



BUILDING RESILIENT
ECONOMIES *in*
COAL COMMUNITIES

Building Resilient Economies in Coal Communities

Economic Diversification Strategy

Counties of Apache, Coconino and Navajo, Ariz.





BRECC ACTION CHALLENGE OVERVIEW

Coal communities across the country are reimagining local industries and developing transformative initiatives to build stronger, more resilient economies. Supported by the U.S. Economic Development Administration (EDA), the [Building Resilient Economies in Coal Communities \(BRECC\) Action Challenge](#) provides technical assistance to communities that have been negatively impacted by changes in the coal economy. In partnership with the National Association of Counties (NACo), the West Virginia Community Development Hub, Community Builders, and EntreWorks Consulting provided community coaching support and planning expertise through the BRECC Action Challenge to develop community-led economic diversification strategies.

ECONOMIC DIVERSIFICATION STRATEGY

BRECC's Economic Diversification Strategies aim to prepare coal communities to overcome economic shocks and build stronger local economies. In 2023, NACo selected eight coal communities for the BRECC Action Challenge through a competitive application process. Collaborating with their county, each coal community formed a cross-sector team that worked alongside with their BRECC coach to develop an economic diversification strategy customized to their community's needs, priorities and strengths. This one-year planning process included conducting a community assessment, identifying goals and opportunities, developing projects and establishing action steps. BRECC Economic Diversification Strategies will help align stakeholders and foster collaboration, build consensus around priorities and provide a roadmap for broadening economic drivers and advancing revitalization.

BRECC PARTNERS AND TECHNICAL ASSISTANCE PROVIDERS



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Introduction

In 2022, Arizona's Apache, Navajo, and Coconino counties joined together with local partners on a team that applied for and was competitively selected to participate in the BRECC 2023 Action Challenge Cohort. Through the year-long process the team sought to identify strategies that could bring together economic development entities across the region in shared priorities and initiatives. By combining their limited capacity and urgent needs, the counties seek to accrue numerous small victories and build momentum in diversifying the regional economy. The result is this community-specific report of strategies for economic diversification to support coal transition.

Process

Through the BRECC Action Challenge the Northern Arizona Team was paired with their coaches for the length of the process: the Colorado-based non-profit Community Builders (CB), which works alongside communities to build stronger places and economies. The 12-month BRECC process was divided into the six strategic planning steps shown in the diagram below and refined for each team based on its unique starting points and needs. While the process was not scoped for grassroots community engagement, the process was heavily reliant on the community's existing policies and priorities, as previously identified through numerous planning documents for the region. The community-derived recommendations found in the County Comprehensive Plans, the Northern Arizona Council of Governments (NACOG) Comprehensive Economic Development Strategy (CEDs), and several regional strategic plans, as well as extensive and ongoing input from the project team, formed the foundation for the economic diversification strategies found in this document.



The primary activities and outcomes for each step of the process were as follows:

1. **Groundwork:** In the first month of the process, the team put in place the shared systems, tools, and partnerships needed for a successful process. The group discussed process goals and developed a tailored scope to ensure clarity and agreement on desired outcomes.
2. **Community Assessment:** The team conducted a review of existing regional policies and data metrics related to its coal transition to quantify the region's need and understand the broader community's documented alignment on economic development priorities. As a crucial step, the CB coaches visited the region to conduct tours and in-person worksessions in order to build relationships and better understand the community's assets, gaps and opportunities.
3. **Opportunities & Goals:** The Northern Arizona Team worked in this phase to articulate its primary goals for coal transition. This phase also included an ongoing inventory of existing and proposed economic diversification initiatives and the respective status, leadership, and funding potential for each.
4. **Strategies & Initiatives:** During this crucial phase the team honed a set of concise, impactful, and achievable strategies and supporting initiatives. Initiatives were screened with a variety of criteria, including potential region-wide benefit, positive job and revenue impact, fit with coal transition trends and resources, local leadership, and readiness to move forward.



5. **Action Steps:** In this phase the team worked through an iterative process of refining and finalizing the coal transition strategies and initiatives, developing a set of implementation steps, connecting to specific and relevant funding opportunities, and developing an initial draft of the Economic Diversification Plan.
6. **Report Results:** In this final step, the team finalized the Economic Diversification Plan and communications materials. Deliverables from each phase were transferred as editable documents and working tools that can be continued to be used. The team presented final results at the February NACo BRECC Capstone event in Washington DC.

The Game Plan: A Framework for Rebuilding Coal-Reliant Economies

Sports enthusiasts all recognize the feeling of uncertainty when a star player leaves the team and it must find a way to rebuild. This common sports scenario is currently playing out in Northern Arizona coal communities. We have historically had four all-star players, the region’s coal plants, which have already left, or will soon be leaving, our economic team.

When it comes to rebuilding our economy we are faced with many regional, demographic, geographical and economical limitations. Replacing one of these all-star economic powerhouses with a like-for-like equivalent is a long-shot at best. Replacing all four is nearly impossible. But we can begin thinking like the Oakland A’s as dramatized in the popular film “Moneyball.” They redefined the game of baseball with limited economic means when faced with the loss of several all-star players, changing the focus from flashy all stars and home runs to humble base hits – and won!

The Northern Arizona region’s coal transition strategy follows the same parallels: we cannot replace the all-star economic powerhouses in terms of jobs and revenue creation, but we can recreate them in aggregate. This means taking the combined impacts of many smaller economic players to recreate the outcomes our coal communities are accustomed to and seeking. Our “Get on Base” strategy is about pursuing many, smaller economic projects that will cumulatively produce new jobs and revenue while diversifying our economy to be stronger and more resilient.

BRECC Action Challenge |  BUILDING RESILIENT ECONOMIES IN COAL COMMUNITIES

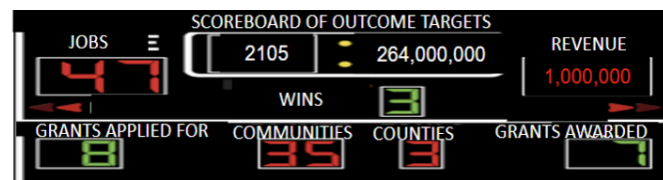
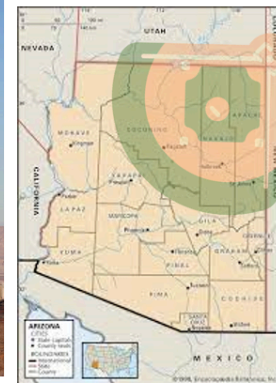
“Get on Base” Strategy

Moneyball (2011) analogy:

- We can’t replace our power house players (coal plants)
- But we can recreate them in aggregate, or “get on base”
- Create new jobs and revenue to replace the 2,105 jobs and \$265 million in annual revenue lost



The Game Plan = a new framework to rebuild our economic base





About our BRECC Team

The following are our founding Action Challenge Team members, who have come together to develop this Northern Arizona Coal Transition Strategy:

Coconino, Navajo and Apache County's individual Economic Development Directors have partnered together to bring knowledge of key policies, processes, resources and policymakers critical to the successful implementation of our regional Coal Transition Strategies and Initiatives. Each of them work directly with collaborators, support applications for potential grants, and provide access to other resources available to counties, which support economic diversification initiatives.

Local First Arizona serves as a cross-sector, cross-party convener and coordinator to represent the voices of entrepreneurs and small businesses, and to help identify and pursue funding and other resources that can support implementation of the economic diversification plan developed for the region. Local First acts as the federally designated Rural Development Council for Arizona, the largest network of locally owned businesses in North America, the operator of the Arizona Economic Resource Center and the leading entity in building the Northern Arizona Good Jobs Network across five counties, including those that make up our team. Local First Arizona is a capacity-builder with a proven track record of developing sustainable, resilient systems in support of strong, diversified economies in underserved communities.

APS (Arizona Public Service), Arizona's largest and longest-running energy provider, brings a regional perspective and relationship within the area impacted by regional coal plant closures. As a major regional provider of electricity and operator of the Cholla Power Plant, APS has been working with Navajo County for about a decade on planning for the coal transition. APS brings utility industry, economic development, and community support knowledge and resources, as well as a keen desire and commitment to support the region's transition away from coal.

Our Coal Transition team continues to expand; the following are the latest members to join in our collective efforts to bring resources, expertise, and community-focused support.

SRP (Salt River Project) brings a regional perspective and relationship within the area impacted by regional coal plant closures. As the operator of Coronado Generating Station and formerly Navajo Generating Station, SRP has been working with Apache and Coconino counties for several years on planning for coal transitions. SRP also brings utility industry, economic development, and community support knowledge and resources and the desire and commitment to support the region's transition away from coal.

TEP (Tucson Electric Power) brings a regional perspective and relationship within the area impacted by regional coal plant closures. As the operator of Springerville Generating Station, TEP has been working with Apache County for several years on planning for coal transitions. TEP also brings utility industry, economic development, and community support knowledge and resources, as well as the shared desire and commitment to support the region's transition away from coal.

There are also many supporting Team Members who helped to bring this strategy into fruition and help to realize implementation of the initiatives, including **ECoNA** (Economic Collaborative of Northern Arizona), **NACOG** (Northern Arizona Council of Governments), **Northern Arizona University's Economic Policy Institute** and **REAL AZ** (an economic development "engine" for northeastern Arizona).



The parties above have all come together as partners in the pursuit of economic development for the three-county region. The team invites other local entities to join in the region-wide effort to advance the strategies in this document or to contribute new initiatives to further Coal Transition efforts (See: “Adding Initiatives” below on page 8).

In several places the “**BRECC Team**” is called out as a lead or support entity. These instances refer to some or all of the core BRECC Team members listed on the previous page.

Document Content

This document contains coal transition goals, strategies, and initiatives to advance economic diversification. It also includes key data and policies to support the case for assistance, as well as implementation information to assist the region in pursuing next steps. The key sections of this action plan are as follows:

Coal Transition Goals

The BRECC Team identified several **overarching goals** (see page 11) for their coal transition process. These are linked to the needs facing the region and apply to the application of all the strategies and initiatives.

Economic Diversification Strategies


Through the process of articulating their goals and reviewing existing and future initiatives, the BRECC Team identified a set of five broad, **high-level strategies**. Each of the five strategies includes information about why this strategy is important to the region, the related assets and gaps, the regional policies supporting the strategy, and ongoing efforts and momentum.



Initiatives

Each strategy includes 3-5 related initiatives. The initiatives are specific locally-relevant projects and programs that were identified and vetted by local economic development leaders and partners through the BRECC coaching process. The initiatives are not an exhaustive list of potential steps, rather they are a pragmatic list of actions based on potential positive impacts and implementation readiness. Initiatives were selected based on their comparative impact, readiness, the ability for the Team or region to advance them, and their alignment with available coal transition assistance and funding. Future initiatives may be added that will further advance the strategies as new opportunities arise. Information for the initiatives include:

- **Readiness Table:** A table summarizes identified initiatives for each strategy and includes information on the current status, implementation readiness, potential impacts, and key roles. In a context of constrained staffing and resources, the comparative information in the table can be used to determine which initiatives to advance first, and what next step may enhance the readiness of an initiative.
- **Implementation Guidance:** For the selected initiatives in each strategy that currently appear most ready to advance, this section provides more detailed information on roles, action steps, and relevant funding opportunities and relevant funding opportunities.

 In the readiness table a check mark symbol indicates an initiative with implementation guidance.



Steal a Base

Initiatives or action steps that have the potential to be near-term, small-scale wins are identified with the “Steal a Base” field icon. The icon is also used to identify collective resources that community projects leaders can utilize to rapidly advance their project.



Initiatives Implementation

There is no single entity in the region with the capacity and resources to advance all of the listed or potential contributing initiatives on its own. In fact, one of the key initiatives is to expand capacity and attract more resources. As such, the three County Economic Development Directors have expressed a commitment to seeking out funding and leveraging strategic partnerships across the region to implement as many identified initiatives as possible. Just as each locality has more potential when the region’s economy is stronger, it is also true that the region is strengthened incrementally by each individual and local project. Achieving success in the larger strategies will require participation and collaboration among many parties in the region.

Adding Initiatives

Ideally, local government and other civic leaders across the region will identify aligned actions and activities they can undertake that contribute to economic diversification and coal transition. Framing their individual, local projects as contributing components of larger, regional strategies can reduce competition and enhance the potential to attract funding and assistance resources for multiple projects across the region. To introduce a new initiative for inclusion in the document, contact your County Economic Development Director. You should be able to describe the project in terms of current readiness and anticipated impacts (see Initiatives Table examples). In order to get your project in the document and “up to bat” you must clearly identify who is able and willing to champion the project and demonstrate that other necessary partners have been informed and are supportive - typically through a written letter of support. It is also helpful to note which coal transition strategy the project contributes to, any existing and potential funding sources identified, and any specific assistance you are requesting from the County Economic Development Department.

[Navajo County \(REAL AZ\)](#)

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[Apache County](#)

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About Northern Arizona Coal Country

Northern Arizona’s Apache, Navajo, and Coconino counties make up a vast, rugged, and diverse region. The combined land area, which varies dramatically from deserts and canyons, to scrubland plateaus, to forested mountains, is more than 39,000 square miles, larger than the state of Virginia. The region is primarily rural, with only 318,822 residents, almost half of whom are located in the Flagstaff metro area. This rural nature, combined with the patchwork of land ownership, where 57% of land is tribal and 28% public, creates a region that is difficult to develop and service.

Even more pressing are the accelerating impacts of coal transition. The three counties were once economically supported by four active power plants and two large coal mines. Navajo Generating Station near Page was the first plant to close in 2019, alongside its associated mines; it has since been decommissioned, demolished, and the site is being reused. Two of the four units at Cholla Power Plant, near Joseph City, have closed with the remaining two slated to close in 2025. Coronado and Springerville Stations, near St. Johns and Springerville, will close in 2032 and 2035 respectively. It is important to note that the utility providers in the region have thus far expressed interest in potentially retaining and converting the remaining power generation assets to new technologies.

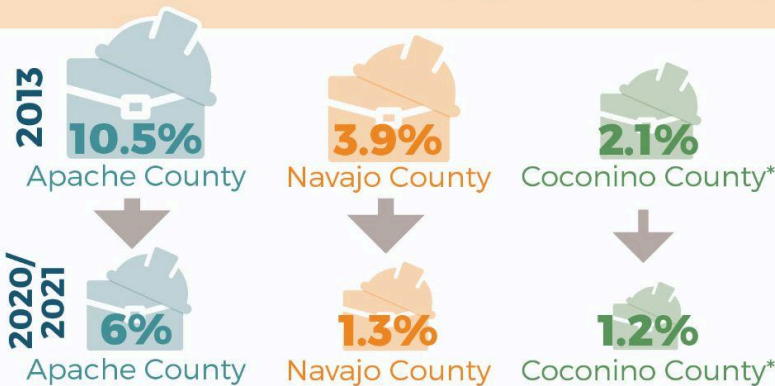


The Case for Assistance

As part of the Northern Arizona region’s community assessment, key data metrics were collected and summarized to assist the region in making a succinct case for eligibility and the pressing need for coal transition support and funding. The following indicators, sourced primarily from the US Census, the Bureau of Labor Statistics, the Bureau of Economic Analysis, and a [2018 Economic Assessment for Navajo and Apache Counties](#), indicate that the coal industry makes up a substantial share of the regional economy, employment, wages, and tax base, and that the closure of the power plants and mines will put a significant strain on the region.

