NN Council Delegate,
Leonard Pete*

Victor Begay
Citizen

Harry Clark
Citizen

Priscilla Clark
*Vice President
Chinle Chapter*

Betty Rose Draper
Business Owner

Anderson Jones
Citizen

James Jones
Medicine Man

Ursula Knoki-Wilson
Indian Health Services

Leonard Pete
NN Council Delegate

Monique Reveles
Arizona State University

Stanley Robbins
CLUP Chair

Tova Salabye
Navajo Housing Authority

Eugene Tso
Grazing Officer

Jay Yazzie
NNCIO

Walton Yazzie
Chapter Manager

Erwin Wayne
Citizen

Plan Facilitator

Karalea Cox
Building Communities, Inc.



The work that provided the basis for this publication was supported by funding under an award with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Government.

Table of Contents

Executive Summary	i
■ Our Community and Vision	iii
■ Background and Context for Planning	iii
■ Scope of Plan	iv
■ Looking to the Future	iv
Introduction	1.1
■ Planning Methodology	1.3
■ Vision and Mission	1.3
■ Objectives of Methodology	1.4
■ Major Components of Planning Approach	1.4
■ The People	1.4
■ Overview of Plan Week	1.6
Session 1: Key Success Factor Analysis	1.6
Session 2: Quality-of-Life Initiatives Session	1.7
Session 3: Community Organizer Session	1.8
Session 4: Voice of the Community Meeting	1.8
Session 5: Strategy and Quality-of-Life Initiatives Selection Session	1.8
Session 6: Assigning Essential Actions Steps	1.9
Session 7: Elevator Speech Session	1.9
■ Objectivity of Planning Methodology	1.9
Plan Week Results	2.1
■ Overview	2.3
■ Strategy Selection Process	2.4
■ Importance of Recommendations	2.6
■ SWOT Analysis	2.6
Assets Key Success Factors	2.8
Capital Key Success Factors	2.8
Expertise Key Success Factors	2.9
Government Key Success Factors	2.10
Infrastructure Key Success Factors	2.10
Labor Key Success Factors	2.11
Location Key Success Factors	2.11
Selected Strategies	3.1
■ Selected Strategies	3.3
■ Recommendations for Implementation	3.4
Cultural Tourism	3.5
Education Development	3.9
Environmental Restoration	3.13
Health Care	3.17
Pass-through Visitor Services	3.21
Value-added Agriculture	3.25
Selected Quality-of-life Initiatives	4.1

Community Organizer Results	5.1
■ Overview	5.3
Business Development Capacity	5.5
■ Business Development Strategy	5.5
■ Local Staff and Team Development	5.6
■ Industrial Land and Infrastructure	5.7
■ Targeted Industries	5.9
■ Marketing	5.10
■ Prospect and Lead Management	5.11
■ Closing the Deal	5.11
Community Development Capacity	5.13
■ Strategic Plan/Vision	5.13
■ Project and Issued Development	5.13
■ Organizational Capacity	5.14
■ Staffing	5.15
■ Civic Volunteerism	5.16
■ Community Attitude	5.16
■ Maintaining the “Community” as the Goal	5.17
Appendices	A.1
■ Prioritized Strategy Report	A.3
■ Strategy Recommendations	A.4
■ Strategies by Group	A.6
■ Alphabetical Listing of Strategies	A.7
■ Key Success Factor Report	A.8

Executive Summary

Executive Summary

Our Community and Vision

Of all the communities on the Navajo Nation, Chinle is perhaps the best known and most visited destination. It is the location of Canyon de Chelly, a breathtaking work of nature and home to native people for over 5,000 years. The name Chinle translates literally as “flowing out.” The community naturally flows out of the Canyon and has become an economic center for the region, largely due to visitors who come to view and explore the Canyon and learn about Navajo culture. We, as a community, have accepted this stream of commerce and now welcome the opportunity to thoughtfully preserve our culture and share it with the world. We anticipate great opportunities for our residents and for the larger community.

Chinle is a fascinating mix of time-honored traditions and modern amenities of the Western world. Our artisans and entrepreneurs prominently display and market Navajo art and other native fare for tourists and other visitors. Luxurious, recreational motor homes move cautiously along Highway 191 amid the free grazing territory of cattle, sheep and horses. Added to that traffic are our busy residents going about their lives, as they haul water, buy feed for their livestock, take children to school, go to work and keep this busy economic center going.

Surrounding this activity are the wind-swept vistas of red, pink, yellow and brown. This spectacular landscape provides continuity to our people that is unique. Its existence has nurtured and protected Navajo culture, tradition and our people, and affects the way in which we have done our planning. Community elders will tell us that in the Navajo culture planning is a foreign concept. As we have wrestled with the need to plan and the need to honor tradition, we have chosen the tradition of the Wedding Basket to help community members identify with the concept of planning.

Traditionally, the Wedding Basket is viewed as a map through which the Dine’--the Navajo people--chart their lives. This basket is then filled with the important and necessary “tools” for an abundant and beautiful life. Our vision for Chinle is a vibrant, thriving community where the traditions of our fathers are maintained, while we continue to lead our people into economic prosperity and individual self-sufficiency. This plan is our basket filled with the blend of traditions, as well as new knowledge that will help us to remain true to our culture and responsible to future generations.

Background and Context for Planning

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

Chinle is a leader in economic and community development among other chapters and communities on the Navajo Nation. In contrast to most other tribal communities, Chinle is supported by numerous businesses, restaurants, two hotels and several tribal offices. Chinle is considered a “hub” which serves the needs of Navajo tribal members from outlying areas as far as 70 miles away.

The Chinle Steering Committee remained aware of the local residents needs as well as the outlying areas that depend on Chinle's commerce and economic base for their very survival during the planning process. In that context, the Steering Committee is planning for their future and the future of their neighbors.

Scope of Plan

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

Looking to the Future

There are several challenges for Chinle as we look to the future. Most of those challenges are linked to tribal policies. Our LGA (Local Governance Act) Certification will allow us to move in a more autonomous direction, circumventing layers of bureaucracy. Moving forward we can respond to the needs of our community effectively.

We will continue to look for avenues that make the community of Chinle a leader among tribal communities. We will promote the principles of peace, self-reliance and tradition.

Community and Economic Development Strategies

- Cultural Tourism
- Education Development
- Environmental Restoration
- Health Care
- Pass-through Visitor Services
- Value-added Agriculture

Quality-of-Life Initiatives

- Housing
- Land Use

Section 1:

Introduction

Planning Methodology & Approach

1 - Introduction

Planning Methodology

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

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

Vision and Mission

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

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

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

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

Objectives of Methodology

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

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

Major Components of Planning Approach

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

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

The People

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

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

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

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

- Plan Director: There is no Plan Director at this time.
- Plan Facilitator: Karalea Cox, Building Communities Inc. - Deploys the Building Communities Strategic Planning methodology, tools and software; provides guidance and assistance to the Plan Director; conducts planning, analysis and content-development sessions; delivers the plan in its various drafts and forms.
- **Plan Week Coordinators:** Linda Haynes and Gail Stoneking, Economic Development for Apache County (EDAC), provide the essential preparatory work of scheduling, coordinating and communicating with the Plan Director, Plan Facilitator and Steering Committee members. During and after Plan Week activities, they provide resource support to the Plan Director, Plan Facilitator, Steering Committee members and the participating public. They also serve as meeting hosts, providing food and beverages for the comfort and convenience of the participants.
- Building Communities Support Staff: Though never visible to the community, Building Communities' support staff works behind the scenes to provide communities with effective and efficient planning tools, and to deliver a polished plan they can be proud of and use effectively.
- Steering Committee: Includes the Plan Director and represents the interests of Chinle in the planning process; participates in all Plan Week work sessions; invites community participation in the planning process; weighs all community input; selects strategies and initiatives for implementation; reviews and provides feedback on the draft final plan; leads implementation efforts during the life of the plan. Chinle Steering Committee members:
 - Andy Ayze
 - Timothy Begay
 - Victor Begay
 - Harry Clark
 - Priscilla Clark
 - Betty Rose Draper
 - Anderson Jones
 - James Jones
 - Ursula Knoki-Wilson
 - Leonard Pete
 - Monique Reveles
 - Stanley Robbins
 - Tova Salabye
 - Eugene Tso,
 - Jay Yazzie
 - Walton Yazzie
 - Erwin Wayne
- **Citizens of Chinle:** Includes all citizens and elected officials; provides crucial input during the Voice of Community Meeting and during plan review and adoption proceedings; assists and supports the Steering Committee during planning and implementation.

