

Class 4: Economic Development and Tourism

Community Academy
Thursday, October 16, 2025



Town of Oro Valley

Economic Development & Tourism

Let's Break It Down



What did residents say about economic development and tourism?

Residents shared their values and priorities for OV's future through surveys, events, meetings, and online discussions. Residents prioritized:



- Having more restaurants, entertainment, and places to gather
- Attracting and retaining a healthy workforce and diverse industries
- Supporting entrepreneurs and local or small businesses
- Increasing tourism to support OV's resorts, hotels, and businesses

How are resident voices reflected in the draft Plan:

The draft includes goals, policies, and actions created by residents that will guide OV's next 10 years. Examples include:



- Foster a robust local economy and job market that provides quality employment.
- Encourage a wide range of services, entertainment, shopping, and dining options.
- Establish Oro Valley as a tourist destination.

Read more and share your thoughts at www.OVPathForward.com/economicdev

Draft Goals, Policies, and Actions



Goal V: Employers and Workforce.

Foster a robust local economy and job market that provides quality employment, builds on Oro Valley's assets, and encourages responsible growth and investment.



Goal W: Business Attraction and Retention.

Encourage a wide range of services, entertainment, shopping, and dining options.



Goal X: Tourism.

Establish Oro Valley as a tourist destination.

Town of Oro Valley Economic Ecosystem: Large Employers



Town of Oro Valley

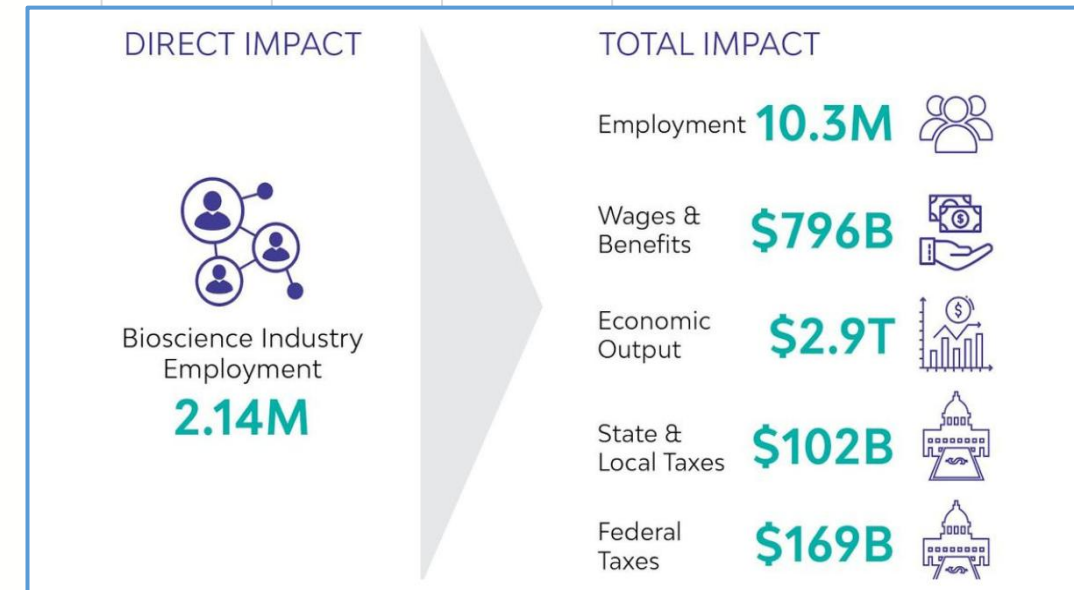
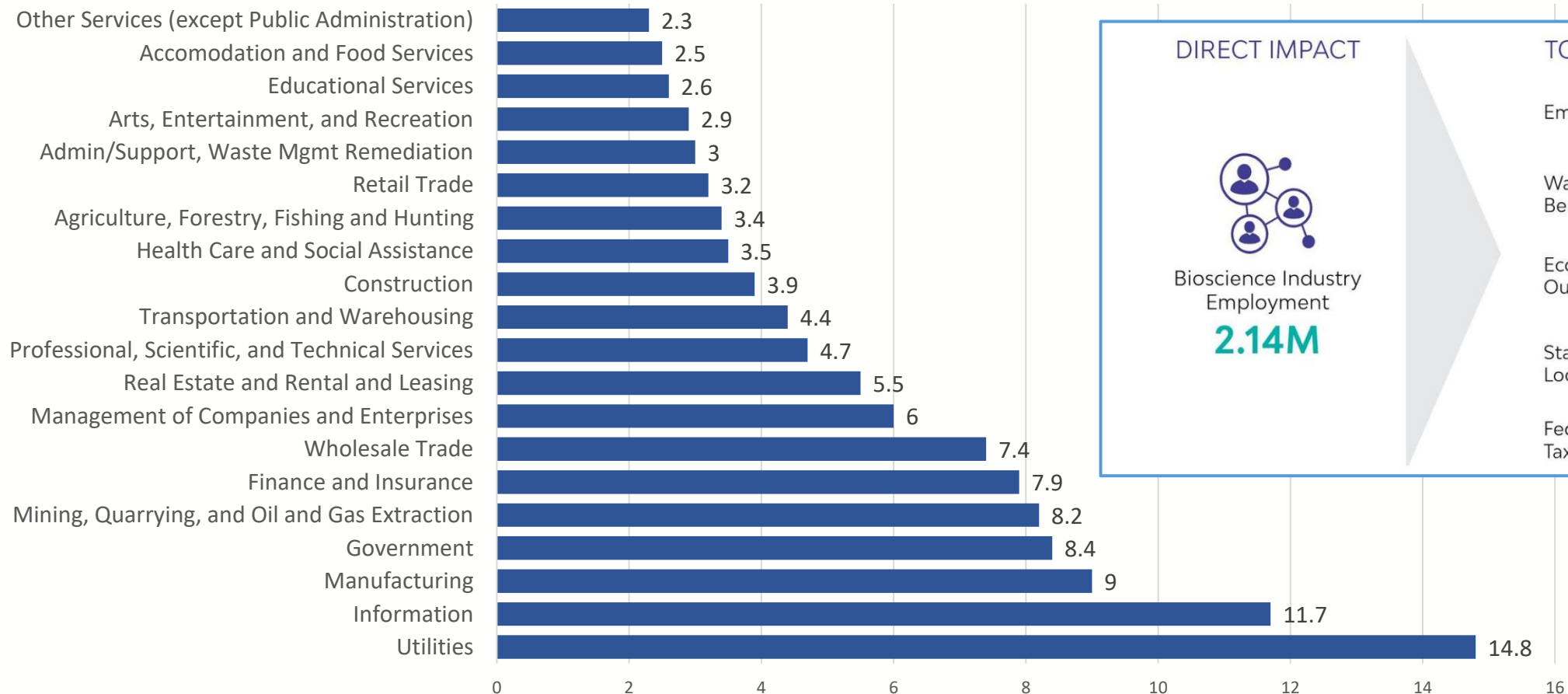
Company	Approximate Number of Employees
Roche Tissue Diagnostics	1,800
Town of Oro Valley	520
Oro Valley Hospital	421
Amphitheater Public Schools	395
Casa de la Luz Hospice	160
SimpleView	450 (Worldwide)
Splendido at Rancho Vistoso	190
El Conquistador Tucson	135
Meggitt Securaplane	128
Total	4,199