Coal jobs are a major source of employment..

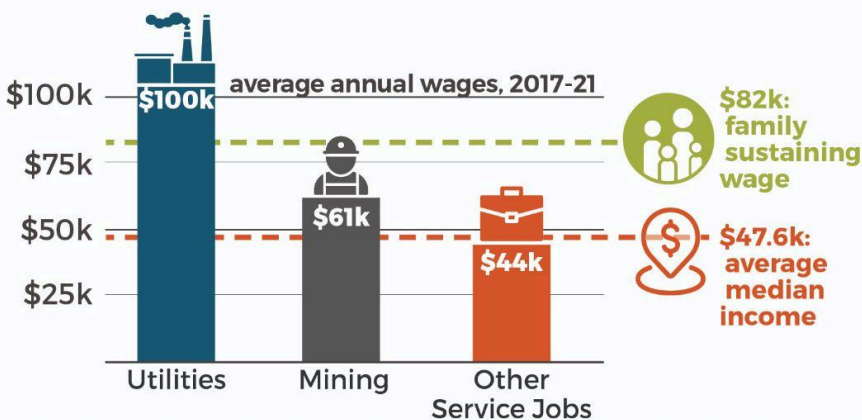
Historically, the **mining & utilities sectors** offered many job opportunities in the region. In 2013, the **percent of total employment** made up of jobs in these fields was:



By 2020-2021 direct jobs in mining and utilities have already seen significant decline. Ongoing closures are expected to continue to shrink these percentages.

**Employment numbers for the County excluding Flagstaff*

...and have paid the highest wages in the region.



Plant and mine closures will extinguish many or most of these high paying job opportunities.

The coal industry provides high wage jobs, with **annual salaries averaging around \$61,000 in the mining sector**, and **\$100,000 in the utilities sector**. This measures up well to the regional average self-sufficiency standard of **\$82,000 a year for a family of four**. In contrast, the average annual wage for other **service providing jobs** in the region is **under \$44,000**.



The coal industry makes up an outsized share of the economy...

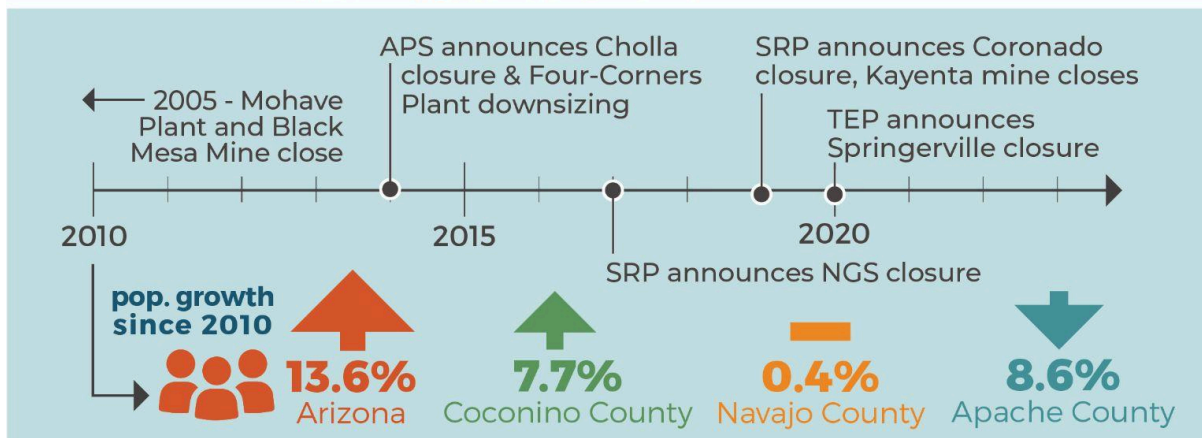
A location quotient (LQ) illustrates how prevalent an industry is relative to the rest of the country. In 2016, the LQ for the utilities sector in Apache County was 9 times the US average, while the LQ for mining in Navajo County was twice the US average, demonstrating a **major contribution to the regional economy.**



...and accounts for a very large share of the regional tax base.



In 2018, tax payments from power plants and mines in the region were estimated to be at least \$69 million annually, including **\$9.4 million** to support public entities in **Navajo County**, **\$19 million in Apache**, and **\$611,000 in Coconino**.



Coal industry and population declines present significant economic hurdles for the region.

In addition to economic losses from power plant and mines closures, the rate of **population growth in the region has seen significant decline.** Since 2010, population in Coconino County has grown 7.7%, Navajo County increased only 0.4%, and Apache County has decreased 8.6%. In the same period, Arizona grew 13.6%.

A Regional Commitment

A key part of the case for assistance in Northern Arizona is the regional commitment to economic diversification demonstrated through local policy and strategic plans. Relevant policies were collected through the Northern Arizona Policy Scan and several key examples are shown below.

"Plan for economic development to **improve the business environment** in the County and **encourage young residents to remain in the County** as they mature and enter the workforce."
-Apache County Comp Plan

"Economic expansion will be a **critical component of growth** in the County and will also **provide better opportunities for the County's youth** to remain in, or return to, the area."
-Navajo County Comp Plan

"The County acknowledges **the need to diversify its economic base**... Promoting industries that are compatible with our local environment and recognizing **the economic value of natural systems and human capital** creates a stable economic future."
-Coconino Comp Plan

"The struggle is real for Northern Arizona, and we need assistance. It's time for focused discussion that leads to action from stakeholders and partners... **Collaborations must happen between the federal, state, tribal, counties, public and private stakeholders and outside industries** to encourage business attraction and relocation, to take advantage of existing infrastructure and **innovate new ideas for the resiliency of Northern Arizona.**"
-NACOG Coal Communities Workforce Initiatives



Coal Transition Goals and Strategies

During the planning process the BRECC Team identified six high-level goals that act as overarching guides for future economic diversification efforts.

Coal Transition Goals



- Enhance the region’s collective capacity to act.
- “Get on Base” by replacing jobs and revenue lost from coal transition in the aggregate.
- Prioritize industries, technologies, and projects that provide more, higher-wage jobs.
- Replace lost revenue in order to maintain high-quality public services, particularly schools.
- Retrain the workforce into sectors that provide high-quality jobs with livable wages.
- In the long term, replace power generation to serve the future needs across the state of Arizona.

Economic Diversification Strategies

The above goals helped to guide the creation of five strategies, under which the economic diversification initiatives are nested. These strategies represent the five main areas of focus for Northern Arizona’s coal transition efforts.



Coal Transition Capacity

Increase local capacity and funding for coal transition projects and collaborations.



Infrastructure & Physical Enhancement

Develop missing components of foundational infrastructure for business and industry expansion.



Target Industry Expansion

Support business expansion and development in target industries that have been identified as a fit across multiple communities in the region.



Community Quality

Improve the appeal and appearance of communities in the region to invite new businesses and retain a stable labor force.



Workforce, Entrepreneur, & BRE Support

Retain existing businesses and workers and retrain the labor force to thrive in new and expanded businesses.



Strategy 1: Local Coal Transition Capacity

Increase local capacity and funding for coal transition projects and collaborations.

Why It Matters

While the local drive to implement coal transition strategies is strong in Coconino, Apache, and Navajo counties, the means to do so are limited. A crucial foundational step is identifying resources for project development including technical expertise, detailed studies, and implementation funding. Within the region, resources are limited to match grant funds. Staff resources are even more constrained. Local agencies neither can afford to nor desire to grow overall staffing levels, thus project funding must include resources for contract personnel to oversee project implementation.

In addition to project-specific funding, existing local economic development organizations need operational support and capacity. Leadership capacity related to coal transition strategies and initiatives is essential to achieve collaboration among local economic development entities, utility representatives, and coal transition experts and supporters at the state and federal levels.

Assets and Partners

There are many organizations in Northern Arizona committed to helping facilitate the community's coal transition. The economic development organization for Apache and Navajo counties and communities, REAL AZ, is one of the critical conveners and capacity assets for the area. Coconino County Economic Development is also a key partner in the work. There are also many state, regional, and nonprofit groups, as well as partnerships with the region's utilities, that contribute to the communities' capacity through planning, funding, and economic development support. These include:

- The Northern Arizona Council of Governments (NACOG)
- The Economic Collaborative of Northern Arizona (ECoNA)
- Local First Arizona (Arizona's Rural Development Council and operator of the Arizona Economic Resource Center)
- The Foundation for Little Colorado Revitalization
- Arizona Public Service (APS)
- Tucson Electric Power (TEP)
- Salt River Project (SRP)

Challenges and Gaps

The region's largest barrier to the implementation of its many projects and initiatives is simply funding and staffing. As with many rural areas, those working within the county and municipal governments and taking an active role in economic development organizations wear many hats and have limited time and resources to pursue additional funding, manage contracts, and implement projects. Many initiatives lack a champion that can commit to the staff hours needed, and in some cases that have the knowledge or expertise, to see consistent progress.



Supporting Policies

Regional and local community policies provide support for this strategy as shown in these selected excerpts:

- "Establishing economic resilience in a local or regional economy requires the ability to anticipate risk, evaluate how that risk can impact key economic assets, and build a responsive capacity."
-Northern Arizona Coal Communities Workforce Initiatives (2018, page 6)
- Strategy 5.4.1: "Developing an entrepreneurial community includes building the capacity of the community to support entrepreneurs."
-Regional Economic Assessment & Strategy for Coal-Impacted Navajo and Apache Counties (2018, page 13)
- Goal: "Together with local and regional businesses, the communities within the EDD have the capacity to build and foster an entrepreneurial ecosystem."
-NACOG CEDS (2019, page 66)

Momentum

This Local Coal Transition Capacity Strategy builds on ongoing work in the region being led by a diverse set of local and tribal governments and community, educational, and other partner institutions in the region. Initiatives within this document build on and strive to further advance those efforts, while creating an approach for emerging opportunities to be developed sufficiently to become a part of the region's economic diversification strategy. The below list of examples demonstrates traction and commitment from BRECC team members and partners:

- **Regional Priorities Framework** - Through the BRECC process the team has begun work toward the creation of a shared framework for sorting and sequencing competing interests.
- **Regional Utilities Engagement** - Of particular note in Northern Arizona is the partnership and engagement between the region's three utilities - APS, SRP, and TEP - and the impacted communities. APS has developed coal transition task forces, created tools, and worked with impacted communities since 2014. SRP formed a [Coal Communities Transition Team](#) in 2021 to develop a community engagement plan in coordination with St. Johns and Apache County. TEP has been an active participant in stakeholder workgroups soliciting feedback on community needs. In 2022, TEP and SRP each committed \$300,000 in matching contributions to help secure an Arizona Broadband Development grant for Apache County. The two utilities also jointly funded economic impact studies for the region.
- **Development of an Apache County Community Development Plan** - Stiletto Consulting has been tasked with creating a three-year Community Development Action Plan for Apache County. The BRECC team should continue ongoing collaboration with the Stiletto process to ensure that it is incorporating and aligning with the identified coal transition strategies. In addition, the team should determine if Stiletto Consulting will share the community input it is collecting via focus groups and surveys to inform the plan as that public input may also be relevant and useful to informing this strategy's implementation.
- **Joseph City Community Visioning** - As the Cholla Power Plant closure nears, the Joseph City School District has partnered with Arizona Public Service, Arizona State University, Northland Pioneer College, county, state and Federal governments, and other stakeholders to help coordinate the assets, opportunities, and vision of the community. The group is working together to develop, fund, and implement a plan to assist the unincorporated community with economic development and restoration as it faces coal transition.




Projects and Initiatives

Initiatives Descriptions

- a) **Pursue project funding and capacity support.**
 The BRECC Team, ECoNA, and REAL AZ will function as a shared regional resource for developing, applying to, administering, and managing coal transition-related funding and assistance opportunities. In addition, REAL AZ will seek solutions to provide long-term staffing capacity to manage project and grant contracts, including ensuring regular coordination and collaboration on all ongoing projects and grants.
- b) **Enhance collaborations and relationships.**
 REAL AZ, Coconino County, and the BRECC Team will continue to act as champions and conveners for regional collaboration around shared coal transition projects, initiatives, funding pursuits, and needs and will work to create relationships between local community project leads and state and federal funding agencies. These relationships should include close coordination with the Northern Arizona Council of Governments (NACOG) during the next Comprehensive Economic Development Strategy (CEDS) update to ensure that regional coal transition strategies and funding needs are reflected in the next CEDS. In addition, these entities should provide support and assistance to other regional partners who are pursuing projects and programs that align with this Coal Transition Strategy.
- c) **Create and distribute coal transition tools.**
 REAL AZ and BRECC Team will function as a central repository and distributor of current and future tools, such as the policy scan, data infographics, and the “Get on Base” project tracking site. The team will ensure the relevant tools are available to entities applying for coal transition funding and assistance. REAL AZ also will pursue capacity and funding to develop the “Get on Base” web-based tracking tool that will allow the three counties and other REAL AZ and BRECC Team to demonstrate the combined results of projects and regional collaboration. The tool will coincide with messaging around the team’s coal transition approach to replacing the power house players (coal plants) in aggregate with many smaller jobs and revenue creating opportunities to “Get on Base.”

Comparison Table



The below table summarizes and compares the readiness and benefits of initiatives that would advance the Local Coal Transition Capacity Strategy, as identified by local economic development leaders through the BRECC Action Challenge process.

Coal Transition Capacity Initiatives			
Initiative	Readiness	Anticipated Benefits	Rationale
Pursue project funding and capacity support. 	Status: Ongoing, needs long-term capacity Feasibility: Feasible Leadership: BRECC Team, ECoNA, REAL AZ, and member entities; tribes are potential partners when opportunities are compatible with these sovereign nations’ priorities, and their interest in partnering Funding: Opportunities highlighted throughout	Revenue: Increase grant funding and, indirectly, revenue from funded projects; some loans (e.g. microloans for businesses) may also be viable options Jobs: Indirectly, create jobs through funded projects Other: Increase awareness of regional Coal Transition efforts; advance projects without committing to long-term, unfunded staff	This is an ongoing effort that is only limited by capacity. Partnerships and recent planning efforts will help increase the success of funding pursuits. The Economic Resource Center and other resources also increase the feasibility.