Overview of Plan Week

The bulk of the analysis and data gathering needed to build the strategic plan were accomplished during Plan

Week—a term actually coined by a Building Communities client to describe the series of rapid-fire Building Communities planning sessions. For Chinle, Plan Week consisted of the seven sessions listed previously and was conducted April 4 - 5, 2013.

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

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

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

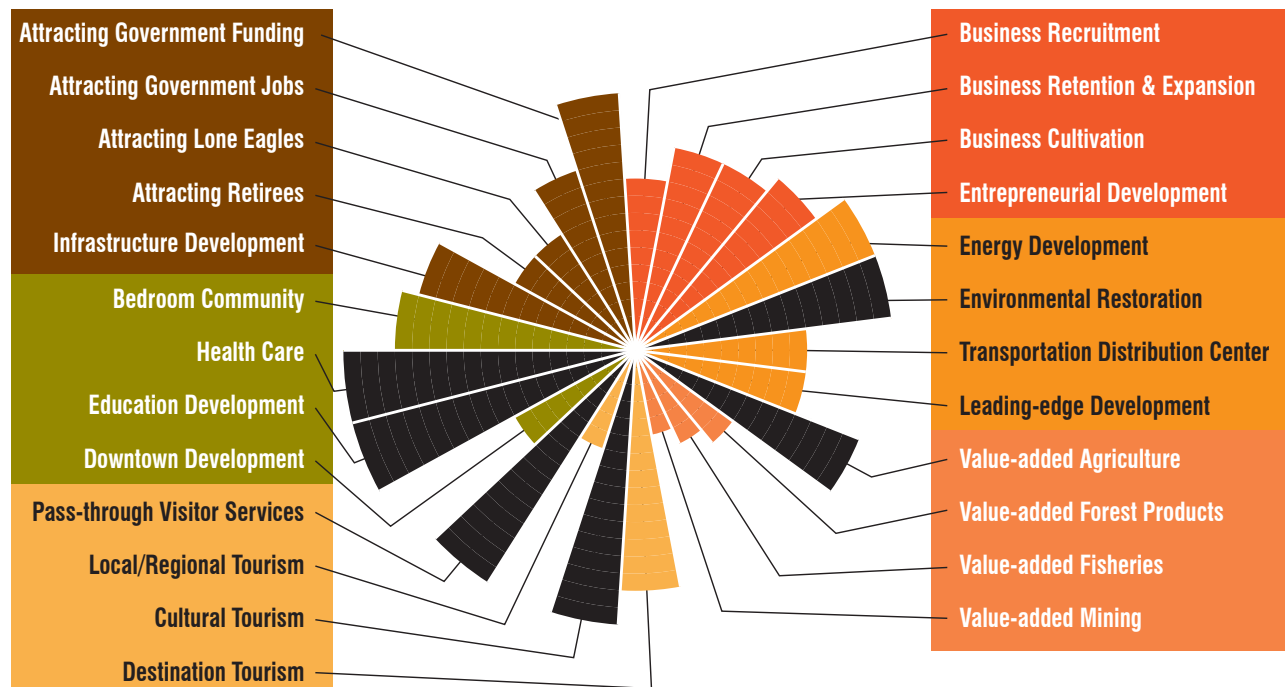
Session 1: Key Success Factor Analysis



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

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

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



Session 2: Quality-of-Life Initiatives



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

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

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

- Housing
- Public Safety
- Grazing
- Feral livestock
- Erosion
- Self-sufficiency
- Bootlegging
- Land use

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

Session 3: Community Organizer Assessment



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

and organizational stability.

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

Session 4: Voice of the Community Meeting



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

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

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

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

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



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

Additionally, the Steering Committee reviewed all previously considered *Quality-of-life Initiatives*, along with all related information collected in previous sessions. From the original list of topics, the Committee chose to “act on,” “write about” or “ignore” the concern or issue. Topics selected for action became full-fledged initiatives and were slated, along with the selected strategies, for further development in Session 6.



Essential Action Steps

Deciding *what* to do is almost always easier than determining how to get things done. Making decisions about how to begin implementation of selected strategies

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

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

Session 7: Elevator Speech



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

Objectivity of Planning Methodology

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

Conclusion

While the Chinle Steering Committee are highly competent individuals and the Chapter has very supportive leadership, the absence of a Plan Director will need to be addressed as soon as possible. Without a Director to oversee implementation and encourage the Steering Committee to meet, this plan is in jeopardy of not being fully implemented.

Section 2:

Plan Week Results

Plan Week Results

Overview

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

- Cultural Tourism
- Education Development
- Environmental Restoration
- Health Care
- Pass-through Visitor Services
- Value-added Agriculture

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

- Housing
- Land Use

Strategy Selection Process

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

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

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

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

Prioritized Strategy Report

STRATEGY	SCORE	STRATEGY GROUP
Education Development	85	Community Development
Health Care	83	Community Development
Pass-through Visitor Services	80	Tourism
Cultural Tourism	79	Tourism
Energy Development	76	Sector-specific
Environmental Restoration	73	Sector-specific
Attracting Government Funding	73	Other
Destination Tourism	69	Tourism
Value-added Agriculture	68	Value-added
Bedroom Community	68	Community Development
Entrepreneurial Development	63	General Business
Infrastructure Development	63	Other
Business Retention and Expansion	61	General Business
Business Cultivation	61	General Business
Attracting Government Jobs	57	Other
Transportation Distribution Center	50	Sector-specific
Leading-edge Development	50	Sector-specific
Business Recruitment	49	General Business
Attracting Retirees	41	Other
Attracting Lone Eagles	40	Other
Downtown Development	38	Community Development
Value-added Forest Products	36	Value-added
Local/Regional Tourism	30	Tourism
Value-added Fisheries	28	Value-added
Value-added Mining	27	Value-added

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

Enhanced Strategy Report

STRATEGY	SCORE	WANT	CAN	STRATEGY GROUP
✓ Education Development	285	100%	100%	Community Development
✓ Health Care	283	100%	100%	Community Development
✓ Pass-through Visitor Services	280	100%	100%	Tourism
Attracting Government Funding	245	93%	93%	Other
Infrastructure Development	239	94%	94%	Other
✓ Cultural Tourism	235	89%	89%	Tourism
Destination Tourism	225	89%	89%	Tourism
✓ Value-added Agriculture	224	89%	89%	Value-added
✓ Environmental Restoration	223	94%	81%	Sector-specific
Attracting Government Jobs	218	88%	93%	Other
Downtown Development	214	94%	94%	Community Development
Entrepreneurial Development	213	94%	81%	General Business
Business Retention and Expansion	211	94%	81%	General Business
Energy Development	202	83%	80%	Sector-specific
Business Cultivation	199	94%	75%	General Business
Business Recruitment	187	94%	75%	General Business
Local/Regional Tourism	186	89%	89%	Tourism
Transportation Distribution Center	182	93%	73%	Sector-specific
Bedroom Community	176	77%	77%	Community Development
Attracting Lone Eagles	156	79%	79%	Other
Attracting Retirees	101	65%	65%	Other
Leading-edge Development	96	67%	56%	Sector-specific
Value-added Mining	-73	25%	25%	Value-added
Value-added Forest Products	-164	0%	0%	Value-added
Value-added Fisheries	-172	0%	0%	Value-added

Checkmarks (✓) indicate selected strategies.

With these various analyses and assessments in place, the Steering Committee's task was to choose the strategies which the community would ultimately advance. Consideration of the Prioritized Strategy Report yielded an initial selection of the "most viable" strategies. The Enhanced Strategy Report was then considered and, in general, the strategies initially identified persisted through the "first cut." The Steering Committee then considered the responses from the Voice of Community meeting. This helped the Committee to select six strategies that they felt the community would support and that the Chapter could successfully implement. For each of these strategies, the Committee then assigned one or more organization(s) to play a lead role in strategy implementation.

Importance of Recommendations

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

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

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

While it is recommended that the Steering Committee review the *Essential Action Steps* on a monthly basis, it may only be necessary to review the *Community Organizer Assessment* recommendations on a quarterly or semi-annual basis.

