

**June 21, 2022**

Dear Mayor and City Council,

As the state's leading economic development organization, our priority at the ACA is to enhance our state's operating environment so that Arizona will remain competitive among the world markets. Recent economic development wins in Flagstaff include attracting electric vehicle parts-maker UACJ Whitehall, the largest new employer to Flagstaff since W.L Gore in the 70's. Thanks in part to Northern Arizona University and Coconino Community College, Flagstaff's highly educated workforce was a key factor that helped recruit this topflight employer to the market.

In addition to bringing state-of-the-art health care to patients, the construction of the Health and Wellness Village will be a tremendous economic engine for the region. According to an economic-impact analysis conducted by Applied Economics, NAH's planned capital investment of more than \$800 million in this complex will directly support over 8,800 construction jobs and nearly 2,8000 additional indirect jobs in Flagstaff and Coconino County until the project reaches full buildout. In total, economic benefit to the region is estimated at \$1.34 billion, with over two-thirds of the impact occurring in the first eight years of construction.

Once the development is complete in 2045, the project is projected to generate an annual economic impact of \$389 million/year, as well as off-site visitor spending related to future development that includes: housing, clinical partnerships, research and development, a small-business incubator, a hotel with a conference center, restaurants, and retail. The entirety of the project is designed to support patients, families and the community.

Northern Arizona is a fast-growing region. From the ACA's perspective, the NAH Health and Wellness Village will not only be a community asset, it also will be a generator of quality jobs and investment. This is exactly the kind of quality development Flagstaff and its region need.

On behalf of the Arizona Commerce Authority, we ask that the Flagstaff City Council support the NAH Health & Wellness Village.



Keith Watkins  
Senior Vice President of Rural Economic Development  
Arizona Commerce Authority