Economic Diversification Plan

February, 2024



<p>Enhance collaborations and relationships.</p> 	<p>Status: Ongoing program/initiative</p> <p>Feasibility: Feasible, no study needed</p> <p>Leadership: County Economic Development Directors</p> <p>Funding: N/A</p>	<p>Revenue: N/A</p> <p>Jobs: N/A</p> <p>Other: Improve regional collaboration, successful coal transition, and economic diversification; CEDS alignment will provide a stronger basis for future funding and assistance applications</p>	<p>Coal transition brings with it increased need and opportunity to tap into regional, state, and federal programs, resources, and collaborations, bringing many potential benefits to the region, both short and long-term.</p>
<p>Create and distribute coal transition tools.</p> 	<p>Status: Ongoing program/initiative</p> <p>Feasibility: Feasible, no study needed</p> <p>Leadership: BRECC team member entities</p> <p>Funding: Potential capacity resource (e.g. AmeriCorps Vista) and tools (USGS/GIS) identified</p>	<p>Revenue: N/A</p> <p>Jobs: N/A</p> <p>Other: Demonstrate project impact and potential of regional collaboration and improve coordination and successful economic diversification</p>	<p>This is ready to move forward as capacity allows. BRECC process deliverables will be transmitted to the team in usable formats for future use. The web tool has major potential benefits and should be pursued as soon as capacity is identified.</p>

Note on Arizona Funding Sources

Sources for coal community transition support funding in Arizona remain in flux. In a 2019 rate case with the Arizona Corporation Commission, APS proposed a historic \$144.45 million transition package negotiated with the Navajo Nation and other parties. While that proposal was not approved by regulators, in 2021 APS was given approval to provide a portion of the proposed amount in customer funds for energy transition support. In a 2023 rate case decision for TEP, proposed funding for coal community transition support was not approved by regulators. The FY24 Arizona state budget includes \$9 million for economic transition in coal communities, which are narrowly defined. Current Government and private grant opportunities can be reviewed at [Arizona Economic Resource Center](#). Under a coordinated effort, Arizona “coal country” could lobby the state legislature for additional funding under different parameters.



Implementation Guidance

Initiative: Pursue project funding and capacity support.

The BRECC team member entities, ECoNA, and REAL AZ will function as a shared regional resource for developing, applying to, administering, and managing coal transition-related funding and assistance opportunities. In addition, REAL AZ will seek solutions to provide long-term staffing capacity to manage project and grant contracts, including ensuring regular coordination and collaboration on all ongoing projects and grants.

ROLES

- **Lead:** BRECC Team, ECoNA, REAL AZ, and their member entities
- **Partners:** County Economic Development Departments, Local First Arizona, ECoNA, institutions of higher education
- **BRECC Team Role:** Convene regional partners, pursue staffing capacity and organizational funding, apply to and manage coal transition funding and assistance opportunities

ACTION STEPS:

- Engage Local First's [Arizona Economic Resource Center](#), which has free grant writing and related support available to qualifying rural and tribal nonprofits and local governments seeking to pursue grant opportunities
- Identify and pursue assistance opportunities that support general organizational operating expenses and salaries
- Identify and pursue opportunities that provide free and no-cost technical assistance to advance feasibility and technical studies
- Identify capacity needs associated with projects and initiatives
- Identify, prioritize and pursue project funding opportunities that include support for administrative and overhead costs of implementation and of grant management

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes
APS, SRP and TEP Utilities Capacity Grants (srpnet.com) Funds will be awarded on a competitive basis to parties seeking assistance in applying for qualifying federal, state, or another grant. The funds will aid in covering expenses for (a) grant writer fees; (b) studies fees; and (c) grant matching dollars for: broadband, transportation, education/workforce development, and housing grants.	Eligible: Yes, impacted communities located within 75 miles of a closed or closing coal facility owned or operated by APS, TEP, or SRP, including: state / local govt entities; tribal entities; public schools; economic dev. groups / chambers of commerce; and community-based orgs that are 501(c)(3) non-profits.	Applications accepted on the 15th of the month in April, August, and December. Recurs through 2026.	Type: Grant Amount: Up to \$25,000 Match: None	Only available to AZ Coal Communities - far less competitive than most state or federal opportunities. Note: To qualify, an applicant must be seeking assistance to apply for a federal or state infrastructure funding opportunity for a community improvement project that falls within one of the four pillars: broadband, transportation, education/workforce development, and housing.	This is a unique and highly recommended opportunity provided by the local utilities. The application process is simple, there is no match, and small dollar amounts will be relatively easy to manage. This can help communities leverage much needed state and federal funds. For questions: CoalTransition@srpnet.com

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<p>Just Transition Fund - Federal Access Center Application- Ready Support</p> <p>1) Grants proportional to the size of the potential fed funding, up to \$100k, to support application costs (research, grant writing, partnerships, engagement, and matching funds)</p> <p>2) Technical assistance provided by experts to help identify funding, understand the process, build relationships, & review grants.</p>	<p>Eligible: Yes, any community affected by a coal plant and/or mine closure is eligible. (Prioritizes communities experiencing the greatest distress.)</p> <p>Qualified 501(c)(3) non-profit organizations and local governments are eligible.</p>	<p>Applications accepted and reviewed on a rolling basis. Likely to recur annually.</p>	<p>Type: Grant or Technical Assistance</p> <p>Amount: Up to \$100k</p> <p>Match: None</p>	<p>The program is only open to coal communities and is open on a rolling basis. Some sort of support from them is likely!</p>	<p>Highly recommend utilizing this resource for projects that are well defined and ready to pursue funding. Fills key capacity gaps in grant writing, coordination, matching funds and helps with the application process.</p>
<p>EDA - Planning and Local Technical Assistance Program</p> <p>Assists in creating economic development plans and studies designed to build capacity and guide the economic prosperity and resiliency of an area. The Planning program supports orgs with Short Term Planning investments designed to guide the creation and retention of high-quality jobs.</p>	<p>Eligible: Yes, eligible applicants could include counties, communities, special district governments, nonprofits with 501(c)(3) status, or community colleges</p> <p>Funding can be used for feasibility studies, market studies, and short-term planning.</p>	<p>Applications accepted on an ongoing basis with expeditious review. Recurs annually.</p>	<p>Type: Grant/ Technical Assistance</p> <p>Amount: Up to \$300k</p> <p>Match: No, but level of cost sharing is an award criteria</p>	<p>Moderately competitive: Historically, EDA has awarded funds for 320-450 Planning projects and 30-50 Local Technical Assistance projects a year. Note: The availability and committed nature of matching funds is a competitiveness factor in evaluating applications</p>	<p>Because BRECC is an EDA funded process, projects identified in this document will likely be more competitive for EDA funding. Connect with your regional EDA rep to see which are most ripe for this support.</p>
<p>Government and private grant opportunities can continue to be reviewed from the Arizona Economic Resource Center website and via weekly emails sent to subscribers. The Resource Center also offers free grant writing assistance and other resources for pursuing funding opportunities to qualifying entities.</p>					

Initiative: Enhance collaborations and relationships.

BRECC team member entities will continue to act as champions and conveners for regional collaboration around shared coal transition projects, initiatives, funding pursuits, and needs and will work to create relationships between local community project leads and state and federal funding agencies. These relationships should include close coordination with the Northern Arizona Council of Governments (NACOG) during the next Comprehensive Economic Development Strategy (CEDS) update to ensure that regional coal transition strategies and funding needs are reflected in the next CEDS. In addition, these entities should provide support and assistance to other regional partners who are pursuing projects and programs that align with this Coal Transition Strategy.

ROLES

- **Lead:** The three counties' Economic Development Departments (EDD)
- **Partners:** ECoNA, NACOG Economic Development Council, REAL AZ, White Mountain Economic Development, Foundation for Little Colorado Revitalization, APS, SRP, TEP, and municipalities. In addition, tribes in the region such as the Navajo Nation and Hopi, are potential partners when economic development opportunities are compatible with these sovereign nations' priorities, and pending their interest in partnering.
- **BRECC Team Role:** Ensure ongoing coordination

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ACTION STEPS

- Extend invitations to coal community project leaders to attend Federal Funding Summit in February 2024 (Locations: St. Johns and Joseph City)
- Explore expansion of REAL AZ to include other representatives from additional regional partners in Northern Arizona with similar needs and initiatives
- Explore opportunities to work with and through the Interagency Working Group’s Rapid Response Team to navigate federal programs and advocate for Northern Arizona needs
- Coordinate with NACOG during the next Comprehensive Economic Development Strategy (CEDs) update, occurring from 2024-2025, to ensure that regional coal transition strategies and funding needs are reflected in the next CEDs

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
EDA Regional Economic Diversification Summits (REDS) Through its REDS process, EDA works directly with local and regional stakeholders to leverage federal program support for local economic development strategies. These events are also well-suited for purposes of catalyzing strategic investments.	Eligible: Yes, EDA promotes and facilitates REDS in communities and regions where stakeholders have: 1) Completed an economic development strategic plan; and 2) Reached consensus on economic growth objectives and related project priorities; BUT lack the resources to commence with project implementation.	EDA continues to promote and facilitate additional REDS events on an ongoing basis.	Type: Technical assistance - EDA assists primarily in identifying and engaging federal colleagues whose agencies administer program resources that align with the strategies and priorities.	Competitiveness/willingness of the EDA to engage in REDS for this area is unknown but the creation of this Coal Transition Plan is likely a compelling factor and shows that the region is strategically positioned for implementation (see eligibility criteria).	A path for enhancing regional collaboration and federal funding. Connect with the EDA Regional Integrator , Frances Sakaguchi: fsakaguchi@Eda.gov and the Department of Energy Rapid Response Team contact, Kevin John: kjohn@lanl.gov to explore
EDA Planning and Local Technical Assistance Programs Awards may cover the development, implementation, revision, or replacement of the CEDs.	Eligible: Yes, eligible entities include: Educational Institution; Local Govt Native/Tribal Entity; Non-profit; and State Govt	Applications accepted and reviewed on a rolling basis. Recurs annually.	Type: Grant or technical assistance Amount: Subject to availability of funds at time of award. Median amount for the awards has been \$70k for Planning and \$100k for Technical Assistance Match: Varies by unemployment rate	Historically, EDA has awarded funds for 320-450 Planning projects and 30-50 Local Technical Assistance projects a year. Note: The availability of matching funds is a competitiveness factor in evaluating applications	If support is needed for the CEDs update, this is a good option. NACOG may be the likely applicant for the region. Applicants are strongly encouraged to work with their EDA rep.
Four Corners Rapid Response Team (4C-RRT)	While not an official funding or technical assistance opportunity, the Four Corners Rapid Response Team will be a strong partner and provide needed capacity in convening local groups, setting up summits, and connecting to federal funders. (Current 4C-RRT contact: Kevin John)				

For more information on getting your project “up to bat” and represented in this strategy, please see the information on Adding Initiatives on page 8.



Strategy 2: Infrastructure & Physical Investment

Develop missing components of foundational infrastructure for business and industry expansion.

Why It Matters

Energy, transportation, and telecommunication infrastructure are foundational to existing and new business development. The public sector traditionally takes a leadership role in developing and investing in such assets, either as sole developer or in partnership with private entities.

Northern Arizona coal country offers a number of excellent infrastructure assets, yet strengthening key components - in particular building out broadband access - can attract and retain modern new businesses while also enhancing residents' quality of life by offering remote education, work, and telehealth care opportunities. Building on existing assets such as new spurs for rail access and closing gaps such as natural gas pipelines in Apache and Navajo counties will further strengthen the attractiveness of the region for businesses.

Assets and Partners

Northern Arizona benefits from several physical infrastructure and transportation assets including access to Interstate 40, the rail line and spurs that once carried coal, and several regional airports, the largest being located in Flagstaff and Show Low. In the expansion of broadband, the region has important partners in APS, which is developing a middle-mile broadband loop that will facilitate significant connectivity and last-mile opportunities, and in the federal Broadband Equity Access and Deployment (BEAD) Program, in concert with the Arizona Commerce Authority, which is providing significant funding for planning and deployment of high-speed last-mile broadband access.

Challenges and Gaps

As Northern Arizona works to improve its infrastructure, several barriers and uncertainties will need to be addressed. These challenges include poor access to natural gas in Apache County and parts of Navajo County, the unknown future and accessibility of the rail line and spurs, a lack of adequate funding, and delays associated with difficult permitting requirements. Finally, the highly rural nature of the region presents issues with connectivity, access, and a high-cost to serve outlying areas, particularly in regards to transportation, utilities, and last-mile broadband.

Supporting Policies

Regional and local community policies provide support for this strategy as shown in these selected excerpts:

- Goal: "Improve Northern Arizona's access to broadband capacity and support infrastructure improvements to enhance communications technology."
-NACOG CEDS (2019, page 70)
- Goal: "Assist in the promotion of available land assets, and in the redevelopment of existing assets, to further propel business development and expansion within Northern Arizona."
-NACOG CEDS (2019, page 73)



- “The single greatest infrastructure gap in Northeast Arizona that affects the viability of many potential economic development strategies and several target industries is broadband availability and reliability. This adversely affects the region’s ability to grow and attract small business, entrepreneurs, remote workers, while also limiting the market and development opportunities for existing businesses.”
-Regional Economic Assessment & Strategy for Coal-Impacted Navajo and Apache Counties (2018, page 14)
- Goal: “Improve and maintain circulation infrastructure to meet the needs of residents and to protect the natural environment.”
-Navajo County Comprehensive Plan (2023, page 34)

Momentum

This strategy builds on ongoing work in the region being led by a diverse set of local governments and community, educational, and other partner institutions in the region. Initiatives within this document build on and strive to further advance their efforts. The below list of examples demonstrates traction and commitment from BRECC team members and partners:

- **Winslow Levy Project** - The City of Winslow and Navajo County have secured funding for and are beginning a levy project that will protect Downtown Winslow, the BNSF Rail Line, and I-40 from flooding, thereby opening up significant development and revitalization opportunities.
- **Camp Navajo Improvements** - Coconino County and the US Military are in the process of making updates to Camp Navajo infrastructure and rail access, which will improve the rail line’s capacity to support other nearby industries.
- **Navajo County Broadband Middle-Mile Project** - Navajo County has received funding, completed planning, and purchased fiber-optic cable for a county-wide middle mile project that is connecting the Navajo Nation through Holbrook to Show Low and the Phoenix Area and linking up all municipalities along the route.
- **Apache County Last Mile Project** - Apache County and ISPs serving this area have received funding and have designed a last mile network centered around eight communities including St Johns, Springerville, and Eagar in partnership with ComNet/Ethos. This project is currently in the final design phase. Other last-mile broadband coverage is being supported by Rural Digital Opportunity Funding (RDOF), a federal budget appropriation for St Johns, and Broadband Equity, Access, and Deployment (BEAD) funding.
- **USDA Distance Learning and Telemedicine (DLT) Award** - The region’s primary healthcare provider, Summit Healthcare, was awarded \$575,000 to improve broadband access at 14 healthcare and educational facilities in Apache and Navajo counties.
- **APS Middle-Mile Broadband Loop** - In 2018, APS began work on a strategic fiber project to build a ring connecting APS facilities from Phoenix throughout Northern Arizona, including coal-impacted areas. The loop is being overbuilt to bring dark fiber capacity to assist in economic development efforts. Two legs of this project connecting into the Cholla Power Plant area are currently underway; other segments of the loop have been completed.