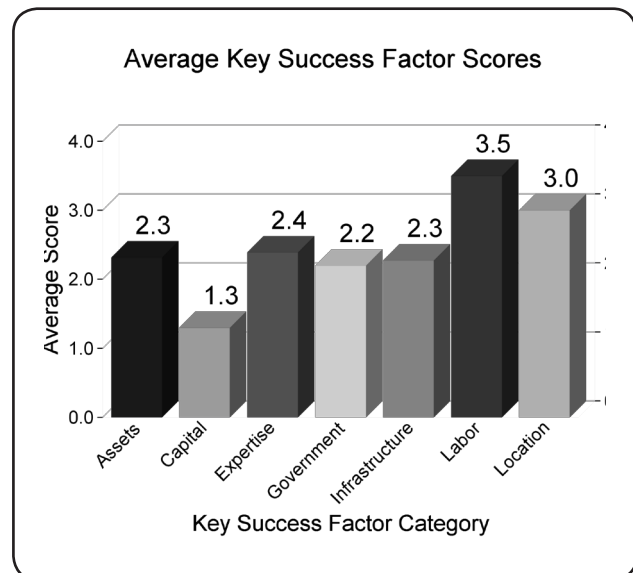
SWOT Analysis

Overall SWOT Summary

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

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

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



The table below presents a brief description of each category and the average score of the community in each of those categories.

The Key Success Factor scores by category for Chinle are on the moderate side. The Labor score is definitely a positive when recruiting new and expanding industries. The very low Capital score of 1.3 indicates a serious challenge for Chinle, especially when addressing the necessary funding for growth in the residential, private and business sectors. Chinle's location is a definite advantage. Also, there appears to be a fairly deep pool of local experts to assist with specific projects. The Assets, Infrastructure and Government scores indicate there is an adequate base for Chinle in these areas but the community will need to improve these categories starting with addressing them in the development of Essential Action Steps.

Key Success Factor Categories		AVG SCORE
Assets	Industry-specific or activity-specific conditions or dynamics critical to certain strategies.	2.3
Capital	Business debt and equity funding as well as consistent funding for development organizations to succeed.	1.3
Expertise	The skills, connections and abilities of local professionals.	2.4
Government	The citizenry and government agencies/committees, whose decisions and opinions shape the community's actions.	2.2
Infrastructure	The land, buildings and infrastructure necessary to advance many of the business development strategies.	2.3
Labor	The labor force of a community.	3.5
Location	The relative proximity of the community to the marketplace.	3.0
Scores reflect the community's relative capacity in each category on a scale from 0 to 4.		

Assets

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

Of the 22 Key Success Factors measuring Assets, Chinle only has 12 that are considered an advantage over other communities of similar size and conditions. The 10 Key Success Factors that score a 2 or below are significant. Several of these factors are related to infrastructure, housing and business development. These deficiencies will need to be addressed as the Steering Committee writes its Essential Action Steps and moves into implementation.

Key Success Factors - Assets

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

Capital

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

For businesses, access to capital is the lifeblood of the business itself. For small businesses that can demonstrate loan repayment capability, programs to provide such capital can be very traditional (bank and credit union lending), or they can be government-supported loan, loan guarantee or credit enhancement measures designed to supplement traditional lending.

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

Key Success Factors - Capital

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

As noted above, this is the lowest scoring category for Chinle. Without access to Capital and the support of funders, Chinle will struggle to implement any portion of its plan. For each selected strategy, the Steering Committee will need to identify and secure funding if it is to be successful.

Expertise

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

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

As evidenced by the Steering Committee itself and the Key Success Factor scores in the area of Expertise, Chinle has a well-rounded pool of experts to draw upon as implements its plan.

Expanding the pool of experts through greater public outreach and improving relationships with Tribal Enterprises, should place Chinle as a leader in utilizing local experts to achieve success.

Key Success Factors - Expertise

Competent, strategic-minded hospital and health-care executives	4
Existing excellence in local health care	4
Local ability to identify and advance a funding proposal	4
Supportive post-secondary education training program	4
Ability to compete in a global market	3
Ability to identify product and service gaps	3
Ability to successfully market materials	3
Capable, experienced economic development professionals	3
Cultural development and advocacy organization	3
Relationship with site selectors	3
Support from local education professionals at all levels	3
Team approach to infrastructure finance	3
Ability to build a team comprised of energy-development experts	2
Ability to understand industry trends and opportunities	2
Dedicated business coaching staff	2
Relative sophistication in coordinating and marketing local events	2
Sophisticated use of the internet for marketing	2
Staff focused on attracting retirees and/or lone eagles	2
Cooperation of economic development staff and educational community	1
Downtown organization and staff	1
Sophisticated tourism development & promotion	1
Ability to network and attend relevant trade shows	0

Government

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

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

Government support for any tribal community is absolutely essential. The structure of land use and economic opportunity is ultimately controlled by the tribal government. However, it is fortunate that the Key Success Factors related to this area score relatively well. Chinle will need to strengthen local community and tribal leader relationships. Finally, if it is possible for Chinle to advocate for itself on a state level, that could be beneficial.

Key Success Factors - Government

Local government support	4
Supportive state energy policies and incentives	4
Community acceptance of the visitor industry	3
Community support for needed infrastructure rate increases	3
Local focus on revenues from visitors	3
Strong state and/or federal legislative delegation	3
Local policies and ordinances supporting quality neighborhood development	3
Favorable state policies with respect to office locations	2
Local pro-business climate	2
Strong relations between economic development organization and local businesses	2
Projected growth in government budgets	1
Strong community support	1
Support for attracting retirees	1
Support from local businesses	1
Active engagement of downtown building and business owners	0

Infrastructure

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

This area will prove to be challenging for Chinle as it grows. Without an accurate, long-term analysis of infrastructure needs, it will be difficult to effectively plan for additional housing, businesses and industry. The availability of land and the tribal issues surrounding land use also make this a significant challenge.

Key Success Factors - Infrastructure

Excess water and sewer infrastructure capacity	4
Land/Buildings/Campus for education development	4
Proximity to transmission lines with excess capacity	4
Availability of brownfield sites	3
High-speed internet	3
Availability of industrial-zoned land for industrial park development	2
Adequate housing for labor force	1
Adequate telecommunications infrastructure	1
Availability of land for business prospects	1
Availability of local buildings	1
Availability of local infrastructure	1

Labor

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

While in this context, an adequate labor force score this high is definitely an advantage, there are current challenges. Unemployment rates on the Navajo Nation are staggering. Jobs are desperately needed, which provides an incentive for industry to consider locating in Chinle.

Key Success Factors - Labor

Local, available, low-skill labor pool	4
Local, available, high-skill labor pool	3

Location

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

As indicated by the Key Success Factor scores, Chinle has a definite advantage when it comes to Location. The lack of proximity to scheduled air service is an issue common to all tribal communities in the region. As a function of its location, Chinle has already taken advantage of several opportunities and will continue to seek more.

Key Success Factors - Location

Advantageous location for government or education expansion	4
Prospect of an expanded geographic market for health care	4
Proximity and access to markets	3
Strategic location for distribution centers	3
Proximity to scheduled air service	1

Section 3:

Selected Strategies

Cultural Tourism

Education Development

Environmental Restoration

Health Care

Pass-through Visitor Services

Value-added Agriculture

Selected Strategies

Chinle's Selected Strategies

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

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

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

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

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

The strategies selected by the Chinle Steering Committee are:

- Cultural Tourism
- Education Development
- Environmental Restoration
- Health Care
- Pass-through Visitor Services
- Value-added Agriculture

Strategies not selected include:

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

Recommendations for Implementation

The well-coordinated effort of the Plan Director to include other planning committees and work is a good indication of the success Chinle can anticipate from this plan. The Steering Committee is off to a great start with all of their Essential Action Steps written. The Committee will need to work hard ensure the implementation activity does not lose momentum. The group should continue with the same enthusiasm and dedication it demonstrated during the strategy selection process.