Projects and Initiatives

Initiatives Descriptions

a) **Champion regional broadband.**

Work with and support the efforts of the Northern Arizona Council of Governments (NACOG) Broadband Working Group and County-led broadband efforts, which provides a platform for regional coordination and leadership in region-wide middle and last-mile broadband development to enhance business and worker attraction and retention, equitable education access, and resident experience.

b) **Support conversion of Coronado Generating Station.**

Support SRP's efforts to explore an appropriate and feasible option to convert Coronado Generating Station to a new energy technology or other use that can preserve regional jobs and the tax base, continue to support energy affordability and reliability, and avoid a stranded asset. Help to inform the Northern Arizona public about options and opportunities supported by expert studies and assessments. As other utilities develop station conversion plans, provide similar support to those efforts.

c) **Develop the Apache County industrial park.**

Further develop and fund land consolidation, utilities installation, and promotion for the Apache County industrial park in order to provide functional and marketable development sites that will help attract new businesses and industries to St. Johns and Apache County. Explore replication of local commercial site preparation in other communities over time.

d) **Explore a regional carbon capture facility.**

Work with Arizona State University and private industries on the exploration and potential development of a Northern Arizona-based carbon capture facility. Determine the replicability of such a facility in other parts of the region if successful.



e) **Explore potential energy projects in the region.**

Work with private energy developers and provide, as needed, education, advocacy, and grant writing in support of privately-led solar, wind, and battery storage development in the region. In addition, explore federal energy infrastructure grants available to counties and municipalities, many of which focus on grid resiliency and support the transition to clean energy. Prioritize proactive local efforts on advancing projects that offer strong jobs and tax revenue potential.

Comparison Table

The below table summarizes and compares the readiness and benefits of initiatives that would advance the Infrastructure Enhancement Strategy, as identified by local economic development leaders through the BRECC Action Challenge process.



Infrastructure Enhancement Initiatives			
Initiative	Readiness	Anticipated Benefits	Rationale
<p>Champion regional broadband.</p> 	<p>Status: APS loop planned, funding and materials secured, in permitting; Navajo County extension planned and funded; Apache County finalizing design, funding secured</p> <p>Feasibility: Feasible</p> <p>Leadership: NACOG Broadband Working Group and coordinators of county-led efforts</p> <p>Funding: BEAD Program to fund additional last-mile connectivity</p>	<p>Revenue: Near term is direct revenue from permitting and built property value increases; long term supports economic development broadly</p> <p>Jobs: Near term jobs in construction of facilities</p> <p>Other: Enhance quality of life and place value for residents and labor force</p>	<p>The status of broadband development and next steps vary by county. A range of state and federal programs offer timely funding opportunities. An initial quick win step is to use the BEAD program to assess existing access and enhance future funding eligibility.</p>
<p>Support conversion of Coronado Generating Station.</p> 	<p>Status: In progress</p> <p>Feasibility: Initial feasibility studies completed by Kiewit and Gateway for Accelerated Innovation in Nuclear (GAIN)</p> <p>Leadership: SRP</p> <p>Funding: SRP completed initial feasibility study and continues with research; initial study provided a positive assessment</p>	<p>Revenue: GAIN study indicates an additional \$40-375 million in economic output for advanced nuclear</p> <p>Jobs: GAIN study indicates an additional 125-550 jobs (direct, indirect, and induced) for advanced nuclear options at Coronado Station</p> <p>Other: Support industrial businesses that cluster around nuclear power generation</p>	<p>As a partner project with large potential benefits, the region should provide full support for this initiative as needed. This might include promoting and/or helping to organize convenings to gauge public sentiment and being a policy and regulatory advocate. The Team should provide similar support to other station conversions as needed.</p>
<p>Develop the Apache County industrial park.</p>	<p>Status: Land identified and under county control, zoned to allow industrial use</p> <p>Feasibility: Feasible, needs site planning, funding for utilities development</p> <p>Leadership: Apache County</p> <p>Funding: Funding not identified</p>	<p>Revenue: Indirect, by spurring industrial property use</p> <p>Jobs: Indirect, by supporting industrial businesses and jobs</p> <p>Other: N/A</p>	<p>Numerous opportunities for new jobs and revenue here. Similar support and development for other industrial parks within the region, if locally initiated and readiness/momentum identified, would also be additive to a Get on Base strategy.</p>

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<p>Explore a regional carbon capture facility.</p>	<p>Status: In progress</p> <p>Feasibility: Feasibility being determined</p> <p>Leadership: Arizona State University, Global Futures Laboratory</p> <p>Funding: EDA has provided funding for feasibility study, implementation study needed</p>	<p>Revenue: Study needed to determine</p> <p>Jobs: Study needed to determine</p> <p>Other: Support development of industrial businesses that cluster around carbon capture technology</p>	<p>If further study indicates strong potential in this initiative, the region should provide full support as needed. This might include helping educate the area on this technology and its economic and environmental benefits.</p>
<p>Explore potential energy projects in the region.</p>	<p>Status: In progress</p> <p>Feasibility: Feasibility being determined</p> <p>Leadership: ConnectGen, AES and Triple Oaks; other private industry leadership will emerge as new projects are developed</p> <p>Funding: Private companies are performing feasibility studies, implementation study needed</p>	<p>Revenue: Indirectly, through new energy projects (amount unknown, varies by project)</p> <p>Jobs: Indirectly, through new energy projects (amount unknown, varies by project)</p> <p>Other: Support development of industrial businesses that cluster around energy tech</p>	<p>With strong energy generation potential in the region and numerous potential benefits, varying by technology type and scale, the region should provide full support for this initiative as needed.</p>



Implementation Guidance

Initiative: Champion regional broadband.

Work with and support the efforts of the Northern Arizona Council of Governments (NACOG) Broadband Working Group and County-led broadband efforts, which provides a platform for regional coordination and leadership in region-wide middle and last-mile broadband development to enhance business and worker attraction and retention, equitable education access, and resident experience.

ROLES

- **Lead:** NACOG Broadband Working Group and coordinators of county-led efforts
- **Partners:** Counties, Arizona Commerce Authority (ACA), ADOT, APS, Comnet, BEAD Program; County BEAD Task Forces, permitting entities and other last-mile providers
- **NACOG Role:** Organizing means for regular coordination and collaboration, pursuing funding, providing a regional voice in conversations with federal entities
- **BRECC Team / Real AZ Role:** Continue pushing for regional coordination, support local governments in funding and capacity pursuits

ACTION STEPS

- Identify support to expand staff capacity
- Convene partners in a facilitated conversation about shared broadband needs and opportunities
- Ensure that counties are aware of the Broadband Equity, Access, and Deployment (BEAD) program and process administered through the Arizona Commerce Authority, including the process to contest FCC coverage maps if they “overstate” the reach and speeds of broadband in the region (these maps determine eligibility for and levels of future funding for broadband infrastructure)
- Consider the pursuit of a consultant if contesting of FCC maps is warranted and ensure regular coordination on BEAD Program implementation; if a consultant is already secured, provide continued support for the consultant’s work
- Encourage regional entities to attend the regular convenings of the multijurisdictional NACOG working group on broadband
- Support local jurisdictions in the pursuit of potential shared funding opportunities
- Action steps for those that have received funding:
 - Ensure ongoing staff capacity for the successful deployment of funding
 - Tie into other projects, get connected to the NACOG group
 - Develop a track record of success for the region, which will support competitiveness in future funding pursuits

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
USDA - Broadband Technical Assistance Grants Provides financial assistance to receive technical assistance and training, supports the development and expansion of broadband coops.	Eligible: Yes, state or local governments, including agencies and subdivisions in rural areas. For the purposes of BTA, a rural area is defined as “any area not located in a city, town, or incorporated area with a pop greater than 20,000”	2023 application closed June 20. Recurs annually. Look for re-opening in summer, 2024.	2023 Info: Type: Grant Amount: \$50-250k for technical assistance Match: None	Fairly competitive given national scale - at least 30 technical assistance grants were awarded in 2023-2024; funding amounts are unknown.	If additional planning or technical assistance is necessary could be a good fit with no matching requirement.

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<p>USDA Rural Development - Community Connect Grants</p> <p>Offers assistance to eligible applicants that will construct broadband networks that provide service on a community-oriented connectivity basis in rural areas.</p>	<p>Eligible: Yes, the following are eligible: (a) Incorporated organization; (b) Indian tribe or tribal organization (c) State government; (d) Local unit of government; (e) Any other legal entity, including a cooperative, private corporation, or limited liability company.</p>	<p>2023 application closed June 20. Recurs annually. Look for re-opening in spring/summer 2024.</p>	<p>2023 Info: Type: Grant Amount: \$100k - \$5 million over 3 years Match: Yes, 15% from non-federal sources are required, can be used for operating costs.</p>	<p>Fairly competitive given national scale - it looks like approximately 10-15 awards are given a year. The 2024 funding amount is currently unknown.</p>	<p>A good, though competitive, source for implementation funds with low match requirement. (Note: The Utilities Capacity Grant could potentially supply the match up to \$25k.)</p>
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Initiative: Support conversion of Coronado Generating Station.

Support SRP’s efforts to explore an appropriate and feasible option to convert Coronado Generating Station to a new energy technology or other use that can preserve regional jobs and tax base, continue to support energy affordability and reliability, and avoid a stranded asset. Help to inform the Northern Arizona public about options and opportunities supported by expert studies and assessments. As other utilities develop station conversion plans, provide similar support to those efforts.

ROLES

- **Lead:** SRP
- **Partners:** REAL AZ, GAIN (Note: Others, including state agencies and regulators, will emerge and be important to collaborate and/or advocate with on behalf of the region.)
- **BRECC Team Role:** Support conversion for its jobs and revenue potential; commit to ongoing coordination, education, and advocacy with the public and policy makers; provide similar support to other station conversions as utilities develop those plans

ACTION STEPS

- Assist SRP in communicating results of initial studies and provide letters of support for their pursuit of funding for additional technical studies
- Convene periodic community education sessions to provide reliable information to community members about study results, timelines, and potential jobs and revenue impacts
- If needed, act as a public advocate for plant conversion with regulators and policymakers, strategize as a region on messaging and any needed policy changes

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
<p>U.S. Department of Energy (DOE), Capacity Building for Repurposing Energy Assets</p> <p>The objective of this effort is to directly support an embedded workstream supported by a staffer whose primary responsibility is coordination and planning, with a particular emphasis on workforce development oriented around productively and sustainably repurposing energy assets.</p>	<p>Eligible: Yes, open to municipal govts and nonprofit orgs with an energy asset that has retired or is slated to retire before 2032.</p>	<p>2023 was the first year of this program. The application window closed in November. Recurrence is uncertain but look for re-opening in Fall 2024.</p>	<p>2023 Info: Type: Grant Amount: Expecting \$100k per award Match: No</p>	<p>Program funding for 2023 was \$3.5 million, with 35+ awards anticipated.</p> <p>Fairly competitive given national scale and limited awards, though it is only open to communities with energy assets that have retired, or are slated for retirement (2009- 2032), which narrows the pool.</p>	<p>This is a unique and applicable capacity support opportunity worth pursuing if it recurs. Contact for inquiries: info@energywerx.org</p>

For more information on getting your project “up to bat” and represented in this strategy, please see the information on Adding Initiatives on page 8.



Strategy 3: Target Industry Expansion

Support business expansion and development in target industries that have been identified as a fit across multiple communities in the region.

Why It Matters

At the heart of Coal Transition is replacing the jobs and local revenues lost through plant and mine closures by growing existing and emerging industries. Economic development studies and policy documents previously completed by Coconino, Apache, and Navajo counties and other regional economic development entities have identified promising target industries based on the areas' assets and comparative advantages. These industries include forest products, agricultural, outdoor recreation, manufacturing, and textiles industries. Within each target industry are components of business retention and expansion as well as cultivating more businesses that produce value-added products. The region's unique natural and historical attractions drive a hospitality industry that is also a valuable component of a diverse economy, although it is not as high a priority for limited economic development resources given the lower prevailing wages in the hospitality industry.

Electricity production remains a very important industry. Conversion of existing generating stations to new technologies (such as biomass, nuclear, or natural gas) can replace high-paying coal generation jobs. Utility providers in the region have voiced intention to convert local power generation assets to new technologies where feasible. Wind and solar electricity generation is attractive to developers given the quality of the natural resources, expansive undeveloped land, and available transmission infrastructure in the region. While contributing to the region's overall "Get on Base" economic strategy, renewable electricity generation typically creates fewer permanent jobs per gigawatt than some other technologies, making it a somewhat lower priority for constrained economic development resources.

Assets and Partners

Northern Arizona benefits from numerous assets that will contribute to industry growth in the region, including abundant natural resources such as four National Forests, helium, mineral and coal deposits, and a steady water supply from the Coconino aquifer. Many of the physical assets associated with coal production, including the power plants and transmission substations and lines, also present industry expansion opportunities. In addition, there are several local industry champions that provide capacity support for industry expansion like the Foundation for Little Colorado Revitalization (FLCR) and Little Colorado Meats.

Challenges and Gaps

There are several challenges the region faces in attracting and supporting industry expansion, including inconsistent natural gas access across the three counties, transportation infrastructure connectivity, broadband access and affordability, and the long-term certainty of the water supply. Another potential barrier for further industry development is the availability of a trained workforce. While there are many coal workers in the region with valuable skills, those that choose not to stay with the utility companies in other roles will likely need to be retrained into other fields which may take some time as new industries are identified and curriculum developed.