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

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

Selected Strategy:

Cultural Tourism





Cultural Tourism

SCORE: 79

RANK: 4

Strategy Summary

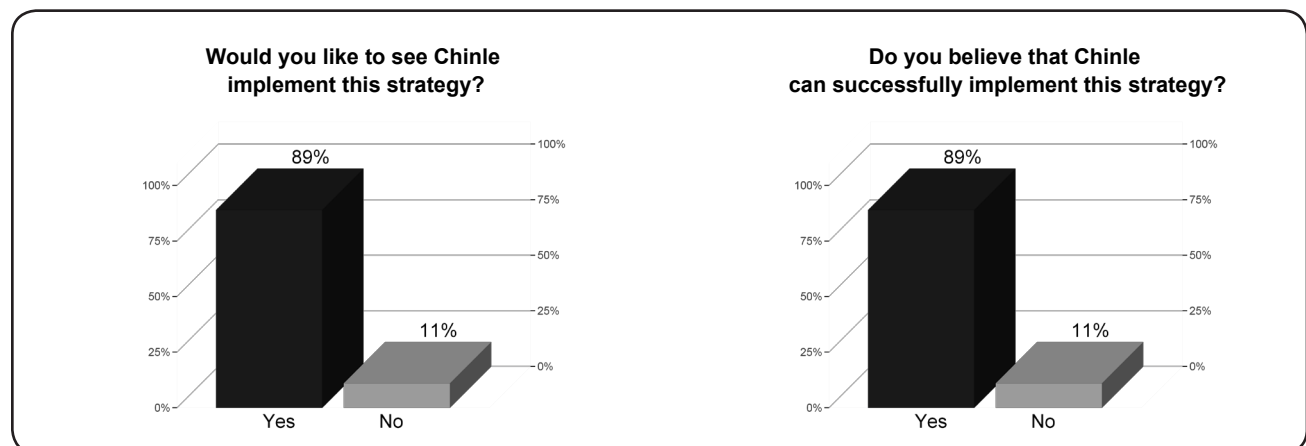
Many communities have capitalized on local culture to create jobs. Cultural opportunities based on dance, theater, music, food or other human interests can stimulate the local economy.

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

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

Voice of the Community Survey Results

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



Objectives of Strategy Implementation

Chinle has obviously been implementing this strategy for quite some time, and has experienced moderate success with it. The prime objective is to establish a working Chinle Tourism Committee consisting of business owners, national park officials and chapter officials. This committee will take a strategic approach to branding and marketing Canyon de Chelly and local cultural activities.

Findings from the Key Success Factor Analysis

In examining the Key Success Factors for this strategy, it is apparent that Chinle has one slight implementation disadvantage--the lack of designated funds for marketing and promotion. This issue will need to be addressed for this strategy to realize its full potential.

Key Success Factor Report - Cultural Tourism

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	Slight Comparative Advantages
Existing or prospective cultural attraction Local, available, low-skill labor pool	Cultural development and advocacy organization Local, available, high-skill labor pool
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	Major Comparative Disadvantages
Sufficient marketing, promotion, or public relations budget	No Entries

Education Development





Education Development

SCORE: 85

RANK: 1

Strategy Summary

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

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

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

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

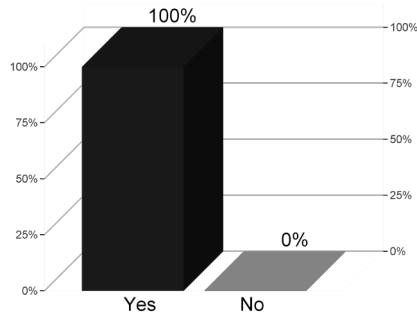
Such a strategy might simply entail the augmentation or expansion of existing post-secondary educational services. Alternatively, a strategy could be more ambitious such as the creation of an institute dedicated to researching and resolving emerging issues or perhaps the establishment of a four-year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

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

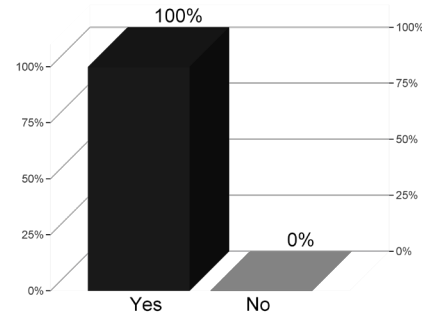
Voice of the Community Survey Results

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

Would you like to see Chinle implement this strategy?



Do you believe that Chinle can successfully implement this strategy?



Objectives of Strategy Implementation

The primary objective of this strategy is to create productive relationships between educational, business and Chinle community. Once these relationships are established, a coordinated effort can be implemented to provide training and educational opportunities that support business and industry, and at the same time, provide employment opportunities for local residents.

Findings from the Key Success Factor Analysis

This strategy is strongly supported by the community. Other advantages listed in the table below are strong indications of the strengths Chinle has to build upon as it implements this strategy. Special attention will need to be paid to the relationship between the educational community and the economic development professionals. This can best be addressed in the Essential Action Steps for this strategy.

Key Success Factor Report - Education Development

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	Slight Comparative Advantages
<ul style="list-style-type: none"> Expandable educational institution Advantageous location for government or education expansion Land/Buildings/Campus for education development Local government support 	No Entries
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	Major Comparative Disadvantages
<ul style="list-style-type: none"> Cooperation of economic development staff and educational community 	No Entries

Environmental Restoration





Environmental Restoration

SCORE: 73

RANK: 6

Strategy Summary

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

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

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

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

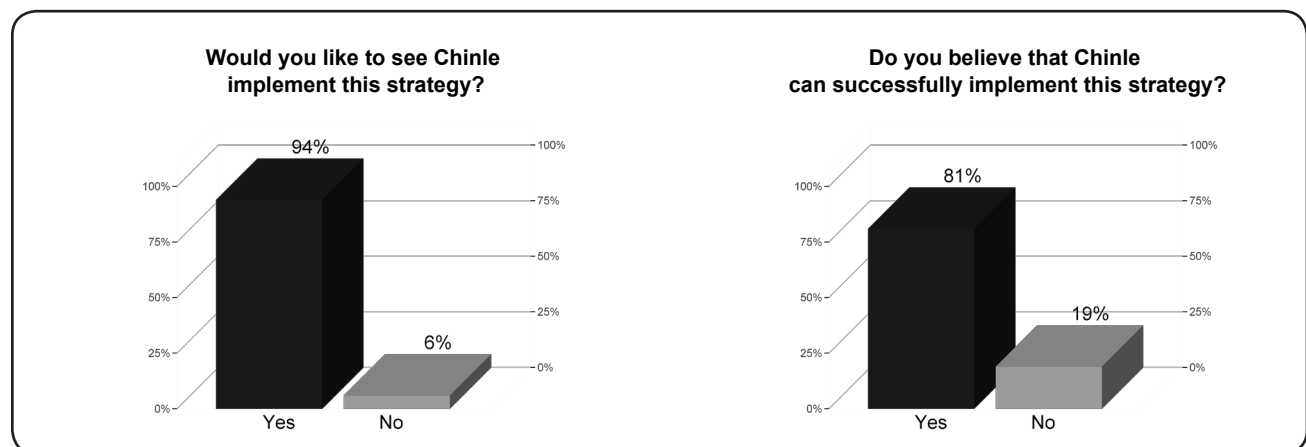
A community must then mobilize itself by first assessing the condition of the property, and then developing a specific action plan to remediate the environmental problem.

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

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

Voice of the Community Survey Results

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



Objectives of Strategy Implementation

Because land allocation and land use are such challenging issues for the Navajo Nation, and particularly Chinle, this strategy provides an avenue for the community to clean-up and restore land that is already set aside for business development and/or homesites. The Steering Committee believes it may be easier to go through the environmental restoration process to acquire property for development than it is to go through the tribal channels for obtaining a business or site lease. The added bonus of having a clean and attractive community is also important to this strategy.

Findings from the Key Success Factor Analysis

Chapter officials strongly support this strategy. Other advantages for implementing this strategy are the availability of brownfield sites, the relationship that Chinle has with their state and federal delegates and the experience of Chapter staff in economic development. All of these Key Success Factors will help in addressing the need to access large-scale capital.

Key Success Factor Report - Environmental Restoration

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

Selected Strategy:

**Health
Care**





Health Care

SCORE: 83

RANK: 2

Strategy Summary

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

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

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

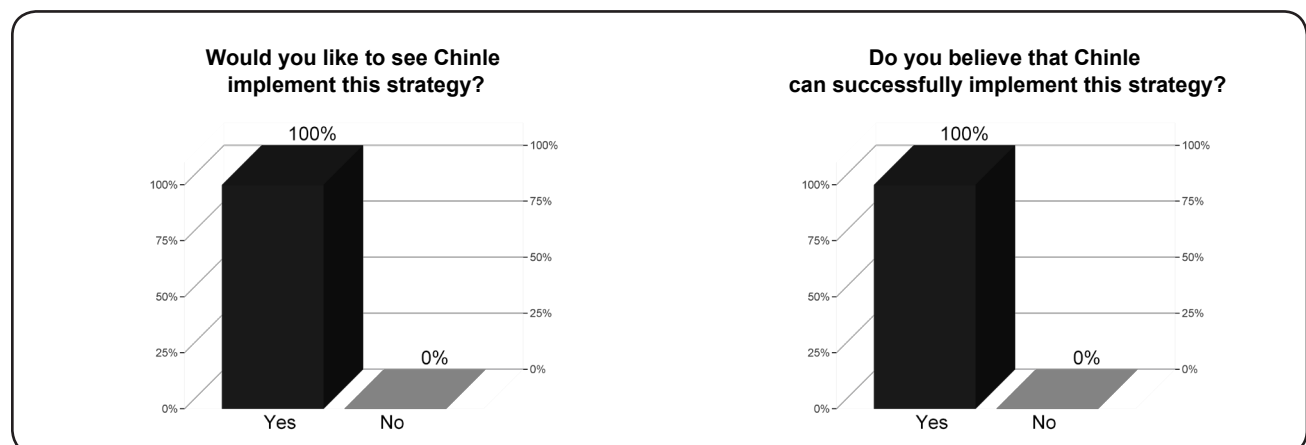
Additionally, federal policies on Medicaid and Medicare reimbursements have created a significant financial challenge for rural hospitals.

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

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

Voice of the Community Survey Results

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



Objectives of Strategy Implementation

This strategy was selected as both an economic development strategy and a quality-of-life initiative. The opportunity to coordinate and work with the Educational Development strategy in training a health care workforce translates to job creation and opportunity for residents. It also means that the community of Chinle will be able to offer quality health care services to Chinle residents and the surrounding area.

Findings from the Key Success Factor Analysis

The Key Success Factor Analysis indicates that Chinle has several major advantages for implementing this strategy. Two that will need to be addressed will involve a community wide-marketing campaign that will require dedicated funds to promote services and educate the public.

Key Success Factor Report - Health Care

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

Pass-through Visitor Services





Pass-through Visitor Services

SCORE: 80

RANK: 3

Strategy Summary

Depending on a community's proximity to major interstates, highways, scenic byways, and other significant travel routes, communities can enjoy the benefits of non-destination visitor expenditures.

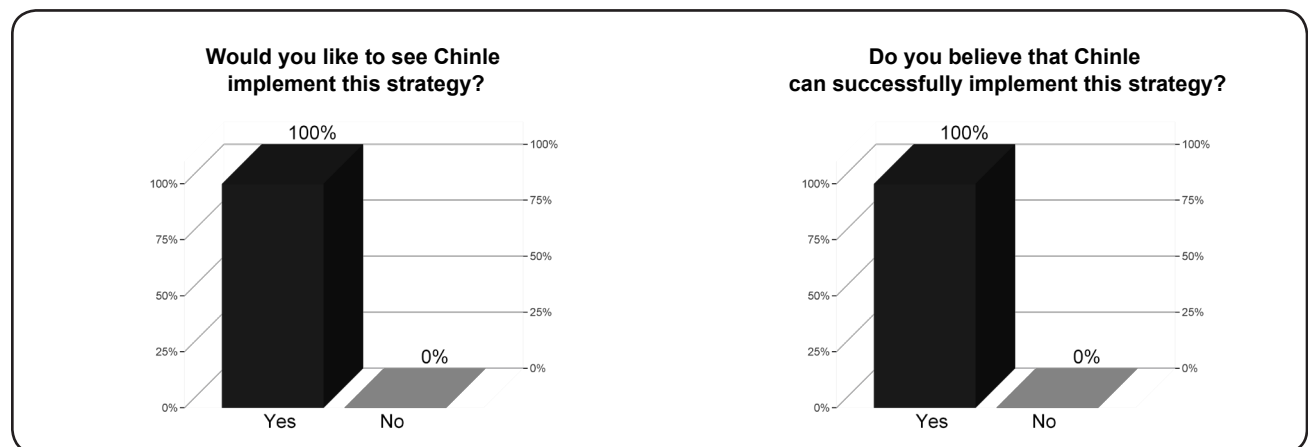
Travel expenditures can be categorized as destination travel expenditures or pass-through travel expenditures. Unlike destination travel, pass-through travel simply represents the activity that a traveler conducts on the way to their destination. These expenditures are typically fuel, meals, and sometimes lodging.

Generally, these expenditures happen regardless of efforts made by local communities. Certain targeted efforts, however, can have a modest impact on pass-through visitor expenditure patterns:

- Signage on travel routes (freeways, highways, etc.)
- Community entrance beautification efforts
- Low-frequency AM Radio transmitters
- Hospitality training educating front-line workers about local visitor destinations

Voice of the Community Survey Results

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



Objectives of Strategy Implementation

Chinle is located along State Route 191, which is a major transportation artery on the Navajo Nation. The objective of this strategy is to get people passing through to stop and spend their travel dollars in Chinle.

Findings from the Key Success Factor Analysis

The Key Success Factor Analysis indicates that Chinle has no challenges to overcome in implementing this strategy. Improving and capitalizing on the advantages they already have in place will be the key to successful implementation.

Key Success Factor Report - Pass-through Visitor Services

STRENGTHS TO BUILD UPON	
Major Comparative Advantages	Slight Comparative Advantages
Local, available, low-skill labor pool	Proximity to travel routes Local focus on revenues from visitors Local, available, high-skill labor pool
CHALLENGES TO OVERCOME	
Slight Comparative Disadvantages	Major Comparative Disadvantages
No Entries	No Entries

Value-added Agriculture





Value-added Agriculture

SCORE: 68

RANK: 9

Strategy Summary

Counties—and frequently clusters of counties—may produce an inordinate amount of one or more agricultural products based upon competitive advantages such as soil types, climate, and elevation.

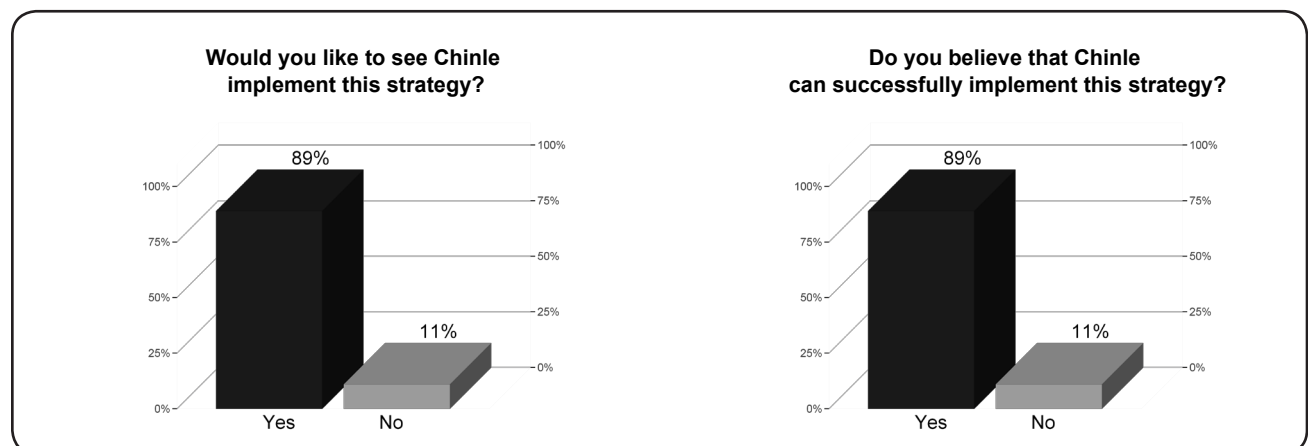
If sufficient volumes of individual raw materials are produced, communities may have an opportunity to “add value” to the raw commodities through processing. Examples include producing french fries from potatoes, sugar from sugar beets/sugar cane, steaks from cattle, and wine from grapes.