Supporting Policies

Regional and local community policies provide support for this strategy as shown in these selected excerpts:



- Objective: "Champion efforts to increase regional agricultural producer yield and profitability – including the expansion of local farms, ranches, processors, farmers markets and food hub operations."
-NACOG CEDS (2019, page 79)
- "Arizona (and this area specifically) is fortunate to have one of the best solar resources in the U.S., as well as a commercially viable wind energy resources."
-Regional Economic Assessment & Strategy for Coal-Impacted Navajo and Apache Counties (2018, page 115)
- "Communities are striving to achieve the balance of honoring the history of their heritage, while revitalizing downtown areas and cleaning up blighted areas, that draws new tourism, creates a revived quality of life for new and existing residents, and attracts new talent and businesses considering relocation."
-NACOG CEDS (2019, page 72)
- "Northeast Arizona has much higher proportions of workers who are farm proprietors than the state or country as whole. Investments to ensure on-farm viability is often an economic development strategy employed in developing countries as a way to increase the prosperity of rural areas."
-Regional Economic Assessment & Strategy for Coal-Impacted Navajo and Apache Counties (2018, page 123)

Momentum

This strategy builds on ongoing work in the region being led by a diverse set of local governments and community, educational, and other partner institutions in the region. Initiatives within this document build on and strive to further advance their efforts. The below list of examples demonstrates traction and commitment from BRECC team members and partners:

- **Four Forest Restoration Initiative (4-FRI)** - An ongoing restoration initiative for the region's four National Forests that thins the forest and results in biomass supply.
- **The Foundation for Little Colorado Revitalization (FLCR) Revolving Loan Fund** - FLCR received USDA-Rural Development grant funds to establish a revolving loan fund. The organization has also received about \$2 million in loans and grants from the USDA's Community Facilities program to establish the state's first USDA-inspected mobile meat processing unit in Apache County.
- **Winslow Textile Industry** - An up-and-coming industry, funded through a grant run by Moonshot, a Flagstaff-based entrepreneurship program. The creation of textiles is a major aspect of Navajo culture and a potential product with a strong market.
- **Wind Farm Development** - Several wind farms are being developed by private entities throughout the region, particularly in Navajo County, near Winslow, and Apache County. Wind is a particularly favorable energy source for the region as it can cohabitate with existing grazing lands and provides a revenue source for local ranchers.
- **Solar Array Development** - There are some existing and proposed solar arrays in the area; however, this is seen as a lower-priority energy source for the region as its peaks do not coincide with the needs of the grid and it isn't as compatible with ranching.
- **Winslow Levy Project** - A city-wide re-development initiative is removing vast areas of industrial, commercial, and residential land out of the FEMA-designated flood plain. This effort will dramatically reduce the cost of construction and open land for new development. This project has been funded and is currently being planned by the Army Corp of Engineers.
- **Carbon Sequestration Project** - An ASU Global Futures Laboratory initiative undergoing feasibility study in January 2024, this project is exploring the potential of carbon capture technology in the Apache County area.




Projects and Initiatives

Initiatives Descriptions

- a) **Expand regional meat processing.**
Coordinate, fund, and develop additional meat processing modules and mobile processing units to serve a larger area, increase through-put, support agricultural livelihoods, and create new jobs.
- b) **Inventory and market available sites.**
Continue to develop and promote the REAL AZ comprehensive site inventory and website in order to improve its usage and relevance and ultimately contribute to business attraction. Encourage local municipalities to add local properties to the inventory and ensure it is continually updated and promoted to relevant entities.
- c) **Develop the biomass industry.**
Study, expand, and promote the region’s biomass supply and industry, which can support harvesting and processing jobs and has a ready export market. These efforts will also improve long-term forest health and maintenance. If sufficient supply is identified, the use of biomass material for value-added product or energy generation should be explored.
- d) **Expand the wood products industry.**
In coordination with 4-FRI, champion and support use of the by-products of forest thinning in a variety of wood-based products such as lumber, biochar, wood chips, etc. Identify funding to catalyze and develop new wood product businesses in the region.
- e) **Market outdoor recreation assets.**
Collaborate to create a coordinated marketing strategy for outdoor recreation and cross-market lesser-known recreation assets (for example, Lyman State Park, the White Mountains, etc.) to increase visitorship and tourist spending across all three counties.

Comparison Table



The below table summarizes and compares the readiness and benefits of initiatives that would advance the Target Industry Expansion Strategy, as identified by local economic development leaders through the BRECC Action Challenge process.

Target Industry Expansion Initiatives			
Initiatives	Readiness	Anticipated Benefits	Rationale
Expand regional meat processing. 	Status: Ongoing initiative, needs additional funding for expansion Feasibility: Feasible, some markets/products may need additional study Leadership: Little Colorado Meats Funding: Funding not identified	Revenue: Increase grant funding; long-term, increase business sales tax revenues Jobs: Create tens of new jobs in meat processing and retain hundreds of existing agricultural jobs Other: Support heritage agricultural livelihoods	The anticipated benefits are significant and this is already a proven project concept for this region, ready for replication and expansion.

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<p>Inventory and market available sites.</p>  	<p>Status: Web repository of sites exists, needs marketing</p> <p>Feasibility: Feasible</p> <p>Leadership: REAL AZ</p> <p>Funding: Funding not identified</p>	<p>Revenue: Indirect, reduces potential barriers to new development</p> <p>Jobs: N/A</p> <p>Other: Demonstrates regional cooperation</p>	<p>Creating a more localized information and marketing tool for Apache and Navajo counties facilitates outreach and relationship cultivation with developers and investors where the area's assets are front and center vs. "commingled" with statewide or broader information.</p>
<p>Develop the biomass industry.</p>	<p>Status: Biomass BDO studies in progress</p> <p>Feasibility: Feasible, supply studies underway, may need additional study for markets and products</p> <p>Leadership: County Economic Development Departments</p> <p>Funding: Funding not identified</p>	<p>Revenue: Increased sales tax revenue from sale of biomass if used for export</p> <p>Jobs: Hundreds of jobs in biomass harvesting and value-added products.</p> <p>Other: Improve long-term forest health and maintenance; could improve feasibility of biomass energy generation</p>	<p>Multiple benefits of near-term biomass harvesting and export could be fostered to develop local value-add products and markets.</p>
<p>Expand the wood products industry.</p>	<p>Status: Ongoing program/initiative</p> <p>Feasibility: Feasible, specific products may need further study</p> <p>Leadership: Foundation for Little Colorado Revitalization</p> <p>Funding: Some funding applications submitted, additional funding needed</p>	<p>Revenue: Increased sales tax revenue from sale of value-added products</p> <p>Jobs: Tens to hundreds of jobs in value-added products</p> <p>Other: N/A</p>	<p>By-product of needed forest thinning can support jobs in the value-added wood products industry. This initiative is a natural companion to biomass.</p>
<p>Market outdoor recreation assets.</p>	<p>Status: Some marketing of specific local assets such as the Springerville-Eagar Regional Chamber of Commerce, but no regional, coordinated efforts identified</p> <p>Feasibility: Feasible, no study needed</p> <p>Leadership: No, needs leadership</p> <p>Funding: Funding not identified</p>	<p>Revenue: Indirectly, increase revenue from lodging and dining</p> <p>Jobs: Indirectly, support hospitality business owners and jobs</p> <p>Other: Encourage visitors to the area's better known destinations to extend their stay and spend more locally, support local business</p>	<p>While the impacts would be relatively modest and indirect, this is a low bar, "quick win" initiative with strong potential given the region's public lands and outdoor assets/draws. In addition, the upcoming Route 66 centennial is a draw to the region that can be capitalized on.</p>



Implementation Guidance

Initiative: Expand regional meat processing.

Coordinate, fund, and develop/implement additional meat processing modules and mobile processing units to serve a larger area, increase through-put, support agricultural livelihoods, and create new jobs.

ROLES

- **Lead:** Foundation for Little Colorado Revitalization (FFLCR) & Little Colorado Meats
- **Partners:** Apache County, Navajo County, USDA, local ranchers
- **BRECC Team / REAL AZ Role:** Lead applications for funding resources available to local governments and lend support to regional coordination efforts

ACTION STEPS

- Document demand for additional mobile harvesting units
- Identify and pursue priority funding opportunities for facility expansion
- Use fund to purchase/install additional facilities; ensure ongoing reporting is completed
- Hire and train additional employees; launch expanded operations
- Identify opportunities to use by-products
- Identify opportunities to replicate the Apache County model in Navajo or Coconino County
- Explore regional marketing/branding opportunities for Northern Arizona meat products

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
USDA Rural Development - Meat and Poultry Processing Expansion Program Provides grants to help eligible processors expand their processing capacity and create new and better processing options for meat and poultry producers. The intent to encourage competition and growth in the meat processing sector, and improve supply chain resiliency.	Eligible: Yes, for entities that engage (or plan to) in meat/poultry processing, including private, non-profit, coop, state or local govt , entities. Private entities must be independently owned. Applicants must: -Process (or plan to process) one or more species subject to Fed. Meat Inspection Act -Have (or plan to get) inspection through USDA Food Safety	2023 application closed November 22. Recurs annually. Look for re-opening in fall, 2024.	Type: Grant Amount: Maximum award amount is \$10 million, or 30% of total project costs, whichever is less. The minimum award is \$250,000. Match: No match, but can only by 30% of project total costs	Fairly competitive given national scale. Approximately \$123 million available in funding this cycle, meaning at least 12 awards, but likely many more than that will be awarded.	Though fairly competitive, the funding is significant and can be used for many aspects of meat processing expansion, including equipment, facilities, MKUs, inspection, training & retention.
USDA Agricultural Marketing Service (AMS) Local Meat Capacity Grant (MCAp) Supports independent meat and poultry processing businesses to provide more and better processing options for local livestock producers by modernizing, increasing, diversifying and decentralizing meat and poultry processing capacity.	Eligible: Yes, eligible applicants include: individual, sole proprietor business or other business entities engaged in meat and poultry processing, including rendering animal carcasses or byproducts; includes Tribal and for-profit entities, and State or local govt entities . Private entities must be independently owned and operated.	2023 application closed July 19. Likely to re-open in spring 2024.	Type: Grant Processing Expansion Projects: \$100k - \$5 million with a 50% match (reduced for historically underserved farmers or women/veteran-owned small businesses) Simplified Equipment- Only Projects: \$10-250k with no match	Fairly competitive given national scale. About \$75 million is available under this grant program, subject to appropriations and funds availability. Given grant amounts, at least 12 awards, but likely many more than that will be awarded.	This is a promising opportunity that would fund a variety of meat processing projects. In particular the Simplified Equipment-Only Grants application is simple with no match required.



Note on Funding Received: The Foundation for Little Colorado Revitalization previously received USDA-Rural Development grant funds to establish a revolving loan fund. Additionally, the organization has received about \$2 million in loans and grants from the USDA's Community Facilities program to establish the state's first USDA-inspected mobile meat processing unit in Apache County.

Initiative: Inventory and market available sites.

Continue to develop and promote the REAL AZ comprehensive site inventory and website in order to improve its usage and relevance and ultimately contribute to business attraction. Encourage local municipalities to add local properties to the inventory and ensure it is continually updated and promoted to relevant entities.

ROLES

- **Lead:** REAL AZ
- **Partners:** All REAL AZ Members
- **BRECC Team / REAL AZ Role:** Oversee and manage the site inventory process

ACTION STEPS

- Complete listing section for all of the REAL AZ footprint
- Ensure links to all member websites are directing land inquires to listed available sites
- Consult with marketing and site selection expert(s) to determine how to improve effective marketing of sites and incentives
- Seek funding and implement expert recommendations as capacity and resources allow
- Identify ongoing capacity to maintain the inventory

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
EDA - Public Works and Economic Adjustment Assistance Program Assists communities and regions in devising and implementing long-term economic development efforts. Investments to help distressed communities build, design, or engineer critical infrastructure and facilities to implement development strategies.	Eligible: Yes, eligible entities include: Educational Institution, Local Govt, Native/Tribal Entity, Non-profit, State Government	Applications are accepted on an ongoing basis with expeditious review on receipt.	Type: Grant Amount: \$100k-\$30 million Match: Yes, the EDA will cover 50% of project costs, but may fund up to 80% based on the relative needs of the region.	While a large, national program, the EDA plans to make around 3,000 awards, making this less competitive than many federal opportunities. This program does mention a desire to provide assistance to communities experiencing energy transition.	A compelling application if combined with industrial utility or site improvements or market research to identify industry clusters. Connecting with your regional EDA rep to determine strength and eligibility of potential project(s). Note: Because the BRECC Action Challenge is an EDA funded process, projects identified in this process may be more competitive for EDA funding.

For more information on getting your project “up to bat” and represented in this strategy, please see the information on Adding Initiatives on page 8.



Strategy 4: Community Quality

Improve the appeal and appearance of communities in the region to invite new businesses and retain a stable labor force.

Why It Matters

In today's high mobility economy, an attractive community with quality housing, family services, and a lively downtown is critical to attracting and retaining workers and businesses. Job location and community quality are both very important priorities for job seekers.

Most job growth occurs in small businesses, which is among the excellent reasons for a "Get on Base" strategy of economic development in the region. Most small business startups are created where the owner already lives among their existing network, versus the entrepreneur relocating to start the business. Investing in community assets that appeal to entrepreneurial residents and support a thriving community is a powerful way to encourage business development.

Communities in Coconino, Apache, and Navajo counties have numerous attraction factors such as excellent schools; a close-knit, family friendly atmosphere; and many historic, cultural and natural resources. However, some areas experience significant challenges with housing quality, property upkeep and appearance, and maintenance and interpretation of historic structures. Collectively, these housing and appearance issues fail to convey a sense of a thriving community that is fertile ground to cultivate new businesses.

Assets and Partners

Northern Arizona has many factors that contribute to a high-quality community including robust educational resources in the form of high-performing high schools and several community colleges, extensive and scenic public lands with a variety of recreation opportunities, rich cultural heritage and resources, unique and historic properties, and a welcoming and family-friendly environment.

Challenges and Gaps

Like many rural communities, this region faces some challenges that impact quality of life and the ability to attract residents and businesses. Issues such as a limited and aging housing supply, abandoned and deteriorating properties, poor maintenance and appearance along corridors and on commercial and industrial properties, and a lack of nearby access to amenities like healthcare undermine a community's attractiveness and overall quality of life.

Supporting Policies

Regional and local community policies provide support for this strategy as shown in these selected excerpts:

- "To provide equal opportunity for safe, decent, sanitary, and affordable housing for all residents of the County" AND "Improve the overall appearance of the County."
-Key Goals in both Navajo County (2023, page 27) and Apache County (2019, page 24) Comprehensive Plans
- "Communities are striving to achieve the balance of honoring the history of their heritage, while revitalizing downtown areas and cleaning up blighted areas, that draws new tourism,



creates a revived quality of life for new and existing residents, and attracts new talent and businesses considering relocation."

-NACOG CEDS (2019, page 72)

- "Explore alternative workforce housing opportunities (e.g., micro-houses, new build leases, rentals, rezoning vacant areas for development, or alternative dwelling units) and work with developers on attainable housing options."
-NACOG CEDS (2019, page 62)
- "Downtown redevelopment and revitalization is at the core of many successful community economic rejuvenation"
-Regional Economic Assessment & Strategy for Coal-Impacted Navajo and Apache Counties (2018, page 85)

Momentum

This strategy builds on ongoing work in the region being led by a diverse set of local governments and community, educational, and other partner institutions in the region. Initiatives within this document build on and strive to further advance their efforts. The below list of examples demonstrates traction and commitment from BRECC team members and partners:

- **Brownfields Revitalization Grant** - The Northern Arizona Council of Governments (NACOG) region is already utilizing a brownfields revitalization grant, though additional brownfields efforts and funding are needed. Navajo County has partnered for another four-year grant period, which will make \$1,500,000 in funding available for private landowners to complete Phase 1 and Phase 2 site assessments.
- **Weatherization Grant** - The NACOG region is already utilizing a weatherization grant to improve the quality and safety of low-income housing, though additional housing revitalization efforts and funding are still needed.
- **City of Page Comprehensive Housing Study** - In 2018 Page released a housing study, which included an analysis of demographic, economic, and housing conditions, an assessment of current and future housing needs, and a detailed set of housing recommendations. The study was sponsored by SRP.
- **City of Flagstaff Housing Study and 10-Year Plan** - In 2017 ECoNA created a housing attainability study for the Flagstaff workforce at the request of several large employers in the region. A consultant was selected to assist the team with an analysis of the Flagstaff real estate market and make recommendations about steps the public and private sectors can take to improve housing options for the local workforce. More recently, in 2021, the City of Flagstaff created a 10-Year Housing Plan with a needs assessment, gap analysis, policy initiatives, and growth planning.




Projects and Initiatives

Initiatives Descriptions

- a) **Develop workforce housing.**
Complete a workforce housing assessment for Apache and Navajo counties to help determine what is working now and what interests are being sought by local government as they pertain to encouraging more development of workforce housing. Pursue recommended next steps from the assessment to update policies and develop new workforce housing projects. Consider implementing a “demonstration project” using seed funding to acquire property and build several homes to prove the for-sale market in the region.
- b) **Clean up abandoned properties.**
Utilize brownfields resources to determine contamination and clean up abandoned and deteriorating properties, and including trailer homes, throughout the region to beautify the area, improve community quality, create new developable properties, and enhance resident, visitor, and business attraction.
- c) **Preserve and promote historic assets.**
Ensure the preservation and restoration of historic assets within the region, such as the historic buildings in the cities of Holbrook and Winslow. Capitalize on the upcoming Route 66 Centennial (2026) as a means of improving community appeal, revitalizing historic assets, increasing visitor stays, and supporting the local hospitality industry. Pursue an inventory of historic assets, fund and design building improvements and marketing, and showcase the area’s unique Wild West history to capture and retain additional visitorship in the region.
- d) **Develop recreation assets.**
In conjunction with increased marketing, further develop and improve the region’s recreation assets and infrastructure, including trails, signage and wayfinding, hospitality businesses, etc. in order to increase visitor numbers, spending, and length of stay; as well as better serve and retain existing residents and workers.

Comparison Table



The below table summarizes and compares the readiness and benefits of initiatives that would advance the Community Quality Strategy, as identified by local economic development leaders through the BRECC Action Challenge process.

Community Quality Initiatives			
Initiative	Readiness	Anticipated Benefits	Rationale
Develop workforce housing. 	<p>Status: Consultation with local community development departments underway</p> <p>Feasibility: Research is underway to determine opportunities</p> <p>Leadership: Coconino, Apache, and Navajo counties; REAL AZ and municipal members; ECoNA</p> <p>Funding: Funding identified for study, additional funding needed for site specific planning and project implementation</p>	<p>Revenue: New housing property tax revenues can offset costs for municipal services</p> <p>Jobs: Expand or extend anticipated housing construction jobs</p> <p>Other: Expand quality, affordable housing options for existing residents and workers</p>	<p>This initiative is a big undertaking that can deliver positive impacts in the community and for economic development. Housing availability and diversity is a crucial component of economic development.</p>

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<p>Clean up abandoned properties.</p> 	<p>Status: In progress</p> <p>Feasibility: Feasible, needs assessment and cleanup funding</p> <p>Leadership: Local municipalities</p> <p>Funding: NACOG Brownfields Grant awarded and being utilized, additional funding likely needed</p>	<p>Revenue: Increase grant funding to address abandoned and dilapidated properties</p> <p>Jobs: Support 1-2 jobs in property assessment</p> <p>Other: Reduce contaminated properties, beautify the area, improve community quality, create new developable properties, and enhance resident, visitor, and business attraction</p>	<p>There are several known technical assistance and funding sources for this work through the State and Federal Brownfields programs. The attraction benefits are potentially quite significant.</p>
<p>Preserve and promote historic assets.</p> 	<p>Status: Ongoing program/initiative</p> <p>Feasibility: Feasible, no study needed</p> <p>Leadership: Local municipalities, would benefit from further regional leadership</p> <p>Funding: Some state funding options identified</p>	<p>Revenue: Indirectly, increase tax revenue from visitors</p> <p>Jobs: Indirectly, support hospitality business owners and jobs</p> <p>Other: Showcase the region's history and increase civic pride</p>	<p>With the region's many unique historic assets this is an obvious area of opportunity to leverage the community's unique identity and draw tourism jobs and revenue.</p>
<p>Develop recreation assets.</p>	<p>Status: Individual projects ongoing, including outdoor recreation aspect of Apache County Community Development plan</p> <p>Feasibility: No study needed, would benefit from coordinated regional planning</p> <p>Leadership: Counties and municipalities</p> <p>Funding: Implementation funding not identified</p>	<p>Revenue: Indirectly, increase tax revenue from visitors</p> <p>Jobs: Indirectly, support hospitality business owners and jobs</p> <p>Other: Enhance residents' access to recreation; indirectly, help to attract and retain a stable labor force</p>	<p>Outdoor recreation assets can function as a major attractor for new residents and in turn, businesses. The potential here shouldn't be overlooked.</p>



Implementation Guidance

Initiative: Develop workforce housing.

Complete a workforce housing assessment for Apache and Navajo counties to help determine what is working now and what interests are being sought by local government as they pertain to encouraging more development of workforce housing. Convene and compare results across all three counties and identify shared needs and opportunities for a collaborative approach. Pursue recommended next steps from the assessment to update policies and explore opportunities to catalyze new workforce housing projects.

ROLES

- **Lead:** BRECC Team, REAL AZ, ECoNA, and local governments
- **Partners:** Municipalities, large private employers, community-based organizations, state and government entities, for-profit and not-for-profit housing developers, school districts and other institutional employers
- **BRECC Team / REAL AZ Role:** Lead housing assessments, facilitate developer and municipal projects; convene and compare needs across all three counties, identify shared needs and opportunity for collaborative approach

ACTION STEPS

- Seek funding for local government workforce housing consultant
- Update local housing and development policies per the recommendations of the housing assessment to remove barriers and enable more workforce housing development
- Explore opportunities to partner with local builders to develop new workforce housing projects within the region (include ZenniHomes in this effort as a housing manufacturer operating from a former coal plant site and employing former Navajo Generating Station employees)
- Consider implementing a “demonstration project” using seed funding to acquire property and build several homes to prove the for-sale market in the region
- Consider creation of a regional or county housing authority (see [Winslow’s](#) for reference) to help increase housing choice and the supply of low-income housing

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
USDA Mutual Self-Help Housing Technical Assistance Grants Provides grants to help organizations carry out local self-help housing construction projects. Grant recipients supervise groups of low-income individuals and families as they construct their own homes in rural areas. The group members provide most of the construction labor on each other’s homes, with technical assistance from the organization overseeing the project.	Eligible: Potentially - would need to identify or form the organization to apply. Eligible applicants include: Government non-profit organizations Tribes; Private non-profit organizations (Available to rural areas)	Open on a rolling basis. Recurs annually.	Type: Grant Typical amounts not stated	Competitiveness is unknown - it is a national program but there is funding allocated for each state and the specificity of the program may make it somewhat less intensive. Contact your state representative for more information: Charlene.fernandez@usda.gov	Indirect route to new housing development that requires local investment for materials, but with a strong local charitable entity this could support and build mutual trust and community investment for low-income residents.



<p>Department of Housing and Urban Development (HUD), Pathways to Removing Obstacles to Housing (PRO Housing)</p> <p>HUD will provide PRO Housing grants to identify and remove barriers to affordable housing production and preservation. Grantees may use awards to further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate affordable housing production and preservation.</p>	<p>Eligible: Yes, States and local govts, metropolitan planning organizations (MPOs), and multi-jurisdictional entities</p>	<p>2023 application closed in October. 2023 was the first program year, recurrence is unknown.</p>	<p>Type: Grant Amount: \$1 mill. to \$10 million Match: No</p>	<p>Very competitive national program: total of \$85 Million available in 2023, 20 awards anticipated. HUD prioritizes applicants that demonstrate: (1) progress and a commitment to overcoming local barriers to affordable housing production and preservation; and (2) an acute demand for housing affordable to households w/ incomes below 100% of the area median income.</p>	<p>While this seems like a potentially strong resource for reducing barriers to affordable housing it is quite competitive.</p>
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Initiative: Clean up abandoned properties.

Utilize brownfields resources to determine contamination and clean up abandoned and deteriorating properties, and including trailer homes, throughout the region to beautify the area, improve community quality, create new developable properties, and enhance resident, visitor, and business attraction.

ROLES

- **Lead:** Local government
- **Partners:** Municipalities, [EPA Region 9](#), [Center for Creative Land Recycling](#); Arizona Department of Environmental Quality (ADEQ) Brownfields Program, Local First Arizona (as the Keep America Beautiful [state affiliate](#))
- **Municipality Role:** Create and enforce blighted property ordinances; secure and manage funding resources for property assessment and clean up
- **BRECC Team Role:** Ensure ongoing coordination; help identify and pursue funding

ACTION STEPS

- Create, update, or expand property ordinances
- Work with code and law enforcement and explore opportunities to remove barriers to enforcement
- Seek funding for enforcement of ordinances
- Expand access to funds to address problem properties
- Identify capacity needs to develop, implement, inventory, and manage cleanup programs; include in funding requests
- Connect to and work with the Center for Creative Land Recycling (CCLR) to complete a site inventory and prepare sites for remediation
- Identify a champion to lead an abandoned mobile home program, including a regional inventory, with guidance from the [EPA Abandoned Mobile Homes Best Management Toolkit](#)
- Pursue brownfields financial resources for assessment and cleanup through the EPA Region 9 Brownfields Program, the Arizona Department of Environmental Quality Brownfields Program, and technical assistance resources through CCLR
- Administer program, implement through contractors; complete required reporting



FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
Center for Creative Land Recycling (CCLR) - Brownfields Program Offers free technical assistance, reuse planning, and support with accessing brownfields financial resources.	Eligible: Yes, for properties owned by local govt or non-profit organizations, and in some limited scenarios public-private partnerships.	Free assistance is open on a rolling basis, contact CCLR for more information.	Type: Technical assistance Amount: non-monetary Match: No	Assistance is typically offered on a first-come, first-serve basis, and as team capacity allows. CCLR also offers a wealth of free online tools and resources, and application support for EPA grants.	We highly recommend starting here, CCLR will be the best resource to help with guidance and support for brownfield sites in the region.
EPA Region 9 Brownfields Program EPA's Brownfields Program supports land revitalization by providing grants to help communities clean up and sustainably reuse brownfield sites. The program distributes funds appropriated annually by Congress through competitive grants.	Eligible: Yes, for properties owned by local government or non-profit organizations, and in some limited scenarios public-private partnerships.	Region 9 assessments open on a rolling basis, national grants open annually in the fall with deadlines typically in November. Recurs annually.	Type: Grant Amount: Varies Match: No	Region 9 assessment awards are distributed until funds are expended. EPA grants for Assessment, Cleanup, Multipurpose, and Revolving Loan Funds are competitive on a national scale. In FY23, 24 awards totaling over \$23.6 million were distributed in Region 9, 8 going to AZ communities.	While a nationally competitive program the somewhat streamlined application process and lack of match make this a very strong option for brownfields funding. Recommend applying here before state options.
Arizona Department of Environmental Quality Brownfields Program EPA provides funding for distribution through the State brownfields program. Grants may cover Phase I & II Assessments, a voluntary cleanup program, and asbestos and lead-based paint surveys and abatements.	Eligible: Yes, Local govts, non-profits, Tribes and hospital, school, police and fire districts may apply for funding through ADEQ's Brownfields Assistance Program.	Contact ADEQ for timing information.	Type: Grant Amount: Varies Match: No	State funding is distributed until expended. ADEQ provided 9 awards across the state in 2018. A greater number of awards are anticipated in the current program year due to expanded brownfields funding.	While AZ-specific resources are somewhat less competitive than Region 9, the complexity of their website and application process and relatively low number of total awards suggests EPA resources may be a better option.

Initiative: Preserve and promote historic assets.

Ensure the preservation and restoration of historic assets within the region, such as the historic buildings in the cities of Holbrook and Winslow. Capitalize on the upcoming Route 66 Centennial (2026) as a means of improving community appeal, revitalizing historic assets, increasing visitor stays, and supporting the local hospitality industry. Pursue an inventory of historic assets, fund and design building improvements and marketing, and showcase the area's unique Wild West history to capture and retain additional visitorship in the region.