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

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

Voice of the Community Survey Results

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



Objectives of Strategy Implementation

This strategy was selected for many reasons. Traditionally, agriculture has defined Navajo culture. Chinle would like to see this continue. Issues of overgrazing, land use, commercial farming techniques, etc. have been challenges for the Navajo people. The objective of this strategy is to encourage self-sufficiency, tradition and a healthy lifestyle by exploring and capitalizing the concepts and practices associated with food sovereignty and local production.

Findings from the Key Success Factor Analysis

Land-use and related factors will be the largest challenges in implementing this strategy. Acquiring needed resources for capital improvements in irrigation, water conservation, solar power, etc. may also prove to be challenging. This is another opportunity to work with the Education Development strategy to implement workshops, gardening techniques, water conservation and traditional farming methods.

Key Success Factor Report - Value-added Agriculture

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

Section 4:

Quality-of-Life Initiatives

Quality-of-life initiatives

Summary

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

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

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

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

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

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

Example Projects and Initiatives

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

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

Potential Advantages to Implementing these Initiatives

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

Potential Drawbacks to Implementing these Initiatives

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

Brief Overview of Selected Initiatives

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

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

Housing

Housing was an overriding topic of concern during Plan Week. The issues are more complex than availability and affordability, although they are definitely part of the problem. Associated issues are public safety, crime, emergency services and land use. Crime in low-income housing areas is such an issue that Chinle Chapter officials actually turned down money for an additional housing area because they know they could not afford the police and emergency personnel to protect citizens and property in the development.

Possible solutions to this problem include culturally sensitive planning and development, which recognizes the familial or clan ties within the Navajo culture; the rural, largely agricultural traditional Navajo way-of-life and the requirements imposed by federal housing regulations.

Land Use

This problem or initiative has been referred to throughout this plan. Chinle has specifically chosen this as a Quality-of-life Initiative in order to address it within the Community Land Use Plan (CLUP) required by the Navajo Nation. The goals and objectives of the CLUP committee are: To develop a land-use plan that balances economic, environmental and aesthetic concerns that preserve the natural resources and quality of life in Chinle and to make recommendations for the plan's implementation to guide chapter officials when managing future growth and development in Chinle.

Key Considerations

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

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

Section 5:

Community Organizer Results

Community Organizer Results

Overview

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

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

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

Business Development Capacity Report

ELEMENT	SCENARIO SCORES										ASSESSED CAPACITY	PRESCRIBED CAPACITY
	A	B	C	D	E	F	G	H	I	J		
Business Development Strategy	5	5	3	4	—	—	—	—	—	—	17 / 37	37 / 37
Local Staff and Team Development	3	0	0	0	0	—	—	—	—	—	3 / 37	37 / 37
Industrial Land and Infrastructure	0	3	0	1	0	2	0	6	0	0	12 / 68	68 / 68
Targeted Industries	0	2	6	—	—	—	—	—	—	—	8 / 19	19 / 19
Marketing	1	2	0	4	4	—	—	—	—	—	11 / 33	33 / 33
Prospect and Lead Management	5	4	3	—	—	—	—	—	—	—	12 / 27	27 / 27
Closing the Deal	0	0	6	2	2	—	—	—	—	—	10 / 26	26 / 26
TOTAL POINTS											73 / 247	247 / 247

Community Development Capacity Report

ELEMENT	SCENARIO SCORES					ASSESSED CAPACITY	PRESCRIBED CAPACITY
	A	B	C	D	E		
Strategic Plan/Vision	0	0	2	3	4	9 / 32	32 / 32
Project and Issue Development	1	2	1	0	0	4 / 16	16 / 16
Organizational Capacity	4	3	0	3	0	10 / 38	38 / 38
Staffing	8	1	2	0	—	11 / 23	23 / 23
Civic Volunteerism	1	0	—	—	—	1 / 8	8 / 8
Community Attitude	3	0	—	—	—	3 / 13	13 / 13
Maintaining Community as the Goal	3	2	—	—	—	5 / 9	9 / 9
TOTAL POINTS						43 / 139	139 / 139

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

Business Development Capacity

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

1 - Business Development Strategy

ASSESSED SCORE: **17 / 37**

PRESCRIBED SCORE: **37 / 37**

Definition

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

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

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

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

1a. Relationship with Community’s Strategic Plan

- ☐ Complete an economic development strategic plan with business development priorities that are itemized in detail.

1b. Desirability of Business Development

- ☐ Analyze the general support for business development activities and conclude that such activity is supported.
- ☐ Analyze the support for business development activities in the community, hold an open dialogue on the subject, and document strong levels of support.

1c. Appropriateness of Business Development

- ☐ Identify and advance a selection of business development strategies/activities based upon the key business development success factors available.
- ☐ While being mindful of any invitations, conduct a broad array of business development activities based upon relative strengths of the community.

1d. A Foundation of Support for Existing Businesses

- ☐ Monitor support for business development activities and conclude that there is a general “pro business” disposition toward business development .
- ☐ Proactively engage existing business community in business development activities; reinforce the symbiotic relationship between new and prospective businesses.

2 - Local Staff and Team Development

ASSESSED SCORE: 3 / 37	PRESCRIBED SCORE: 37 / 37
-------------------------------	----------------------------------

Definition

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

2a. Focused Business Development Organization

- ☐ Ensure that business development priorities are not subordinated to community development priorities by the respective organization(s) advancing that such activity.
- ☐ Ensure that all business development priorities are specifically being advance by one or more organization(s).
- ☐ Ensure that the business development organization has long-term staying power in terms of its organization and budgeting.

2b. Stability of Business Development Organization

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

2c. Frequency of Meetings

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

2d. Business Development Staff

- ☐ Recognize that the lack of tenure limits the capability of the existing business development staff person.
- ☐ Recognize that the Plan Director vacancy must be filled with a capable lead economic development person.
- ☐ Ensure that the organization not only has a capable staff person, but also has adequate administrative support.

2e. Business Development Training

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

3 - Industrial Land and Infrastructure

ASSESSED SCORE: 12 / 68	PRESCRIBED SCORE: 68 / 68
--------------------------------	----------------------------------

Definition

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

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

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

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

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

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

3a. Availability of Industrially-Zoned Land

- ☐ Ensure that the community has adequate industrially zoned land.

3b. Potential for Land

Capacity achieved. No further action necessary at this time.

3c. Land Ownership

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

3d. Environmental Considerations

- ☐ Ensure that any environmental documentation on existing or prospective industrial land generally finds such land developable.
- ☐ Identify that the land has a reasonable but cursory analysis determining the land to be “environmentally clean”.
- ☐ Conduct an environmental assessment and conclude that industrial land has no environmental limitations.

3e. Land Price

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

3f. Availability of Buildings

- ☐ Identify existing industrial and/or commercial buildings that are generally desirable and competitive for developing.
- ☐ Document existing buildings that are highly competitive for business development opportunities.
- ☐ Not only document the availability of competitive industrial buildings, but also outline the expandability of such buildings.

3g. Basic Infrastructure

- ☐ Create a common consensus amongst key leaders (most likely city staff and the governing body) to consider an investment in basic infrastructure.
- ☐ Conduct the necessary planning and engineering to ensure that comprehensive, competitive basic infrastructure is available for business development priorities.
- ☐ Document how available basic industry is already available for the majority of business. development opportunities

3h. Access Infrastructure

- ☐ Establish and document the availability of rail spurs.
- ☐ Ensure the availability and document scheduled air service and/or barging services within 30 minutes of the community.

3i. Special Infrastructure

- ☐ Document the need for specialized infrastructure based upon the business development priorities being advanced.
- ☐ Ensure that availability of all of the needed specialized infrastructure based upon the business development priorities being selected.

3j. Land/Target Compatibility

- ☐ Inventory the availability of land that meets the specialized requirements of community and business activities being pursued.
- ☐ Complete specialized activities ensuring that all of the unique land requirements associated with business development activities can be met by the community.

4 - Targeted Industries

ASSESSED SCORE: 8 / 19	PRESCRIBED SCORE: 19 / 19
-------------------------------	----------------------------------

Definition

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

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

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

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

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

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

4a. Import Substitution

- ☐ Conduct a cursory analysis related to the goods and services that could be provided in the community based on existing demand.
- ☐ Conduct a full-scale import substitution analysis.