ROLES

- **Lead:** Local governments
- **Partners:** Route 66 Association and Trust, Arizona Office of Tourism, historic property owners, Route 66 municipalities, Local First Arizona, NACOG tourism committee, National Heritage Trust, municipal historic societies
- **Local Government Role:** Identify and pursue funding opportunities

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- **BRECC Team / REAL AZ Role:** Support regional collaboration, education, and distribution of funding tools
- **Local First Arizona Role:** Provide initial invitation and coordination for convening of parties, provide capacity support for funding pursuits

ACTION STEPS

- Convene potential partners, including the Route 66 Association, National Heritage Trust, and municipal historic societies, to discuss opportunities, shared goals, potential strengths of a joint effort (Local First)
- Using the National Heritage Trust database, develop an inventory of legacy Route 66 businesses in the region, which will be eligible for specific grants from the Trust
- Identify funding opportunities for enhancements to and interpretation of historic assets
- Consider formation and registration of a Destination Marketing Organization (DMO) with the Arizona Office of Tourism
- Catalog needs and opportunities for enhancements related to Route 66
- Collaborate to pursue a shared, jointly administered funding award
- Manage the grant to share among properties/projects with shared reporting
- Collaborate on the design and installation of interpretive signage and marketing
- Replicate process for other historic assets related to Wild West history

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
AZ State Parks & Trails - Historic Preservation Heritage Fund Provides funding for preservation planning/ rehabilitation projects. Documentation of how your project meets local planning objectives as well as the objectives outlined in the State Historic Preservation Plan is key to a successful application.	Eligible: Yes, municipalities, counties, state agencies, tribal govts, public eds, and non-profit orgs are eligible. Private property owners, religious institutions, and for-profit orgs may not apply directly, but may receive funds as a third party through an eligible applicant. Projects occurring on lands managed by federal agencies are ineligible.	Applications are accepted on a rolling basis through May 2024, reviewed every 3 months. Recurrence past current legislative earmark is unknown.	Type: Grant Amount: \$5,000 to \$360,000. Projects must be completed in 3 years. Match: Yes, the applicant must provide at least 40% of the total project cost. (Can include in-kind contributions)	Less competitive than federal opportunities as this is an Arizona-only funding source. At least 5 projects will be funded throughout the state. In 2023 the Legislature funded it at \$6 million. 30% of those funds have been allocated for historic preservation projects.	Fits best with a historic property inventory, preservation planning, interpretation, or some building rehab projects.
Arizona Office of Tourism. Visit Arizona Initiative - Marketing or Partnership Grants The Marketing Program will support efforts to implement targeted tourism marketing plans to increase visitorship. To assist with tourism industry recovery the Partnership Program will support productions that directly support travel & hospitality jobs.	Eligible: Would need to identify or create an eligible entity, which includes Event Production Entities, Destination Marketing Organizations (DMOs), museums, and Regional Partnerships (with a DMO as the lead applicant). An organization existing or formed around Route 66 may be a good option.	2023 competitive grants were funded by a one-time source. Recurrence is unknown. 2023 marketing grants were due in July. Likely to recur annually. Look for re-opening summer 2024.	Type: Grant Amount: Awards range from \$5,000-\$250,000 Match: Yes, varies by size and type of award or cost of production, but ranges from 10-50% match	Less competitive than federal opportunities as this is an Arizona-only funding source with about 30-40 awards per grant type per round.	Potential fit for funding Route 66-related events or regional marketing

For more information on getting your project “up to bat” and represented in this strategy, please see the information on Adding Initiatives on page 8.



Strategy 5: Workforce, Entrepreneur, and Business Support

Retain existing businesses and workers and retrain the labor force to thrive in new and expanded businesses.

Why It Matters

A community's coal transition most directly impacts coal workers who lose quality, high wage jobs in mining and power generation. As a generality, about one-third of displaced coal workers retire, one-third relocate to work in mining and power generation elsewhere, and one-third seek a new type of work. Thus, a top priority in any community transitioning from coal is to create new local job opportunities and train local workers for those new jobs. Among possible new opportunities for workers is self-employment by starting a new small business. Support and training for entrepreneurs can help foster new businesses and diversify the local economy.

In addition to the direct job losses, the reduction in salaries, spending power, and population that ripple from coal closures negatively impacts existing businesses, resulting in yet more job losses in retail and service industries. Support is needed for existing businesses to help them weather economic uncertainty and fluctuations, modernize, and reduce costs so that they can stay open and minimize further job losses.

Assets and Partners

The Northern Arizona coal communities have robust organizations and partnerships that support the local workforce. REAL AZ remains a key convener in this space, as do the local SBDCs, schools and colleges, including Coconino Community College, Northland Pioneer College (NPC), and Northern Arizona University (NAU). Organizations and tools like the Arizona Economic Resource Center, the APS Zoom Prospecto rand Size Up Arizona platforms, and the Economic Collaborative of Northern Arizona (ECONA), the SBDC (Small Business Development Center), the Coconino and Northeastern Arizona Local Workforce Development Boards, Moonshot at NACET, Local First Arizona, and Change Labs also provide support to the local entrepreneurial community, businesses and workforce. Finally, the utility companies continue to be important workforce partners, and many are committed to relocating a significant number of coal plant employees to other roles within the organization.

Challenges and Gaps

The region's workforce, entrepreneurs, and small businesses also face challenges such as start-up capital, organizational capacity, and a lack of centralized support in the form of co-working spaces, innovation centers, or similar. Finally, the rural nature of the area, as well as the loss of many of the coal workers who may leave the area, may make the availability of a trained workforce challenging.

Supporting Policies

Regional and local community policies provide support for this strategy as shown in these selected excerpts:

- "Support coordination between industry and educational institutions, from K-12 to technical education, to four-year programs, in order to prepare a skilled, high-growth, next generation workforce."

-NACOG CEDS (2019, page 61-62)



- Recommendation for creating a business environment: "investing in workforce development programs geared at developing the workforce for target industries."
-Regional Economic Assessment & Strategy for Coal-Impacted Navajo and Apache Counties (2018, page 13)
- "Align workforce training with reskilling and upskilling opportunities to connect displaced workers, and collaborate on transitioning new business expansions into vacated facilities."
-NACOG CEDS (2019, page 67)
- "Plan for economic development to improve the business environment in the County and encourage young residents to remain in the County as they mature and enter the workforce."
-Apache County Comprehensive Plan (2019, page 24)
- "Partnerships with economic and workforce development professionals to start business incubators and accelerators to assist entrepreneurs to start their own businesses is necessary."
-Northern Arizona Coal Communities Workforce Initiatives (2018, page 8)

Momentum

This strategy builds on ongoing work in the region being led by a diverse set of local governments and community, educational, and other partner institutions in the region. Initiatives within this document build on and strive to further advance their efforts. The below list of examples demonstrates traction and commitment from BRECC team members and partners:

- **Grow Arizona Workforce Network** - A (Northern Navajo County) Holbrook and Joseph City-based workforce development cooperative to attract, train, and place local high school students with local career pathways.
- **Local Workforce Development Board participation** - Professional economic developers are represented on the Coconino County and Northeastern Arizona local workforce development boards, which helps ensure an integration of local and regional workforce strategies with economic development and diversification strategies like this one. For example, REAL AZ serves on the Northeastern Arizona board while ECoNA serves Coconino County.
- **Moonshot** - A Flagstaff-based non-profit that provides expertise and support to increase the odds of rural entrepreneurial success by connecting prospective small businesses with business acumen, experts, and data.
- **Alternative Business Funding Opportunities** - Kiva Loans, and ACA-secured loans through participating Community Development Financial Institutions (CDFIs) to provide non-traditional commercial loans for start-ups and expanding businesses.
- **Municipal Economic Development Efforts** - Many municipalities in the region are actively pursuing economic diversification in partnership with regional entities who share the same goals. Examples include Page's work with ECoNA and Winslow's partnership with REAL AZ. These relationships will continue to be cultivated and supported as part of regional efforts.
- **Commercial Driver's License (CDL) Programs** - Training curriculum is already being used at Coconino Community College, while Northland Pioneer College recently secured funding to establish this credentialing program. This training and skillset will be crucial to supporting the ongoing forestry and biomass efforts in the region as well as other sectors that rely on trucking and hauling for their supplies.
- **Arizona's BuilditAZ initiative** - A state-wide initiative designed to double the number of construction and trades registered apprenticeships by the end of 2026. These efforts will advance a talent pipeline for the construction industry and should be implemented in the Northern Arizona region to the fullest extent possible.



Projects and Initiatives

Initiatives Descriptions

- a) **Implement regional training-to-employment programs.**

Develop partnerships, pursue funding, and coordinate implementation for relevant training programs in the region that support key industries and timely employment opportunities. Initial programs to target include a forestry operators training program, a broadband training curriculum, and additional CDL driver training opportunities. Key partners include the Arizona Commerce Authority (which is charged with implementation of BEAD funds and programs), internet service providers, local workforce development boards, and local educational institutions that will be crucial for curriculum development, including Northland Pioneer Community College, Coconino Community College, and Northern Arizona University.
- b) **Participate in the Northern Arizona Good Jobs Network.**

Continue to partner with and support the effort to build a Northern Arizona Good Jobs Network (NAGJN) focused on training-to-employment models. An initial, regionally-identified focus sector is the construction trades, which are currently lacking critical capacity for needed projects. Other identified industries include manufacturing, transportation, retail and hospitality, and healthcare and social assistance sectors. Regional entities should participate in the NAGJN and the BRECC Team should continue to support the Network's efforts to coordinate with employers, identify target industries, design or scale additional training modules, and provide quality jobs in the region that offer good pay, benefits, and growth opportunities.
- c) **Expand the Grow Arizona Workforce Network.**



Support the expansion of the Holbrook (Navajo County)-based Grow Arizona Workforce Network Solution to facilitate workforce network opportunities, identify careers in the region, and facilitate education and certificates through workshops. In particular this can be an effective strategy for retaining young people in the region by connecting them to area industry businesses for employment, internships, apprenticeships and job shadowing.
- d) **Expand innovation, entrepreneur, and small business support.**

Support local and regional efforts and partnerships that will provide resources to help develop small businesses and entrepreneurs like the Show Low Business Incubator/ Accelerator and Commissary Kitchen and the St Johns Innovation Center. Encourage continued promotion, programming, and resources to be provided through existing centers and consider duplicating these models in other parts of the region. Continue partnerships with SBDC groups, chambers of commerce, community colleges, and nonprofit organizations like Local First Arizona and Change Labs to support these efforts and encourage the creation of additional innovation and support centers to share resources, promote collaboration, and provide technical assistance and start-up capital.

Comparison Table

The below table summarizes and compares the readiness and benefits of initiatives that would advance the Workforce, Entrepreneur, and Business Support Strategy, as identified by local economic development leaders through the BRECC Action Challenge process.




Workforce, Entrepreneur, and Business Support Initiatives			
Initiatives	Readiness	Anticipated Benefits	Rationale
<p>Implement regional training-to-employment programs.</p> 	<p>Status: Varies by program; several programs are scoped and ready for implementation but need funding</p> <p>Feasibility: Feasible, several studies completed</p> <p>Leadership: Northland, Coconino, and Yavapai Community Colleges; WIOA Board; BRECC Team</p> <p>Funding: Funding not identified</p>	<p>Revenue: Indirectly, supports positive revenue retaining projects, broadband construction, and permitting revenues</p> <p>Jobs: Prepares local workers for new employment opportunities and supports job creation in biomass harvesting, construction, and broadband installment</p> <p>Other: Biomass jobs support forest health and reduce wildfire risk; broadband jobs will support broadband expansion efforts; CDL drivers support multiple target industries</p>	<p>Forestry operators: Biomass studies' results will inform the timing/ prioritization of this program.</p> <p>Broadband: Partnership with WIOA is a strong opportunity here given the amount of anticipated broadband work.</p> <p>CDL: Coconino Community College has a similar program already operating, their experience should be leveraged.</p>
<p>Participate in the Northern Arizona Good Jobs Network.</p> 	<p>Status: In progress with significant momentum; construction trades program ready for implementation</p> <p>Feasibility: Feasible, study completed; opportunities to expand should be explored</p> <p>Leadership: Local First Arizona is the system lead entity, BRECC Team to lead coordination efforts</p> <p>Funding: Initial funding secured through a grant awarded from the Governor's Office; needs ongoing funding and capacity support</p>	<p>Revenue: Indirectly, supports positive revenue retaining projects</p> <p>Jobs: Prepares local workers for employment opportunities, particularly in local construction trades</p> <p>Other: A trained construction labor force will support desired industry expansion and housing development</p>	<p>Community colleges and other partners are in place and ready to implement the construction trades program, making this a high priority. Funding should be immediately pursued (see potential opportunities below).</p>

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<p>Expand the Grow Arizona Workforce Network.</p> 	<p>Status: In progress, needs additional support and funding stability</p> <p>Feasibility: Feasible, no study needed</p> <p>Leadership: Grow Arizona</p> <p>Funding: Funding not identified</p>	<p>Revenue: N/A</p> <p>Jobs: Prepares local workers for new employment opportunities, fills gaps in the workforce</p> <p>Other: Encourages young residents to stay in the region, increases attractiveness of the region to potential employers by preparing the workforce to fill new jobs</p>	<p>This is a local effort that the BRECC team is well-positioned to support and potentially expand to other parts of the region.</p>
<p>Expand innovation, entrepreneur, and small business support.</p>	<p>Status: Concept is being piloted/proven, several efforts in progress</p> <p>Feasibility: Feasible, needs additional support and funding stability</p> <p>Leadership: BRECC Team to lead regional coordination; individual projects have varied leadership: Apache County to lead St Johns Innovation Center, City of Show Low to lead Show Low Incubator</p> <p>Funding: Initial funding sources secured, needs sustainable funding support</p>	<p>Revenue: Grow small business sales tax revenues</p> <p>Jobs: Indirectly helps retain and create self-employment jobs and grow small business</p> <p>Other: Helps grow a more entrepreneurial culture in the region which has been dominated by large employers</p>	<p>Many funders are currently interested in supporting development of “entrepreneurial ecosystems.”</p> <p>Continued development and programming for existing facilities should be provided, benefits of these facilities should be broadcasted and function as an example for the region.</p> <p>The extent of these early successes will determine the potential to replicate the model in the region.</p>



Implementation Guidance

Initiative: Implement regional training-to-employment programs.

Develop partnerships, pursue funding, and coordinate implementation for relevant training programs in the region that support key industries and timely employment opportunities. Initial programs to target include a forestry operators training program, a broadband training curriculum, and additional CDL driver training opportunities. Key partners include the Arizona Commerce Authority (which is charged with implementation of BEAD funds and programs), internet service providers, local workforce development boards, and local educational institutions that will be crucial for curriculum development, including Northland Pioneer Community College, Coconino Community College, and Northern Arizona University.

ROLES

- **Lead:** BRECC Team; County economic development managers; Northland Pioneer College, and Coconino Community College; Local Workforce Development Boards (Coconino and Northeastern Arizona)
- **Partners:** Arizona Commerce Authority (charged with implementation of BEAD funds and programs), internet service providers, Northern Arizona University, Novo BioPower Plant, US Forest Service, wood products industry
- **BRECC Team / REAL AZ Role:** Lead efforts to convene partners, educate about project benefits, and support funding pursuits

ACTION STEPS

- Complete county biomass studies to prove supply and relevant market
- Collaborate to identify and pursue funding for implementation of training program(s)
- Promote the training program(s) to attract instructors and trainees
- Initiate the training program(s)
- Market the trained labor force to attract new industries, including internet providers, construction companies, and biomass harvest companies
- Connect graduates with small business and entrepreneurship opportunities

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
Department of Labor - Strengthening Community Colleges Training Grants The purpose of this program is to build community college capacity to meet the skill needs of employers and support students in obtaining good jobs in indemand industries, based on labor market information.	Eligible: Lead applicant of an SCC Partnership must be a community college that is a public institution (potentially REAL AZ in partnership with Northland, Coconino, and/or Yavapai College)	2023 application closed mid-November. Recurs annually. Look for re-opening in fall 2024.	Type: Grant Amount: Awards range from \$1.5-5.75 million Match: No	Fairly competitive, national program with approximately 17 awards expected. This round is specifically stated to focus on equity, providing economic opportunities for dislocated workers (so make a strong argument for coal workforce retraining), or historically underserved communities.	The funding amount and lack of match makes this a very compelling opportunity, although the difficulty of the application should be assessed given the relative competitiveness.