4b. Connection with Strategic Plan

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

4c. Targeted Industry Analysis

- ☐ Ensure that current connect information exists for targeted businesses.
- ☐ Ensure that the target industry analysis provides sufficient background information about targeted businesses that the community has a “running start” with recruitment activities.

5 - Marketing

ASSESSED SCORE: 11 / 33	PRESCRIBED SCORE: 33 / 33
--------------------------------	----------------------------------

Definition

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

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

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

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

5a. Marketing Track Record

- ☐ Build upon past, albeit mixed, results of business marketing efforts.
- ☐ Build upon recent successes in business marketing to launch continued successful efforts.

5b. Professional Marketing Assistance

- ☐ Identify and articulate specific business development marketing techniques and outcomes to be initiated.
- ☐ Collaborate with a business marketing consultant to ensure success.

5c. Diversification of Marketing Techniques

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

5d. Financial Resources

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

5e. Use of the Internet

- ☐ Post a complete website generally providing 100% of the relevant business development information online.
- ☐ Create a client-specific business development reporting system allowing business development prospects to download relevant community-based reports.

6 - Prospect and Lead Management

ASSESSED SCORE: 12 / 27	PREScribed SCORE: 27 / 27
--------------------------------	----------------------------------

Definition

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

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

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

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

6a. Community Profile

- ☐ Complete a “hard copy” community profile that has a comprehensive and current display of relevant community and business development information.
- ☐ Ensure that all of the relevant business development information is readily available online.

6b. A Professional Community Response

- ☐ Assemble a business development team that possesses the knowledge and skills necessary to professionally respond to business development inquiries; make business development responses a priority.
- ☐ Formalize the community’s business response team and ensure that adequate training and resources are available for professional responses.

6c. Availability to Travel

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

7 - Closing the Deal

ASSESSED SCORE: 10 / 26	PREScribed SCORE: 26 / 26
--------------------------------	----------------------------------

Definition

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

entities)—are formalized in a contract or memorandum of understanding.

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

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

7a. Deal Making Experience

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

7b. Expertise with Incentives

- ☐ Begin to assemble a rudimentary understanding of available business development incentives.
- ☐ Capitalize on “outside experts” (typically government employees) that have sophistication in their understanding and use of business development incentives.
- ☐ Recognize the depth of understanding of incentives and ability to “package the deal” in concert with state and federal partners.

7c. A Winning Attitude

Capacity achieved. No further action necessary at this time.

7d. Community Sophistication

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

7e. Project/Contract Monitoring

- ☐ Demonstrate technical competence to put a follow-up/compliance system in place to ensure business development agreements are in compliance.
- ☐ Develop a compliance document/system to ensure legal obligations are met.

Community Development Capacity

1 - Strategic Plan/Vision

ASSESSED SCORE:	9 / 32
-----------------	---------------

PRESCRIBED SCORE:	32 / 32
-------------------	----------------

Definition

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

1a. Existence of Community-wide Strategic Planning Document

- ☐ Complete a community-wide strategic plan.

1b. Acceptance of Plan

- ☐ Gain informal awareness and acceptance by appropriate governing bodies.
☐ Seek formal recognition/resolution supporting plan by governing body.

1c. Professional Development of Plan

- ☐ Gain a very high level awareness and acceptance for the specific consultant and methodology.

1d. Use of Strategic Plan

- ☐ Make regular use of any existing economic development strategic plan.
☐ Make widespread and very regular use of economic development strategic plan; recognize plan as an essential guidebook for community and economic development activities.

1e. Plan Updating

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

2 - Project and Issue Development

ASSESSED SCORE:	4 / 16
-----------------	---------------

PRESCRIBED SCORE:	16 / 16
-------------------	----------------

Definition

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

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

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

2a. Community Wish List

- ☐ Recognize that an existing “wish list” exists, and that the list is less than four years old.
- ☐ Recognize that an existing “wish list” exists, and that the list is less than two years old.

2b. Identification of Strategic Issues

- ☐ Demonstrate action toward addressing key strategic issues within the community.

2c. Large Project Advocacy

- ☐ Recognize that the community has successfully advanced a relatively large-scale project within the past decade.
- ☐ Recognize that the community has a demonstrated track record of completing large-scale projects.

2d. Coordinating Projects with State and Federal Processes

- ☐ Recognize that the community has participated in a state and/or federal funding process on at least one occasion in the past five years.
- ☐ Recognize that the community is a regular participant in state and/or federal funding processes.

2e. Incorporation into Community Facilities Plan

- ☐ Coordinate with the local public works department to ensure that projects critical to community and economic development are appropriately coordinated within any facilities plans by the governing body.

3 - Organizational Capacity

ASSESSED SCORE: 10 / 38	PRESCRIBED SCORE: 38 / 38
--------------------------------	----------------------------------

Definition

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

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

This process advances, therefore, the following specific principles with respect to a community’s “organizational structure”:

- A community must have one or more organization(s) dedicated to advancing specific priorities identified in the strategic plan.
- If a community has more than one organization serving a community development advocacy role, the organizations must avoid duplication of services and serve to reinforce each other.

- Organizations should have adequate, stable funding and dedicate a majority of their time to reaching stated objectives rather than simply keeping the organization afloat.
- Organizations must meet frequently enough to advance identified priorities.

3a. Connectedness and Focus of Organization(s)

- ☐ Identify and assign vast majority of community development priorities to one or more community development organization(s).
- ☐ Ensure that all of the priorities identified in the local strategic planning process are assigned to one or more community development organizations.

3b. Organizational Stability

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

3c. Focus on Business of Community

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

3d. Frequency of Meetings

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

3e. Organizational Board Training

- ☐ Provide limited training to community volunteers.
- ☐ Engage in a broad, community-wide initiative to train community volunteers in leadership and project advocacy principals.

4 - Staffing

ASSESSED SCORE: **11 / 23**

PRESCRIBED SCORE: **23 / 23**

Definition

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

4a. Skill Level of Staff Person

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

4b. Support Staff

- ☐ Recognize the effectiveness of the staff support.

4c. Staff Focused on Organizational Objectives

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

4d. Staff Training

- ☐ Provide limited training opportunities for staff.
- ☐ Provide consistent and comprehensive training to staff.

5 - Civic Volunteerism

ASSESSED SCORE:	1 / 8
-----------------	--------------

PRESCRIBED SCORE:	8 / 8
-------------------	--------------

Definition

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

5a. Opportunities for Service

- ☐ Identify additional opportunities for civic volunteerism and promote such opportunities.
- ☐ Recognize that there is widespread opportunity for volunteers to serve on boards, commissions, and ad-hoc project groups.

5b. Celebration of Volunteerism

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

6 - Community Attitude

ASSESSED SCORE:	3 / 13
-----------------	---------------

PRESCRIBED SCORE:	13 / 13
-------------------	----------------

Definition

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

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

6a. Proactive vs. Reactive Communities

- ☐ Recognize (either formally or informally) the nucleus of forward-thinking civic volunteers that are able to “carry the day” on certain key projects and initiatives.
- ☐ Recognize that one of the hallmarks of the community is a deep and growing cadre of elected and

non-elected individuals that regularly succeed with projects and initiatives.

6b. Viewing the Glass Half-Full

- ☐ Recognize that the community as a whole sees their “glass as half empty”.
- ☐ Recognize that the community sees its “glass half full”; enact initiative to fill the glass.

7 - Maintaining the “Community” as the Goal

ASSESSED SCORE:	5 / 9
-----------------	--------------

PRESCRIBED SCORE:	9 / 9
-------------------	--------------

Definition

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

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

7a. Depth of Community “Vision” or “Mission Statement”

- ☐ Keep the community strategic plan and mission statement so visible to a broad array of its citizenry that the mission and vision statements are virtually memorized.

7b. Formal or Informal Subordination of Projects to Community

- ☐ Formalize a “teaming of projects” to ensure coordination and potential collaboration.

Appendices

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

Appendix A

Prioritized Strategy Report

STRATEGY	SCORE	WANT	CAN	STRATEGY GROUP
Education Development	85	100%	100%	Community Development
Health Care	83	100%	100%	Community Development
Pass-through Visitor Services	80	100%	100%	Tourism
Cultural Tourism	79	89%	89%	Tourism
Energy Development	76	83%	80%	Sector-specific
Environmental Restoration	73	94%	81%	Sector-specific
Attracting Government Funding	73	93%	93%	Other
Destination Tourism	69	89%	89%	Tourism
Value-added Agriculture	68	89%	89%	Value-added
Bedroom Community	68	77%	77%	Community Development
Entrepreneurial Development	63	94%	81%	General Business
Infrastructure Development	63	94%	94%	Other
Business Retention and Expansion	61	94%	81%	General Business
Business Cultivation	61	94%	75%	General Business
Attracting Government Jobs	57	88%	93%	Other
Transportation Distribution Center	50	93%	73%	Sector-specific
Leading-edge Development	50	67%	56%	Sector-specific
Business Recruitment	49	94%	75%	General Business
Attracting Retirees	41	65%	65%	Other
Attracting Lone Eagles	40	79%	79%	Other
Downtown Development	38	94%	94%	Community Development
Value-added Forest Products	36	0%	0%	Value-added
Local/Regional Tourism	30	89%	89%	Tourism
Value-added Fisheries	28	0%	0%	Value-added

Appendix B

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

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

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

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

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

- Education Development

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

- Health Care
- Pass-through Visitor Services
- Cultural Tourism
- Energy Development
- Environmental Restoration
- Attracting Government Funding

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

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

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

Appendix C

Strategies by Group

STRATEGY	SCORE	STRATEGY GROUP
Business Recruitment	49	General Business
Business Retention and Expansion	61	General Business
Business Cultivation	61	General Business
Entrepreneurial Development	63	General Business
Energy Development	76	Sector-specific
Environmental Restoration	73	Sector-specific
Transportation Distribution Center	50	Sector-specific
Leading-edge Development	50	Sector-specific
Value-added Agriculture	68	Value-added
Value-added Forest Products	36	Value-added
Value-added Fisheries	28	Value-added
Value-added Mining	27	Value-added
Destination Tourism	69	Tourism
Cultural Tourism	79	Tourism
Local/Regional Tourism	30	Tourism
Pass-through Visitor Services	80	Tourism
Downtown Development	38	Community Development
Education Development	85	Community Development
Health Care	83	Community Development
Bedroom Community	68	Community Development
Infrastructure Development	63	Other
Attracting Retirees	41	Other
Attracting Lone Eagles	40	Other
Attracting Government Jobs	57	Other

Appendix D

Alphabetical Listing of Strategies

STRATEGY	SCORE	STRATEGY GROUP
Attracting Government Funding	73	Other
Attracting Government Jobs	57	Other
Attracting Lone Eagles	40	Other
Attracting Retirees	41	Other
Bedroom Community	68	Community Development
Business Cultivation	61	General Business
Business Recruitment	49	General Business
Business Retention and Expansion	61	General Business
Cultural Tourism	79	Tourism
Destination Tourism	69	Tourism
Downtown Development	38	Community Development
Education Development	85	Community Development
Energy Development	76	Sector-specific
Entrepreneurial Development	63	General Business
Environmental Restoration	73	Sector-specific
Health Care	83	Community Development
Infrastructure Development	63	Other
Leading-edge Development	50	Sector-specific
Local/Regional Tourism	30	Tourism
Pass-through Visitor Services	80	Tourism
Transportation Distribution Center	50	Sector-specific
Value-added Agriculture	68	Value-added
Value-added Fisheries	28	Value-added
Value-added Forest Products	36	Value-added

Appendix E - Key Success Factor Report

Key Success Factors with a Score of “4”:

- Existing or prospective cultural attraction
- Expandable educational institution
- Financially sound existing health care facility
- Proximity to nationally recognized attractions
- Insulation from industrial business annoyances
- Competent, strategic-minded hospital and health-care executives
- Existing excellence in local health care
- Local ability to identify and advance a funding proposal
- Supportive post-secondary education training program
- Local government support
- Supportive state energy policies and incentives
- Excess water and sewer infrastructure capacity
- Land/Buildings/Campus for education development
- Proximity to transmission lines with excess capacity
- Local, available, low-skill labor pool
- Advantageous location for government or education expansion
- Prospect of an expanded geographic market for health care

Key Success Factors with a Score of “3”:

- Availability of energy resources
- Desirable climate
- Proximity to large volumes of agricultural commodities
- Proximity to travel routes
- Proximity to urban population and workforce centers
- Sufficient base of local businesses
- Sufficient local entrepreneurial base
- Ability to secure power-purchase agreements
- Access to long-term infrastructure loans and grants
- Ability to compete in a global market
- Ability to identify product and service gaps
- Ability to successfully market materials
- Capable, experienced economic development professionals
- Cultural development and advocacy organization
- Relationship with site selectors
- Support from local education professionals at all levels
- Team approach to infrastructure finance
- Community acceptance of the visitor industry
- Community support for needed infrastructure rate increases
- Local focus on revenues from visitors
- Strong state and/or federal legislative delegation
- Supportive local government policy and focus
- Availability of brownfield sites
- High-speed internet
- Local, available, high-skill labor pool
- Proximity and access to markets
- Strategic location for distribution centers

Key Success Factors with a Score of “2”:

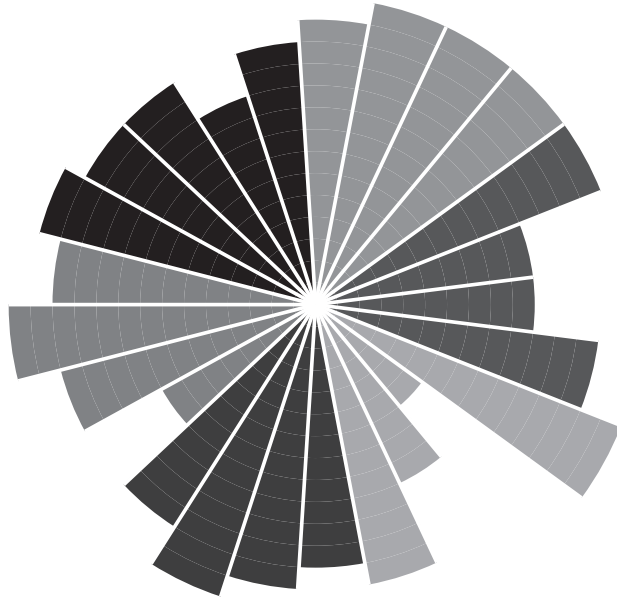
- Quality residential neighborhoods
- Recognizable central business district/downtown
- Availability of appropriated funds
- Ability to build a team comprised of energy-development experts
- Ability to understand industry trends and opportunities
- Dedicated business coaching staff
- Relative sophistication in coordinating and marketing local events
- Sophisticated use of the internet for marketing
- Staff focused on recruitment objectives
- Favorable state policies with respect to office locations
- Local pro-business climate
- Strong relations between economic development organization and local businesses
- Availability of industrial-zoned land for industrial park development

Key Success Factors with a Score of “1”:

- Accurate, long-term analysis of infrastructure needs and costs
- Available, desirable housing
- Existence of recreational amenities
- High availability of urban services
- Local recreational and visitor attractions
- Proximity and access to forests and forest products
- Access to large-scale capital
- Competitive recruitment incentives
- Dedicated local financial resources for staffing recruiters
- Local funding for downtown development
- Sufficient marketing, promotion, or public relations budget
- Cooperation of economic development staff and educational community
- Downtown organization and staff
- Sophisticated tourism development & promotion
- Projected growth in government budgets
- Strong community support
- Support for attracting retirees
- Support from local businesses
- Adequate housing for labor force
- Adequate telecommunications infrastructure
- Availability of local land
- Availability of local buildings
- Availability of local infrastructure
- Proximity to scheduled air service

Key Success Factors with a Score of “0”:

- Proximity to fisheries commodities
- Proximity to raw materials and minerals
- Ability to secure long-term contracts for forest materials
- Access to small business financing
- Ability to network and attend relevant trade shows
- Implementation of national Main Street Four-Point Approach™
- Active engagement of downtown building and business owners



Chinle

Strategy Thumbprint™ by Building Communities, Inc.



The work that provided the basis for this publication was supported by funding under an award with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Government.