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<p>U.S. Department of Energy (DOE). Capacity Building for Repurposing Energy Assets</p> <p>The objective of this effort is to directly support an embedded workstream supported by a staffer whose primary role is coordination and planning, with a particular emphasis on workforce development oriented around productively and sustainably repurposing energy assets, their sites and infrastructure.</p>	<p>Eligible: Yes, Municipal governments and nonprofit organizations with an energy asset that has retired or is slated to retire.</p>	<p>2023 was the first year of this program. The application window closed in November. Recurrence is uncertain but look for re-opening in Fall 2024.</p>	<p>Type: Grant Amount: Expecting \$100k per award Match: No</p>	<p>Total program funding for 2023 project period is \$3.5 Million, with 35+ awards anticipated.</p> <p>Fairly competitive given national scale and limited awards, however it is only open to communities with energy assets (power plants, coal mines, oil/gas well lands) that have retired, or are slated for retirement (2009-2032).</p>	<p>This is a unique and applicable capacity support opportunity targeted to coal communities. However, some uncertainty in when or if it will recur Contact: info@energywerx.org</p>
<p>USDA US Forest Service - Wood Innovations Grant Program</p> <p>Provides grants to meet the challenge of disposing of hazardous fuels from US forest lands in a manner that supports wood products and energy markets. Focus areas include mass timber, renewable wood energy, and tech development that supports hazardous fuel reduction and sustainable forest management.</p>	<p>Eligible: Yes, open to for-profit entities; state, and local govts; Tribes; not-for-profit orgs; higher ed; & special purpose districts Priority given to projects that stimulate, expand, and support U.S. wood products and energy markets to support the long-term management of forest lands.</p>	<p>2023 application closed December 1st. Appears to recur annually, look for re-opening in spring, 2024.</p>	<p>Type: Grant Amount: \$10-300k (more provided for 5 MW+ energy projects) Match: Yes, 1:1 match required</p>	<p>At least 65 applications will be awarded (likely more) though it is nationally available to many entities, so likely still competitive. Seems to be looking for fairly well-developed project concepts with strong partnership and known benefits.</p> <p>Note: feasibility studies and early phase project development proposals are allowed but specifically stated as NOT competitive.</p>	<p>Competitiveness and high match are detractors, but given strong partnerships and planning already in place this may still be a very strong opportunity for funding parts of the biomass process.</p>

Initiative: Participate in the Northern Arizona Good Jobs Network.

Continue to partner with and support the effort to build a Northern Arizona Good Jobs Network (NAGJN) focused on training-to-employment models. An initial, regionally-identified focus sector is the construction trades, which are currently lacking critical capacity for needed projects. Other identified industries include manufacturing, transportation, retail and hospitality, and healthcare and social assistance sectors. Regional entities should participate in the NAGJN and the BRECC Team should continue to support the Network’s efforts to coordinate with employers, identify target industries, design or scale additional training modules, and provide quality jobs in the region that offer good pay, benefits, and growth opportunities.

ROLES

- **Lead:** Local First Arizona, BRECC Team
- **Partners:** The network includes five counties and four community colleges as well as community-based organizations such as White Mountain Economic Development and the Center for the Future of Arizona
- **Local First Arizona Role:** Lead expansion of the NAGJN and implementation of related training programs



- **BRECC Team / REAL AZ Role:** Support regional NAGJN participation, construction trades implementation, and coordination and replication for other key industries

ACTION STEPS

- Advocate for municipal entities to join the NAGJN
- Convene NAGJN network participants and major employers to determine training needs
- Work with regional partners to identify barriers to participation in the local trade and construction industries
- Develop and implement training program(s)
- Promote construction and trades jobs to potential workers
- Identify and prioritize other key sectors for training program development

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
<p>Department of Labor - Strengthening Community Colleges Training Grants</p> <p>The purpose of this program is to build community college capacity to meet the skill needs of employers and support students in obtaining good jobs in indemand industries, based on labor market information.</p>	<p>Eligible: Lead applicant must be a community college that is a public institution (NAGJN should partner with local community college)</p>	<p>2023 application closed November 14. Recurs annually.</p> <p>Look for re-opening in August, 2024.</p>	<p>Type: Grant</p> <p>Amount: Awards range from \$1.5-5.75 million</p> <p>Match: No</p>	<p>Fairly competitive, national program with approximately 17 awards expected. This round is specifically stated to focus on equity, providing economic opportunities for dislocated workers (could make a strong argument here for coal workforce retraining), or historically underserved communities.</p>	<p>The funding amount and lack of match makes this a very compelling opportunity, but the difficulty of the application should be assessed given the relative competitiveness.</p>
<p>U.S. Department of Energy. Career Skills Training Program</p> <p>Available to nonprofit partnerships to establish training programs, under which students receive classroom instruction and on-the-job training for industry-related certifications to install energy efficient buildings technologies. Will enhance and expand nonprofit and locally driven efforts to scale a well-trained, diverse workforce through partnerships between industry and labor orgs.</p>	<p>Eligible: Nonprofit partnerships are the only eligible entities; Local First or NAGJN may be good lead candidates. A strong partnership, either with an industry entity (required) and an educational or community institution is needed.</p>	<p>Next application window closes February 27, 2024</p> <p>Recurrence is unknown but unlikely given BIL funding source.</p>	<p>Type: Grant</p> <p>Amount: Up to \$1 million</p> <p>Match: Yes, 30%</p>	<p>Likely very competitive given it is a national opportunity with only 8 total awards estimated.</p>	<p>While this is a fairly unique workforce opportunity with a high-award amount, it is competitive and requires strong partnerships, thus fits best for a motivated lead entity with funded capacity in place.</p>

Initiative: Expand the Grow Arizona Workforce Network.

Support the expansion of the Holbrook (Navajo County)-based Grow Arizona Workforce Network Solution to facilitate workforce network opportunities, identify careers in the region, and facilitate education and certificates through workshops. In particular this can be an effective strategy for retaining young people in the region by connecting them to area industry businesses for employment, internships, apprenticeships and job shadowing.

ROLES

- **Lead:** Grow Arizona – Linda Kor and Kathleen Smith

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- **Partners:** Joseph City School District, Joseph City Chamber of Commerce, Holbrook School District, APS
- **Grow Arizona Role:** Coordinate with key entities, manage the program
- **BRECC Team Role:** Support regional coordination, encourage municipal participation, help identify opportunities for expansion
- **Current Locations:**
 - Holbrook High School Campus, Holbrook, AZ
 - Holbrook Training Center - 1002 W Hopi Dr., Holbrook, AZ
 - Joseph City- Located on the Joseph City District Office Campus

ACTION STEPS

- Advocate for municipal entities to join the Grow Arizona Network
- Provide education about the purpose of this program and help communities understand differentiation from the NAGJN
- Explore opportunities for expanded services at Joseph City location
- Get on WIOA Eligible Training Provider List

FUNDING / ASSISTANCE OPPORTUNITIES					
Opportunity	Eligibility	Timing	Terms	Competitiveness	Notes / Rec
<p>Department of Health and Human Services, Community Economic Development Projects</p> <p>Will award approximately \$12.3 million in Community Economic Development (CED) discretionary grant funds to Community Development Corporations (CDC) for well-planned, financially viable, and innovative projects to enhance job creation and business development for individuals with low-income.</p>	<p>Eligible: Municipalities would not be eligible, is open to Faith-based Organizations and Nonprofits; a local church with strong community ties, REAL AZ or Grow Arizona (if non-profit status has been secured) would likely be eligible.</p>	<p>2023 application closed late September. Recurs annually. Look for re-opening in fall 2024.</p>	<p>Type: Grant Amount: Up to \$800k Match: No</p>	<p>Likely very competitive given it is a national opportunity with only 15 total awards estimated.</p>	<p>This opportunity could be a strong job-creation mechanism with the right partnerships, lead entity, and concept. It is competitive and requires strong partnerships, thus fits best for a motivated lead entity that can assemble the needed partnerships.</p>
<p>EPA, Brownfields Job Training (JT) Grants</p> <p>Supports development of workforce programs to recruit, train, and place unemployed and under-employed residents of areas affected by the presence of brownfields. Develops pathways into full-time employment in hazardous and solid waste management and environmental fields, including sustainable cleanup and reuse, and chemical safety.</p>	<p>Eligible: Yes, eligible applicants include nonprofits, local governments, and other organizations</p>	<p>2023 application closed early August. Recurs annually. Look for re-opening in summer/fall 2024.</p>	<p>Type: Grant Amount: Up to \$500k Match: No</p>	<p>Likely very competitive given it is a national opportunity with only 24 total awards estimated. However, it recurs yearly so may be worth continued pursuit.</p>	<p>While this is very specific to brownfields jobs, it may be a strong potential area for Grow Arizona to explore given the high presence of brownfields in the region and potential to create skilled jobs.</p>

For more information on getting your project “up to bat” and represented in this strategy, please see the information on Adding Initiatives on page 8.



Implementation and Resources

A key purpose of this document is to identify and guide realistic, impactful initiatives and to provide the BRECC Team and regional partners with communication tools to describe the region's coal transition. To fully implement the initiatives of this plan, the BRECC Team and regional partners will need to invest significant effort and attract resources not yet secured.

Implementation Approach

With limited capacity, the BRECC Team members will need to pace and prioritize implementation. In this document, initiatives are characterized by both potential benefits and “readiness” factors such as capacity, momentum, and apparent leadership and funding resources. Those that are most ready have been developed with implementation guidance and are expected to be undertaken earliest. As “the only constant is change”, capacity and funding opportunities can be expected to shift in coming years. While the Coal Transition Goals and Strategies are likely to remain viable for a decade or more, the initiatives should be reviewed periodically and updated to add, remove, or shift initiatives reflecting current realities and new opportunities.

Monitoring

Monitoring can be an important part of tracking implementation progress and how projects create results. Not only does it provide accountability and data that may be needed for grant reporting, but it can also help paint a picture of success for leaders and the broader community. The key goals of this plan are creating new jobs and replacing local government revenue that have been or will be lost in the coal transition. Economic development organizations often undertake connecting roles and foundational projects that lay the groundwork for more direct jobs and revenue creation. As such, it can be difficult to attribute an exact number of dollars or jobs generated by the activities. To inform strategies and project prioritization the BRECC team intends to track publicly available metrics to stay abreast of trends in jobs, revenue, and economic health. Some of these metrics include:

- Gross receipts tax
- Number of businesses and new business start-ups
- Property tax base
- Total employment
- Population
- Per capita income

The Northern Arizona region has already identified a potential tracking mechanism through a “Get on Base” web tool, to track progress on this regional coal strategy, such as grants applied to, grants awarded, and partner entity projects. For more information, see Strategy 1, initiative C.

Other Resources

A number of other coal transition and capacity resources are available to communities and the region. A good place to start is the [Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization](#) (IWG). A few key resources they offer are:

- [The Getting Started Guide](#) - Includes step by-step- instructions, tips, and tricks for planning, executing, and managing projects. It also links to a number of useful external resources for grant applications and implementation.

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- [The IWG Navigator](#) - The energy communities IWG team is available to support communities navigating federal agencies and opportunities. Their request form is simple and an IWG team member will respond to requests within two business days.
- [The Funding Clearinghouse](#) - An extensive and searchable repository of federal funding opportunities. Opportunities can be filtered by status, funding type, agency, and eligibility.

Other notable resources that can be utilized include:

- [Local First Arizona](#) - An Arizona-based non-profit that supports community and economic development. Local First offers a number of resources and tools for rural communities, including the [Economic Resource Center](#) that offers grant writing and review, budget guidance, planning, and consultation and the [AZ Navigator](#), which provides small business support services and information.
- [Utilities' Grant Program](#) - The region's utilities - APS, SRP, and TEP - have created a grant funding opportunity for communities impacted by the current and planned closure of coal-fired generating stations. Funds can be used for assistance in applying for State and Federal grants, including to fund grant writers, studies, or matching dollars.
- [Arizona Prospector](#) - APS and the Arizona Commerce Authority have partnered to provide a powerful web tool for finding potential development properties, viewing GIS data, and visualizing interactive business and demographic data.
- [REAL AZ Website](#) - The Navajo and Apache County economic development organization's website includes a development [site locator](#), small business / entrepreneur [startup resources](#), and [information and data](#) about the region.
- [The Four Corners Rapid Response Team](#) - A strong partner and resource in coordinating with constituents, partners, and federal entities; assisting in communication and advocacy; or navigating federal systems and programs. (Current 4C-RRT contact: [Kevin John](#))
- [The Just Transition Fund \(JTF\)](#) - JTF is a foundation-supported national fund that partners with communities and community-based organizations working to strengthen and diversify their local economies facing transition. They offer a number of funding and support opportunities, including a [Blueprint for Transition](#), the [Federal Access Center](#), which provides early stage and application-ready support through grants and technical assistance, and a [Resource Hub](#), that collects case studies, tools, and other relevant programs and resources.
- [Grants.gov](#) - An official federal resource center for grants and grant-writing help. In particular they provide an extensive list of [applicant trainings](#) and [grant writing tips](#) to help communities trying to navigate federal opportunities.
- The region's educational institutions are also crucial partners that offer a variety of educational and capacity resources, these include: [Northern Arizona University](#), [Coconino Community College](#), [Northland Pioneer College](#), [Yavapai Community College](#), and the [Arizona State University Just Energy Transition Center](#).

Related Documents

The BRECC Team and its partners have completed many important planning, assessment, and strategic efforts prior to the BRECC process. These were used as key inputs into this document and will continue to provide policy guidance for the region in tandem with this strategy going forward.

Referenced and related documents include the:

- [Northern Arizona Council of Governments \(NACOG\) CEDS \(2019\)](#)

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- [Regional Economic Assessment and Strategy for Coal-Impacted Navajo and Apache Counties \(2018\)](#)
- [Economic Collaborative of Northern Arizona \(ECoNA\) 5-Year Strategic Plan \(2023\)](#)
- [Coconino County Comprehensive Plan \(2015\)](#)
- [Apache County Comprehensive Plan \(2019\)](#)
- [Navajo County Comprehensive Plan \(2023\)](#)
- [Northern Arizona Coal Communities Workforce Initiatives \(2018\)](#)
- [The Northern Arizona Council of Governments \(NACOG\) Economic Development District Recovery and Resilience Plan \(2021\)](#)
- [United Way of Northern Arizona - External Market Research \(2022\)](#)
- [Workforce Development and Transportation Infrastructure in Apache County \(2022\)](#)
- [An Economic Strategic Plan for the Lake Powell Region \(2017\)](#)