Value of Primary Employment



Town of Oro Valley

Job Multipliers by Sector, United States



Multiplier Effect: Local Spending



Town of Oro Valley

Bioscience Job Value

\$100,000

- Bioengineers and Biomedical Engineers: \$106,950
- Biochemists and Biophysicists: \$103,650
- Medical Scientists: \$100,590
- Microbiologists: \$87,330
- Biological Technicians: \$52,000

- \$21,200 Retail/Restaurant Spend
- \$530 Sales Tax per FTE

400 FTEs x \$530 = \$212,000 Sales Tax



Primary Employer Development

Recruitment and Expansion



New Startups



Town of Oro Valley
www.orovalleyaz.gov

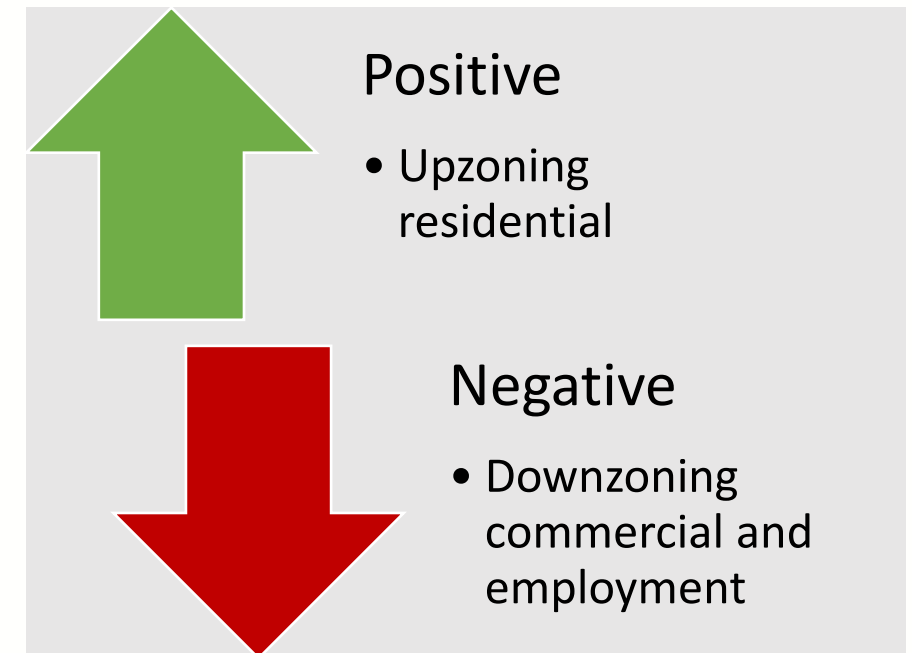


Employment and Retail



Town of Oro Valley

- ▶ Perception: Only residents support retail
- ▶ Reality: Office workers and residents offer about the same retail/restaurant spending power in a single-person comparison
- ▶ Commercial and employment areas:
 - ▶ Don't need as many services
 - ▶ Serve to create synergy
 - ▶ Necessary for long-term sustainability
- ▶ Add housing strategically





Town of Oro Valley

Retail in OV – Regional Centers

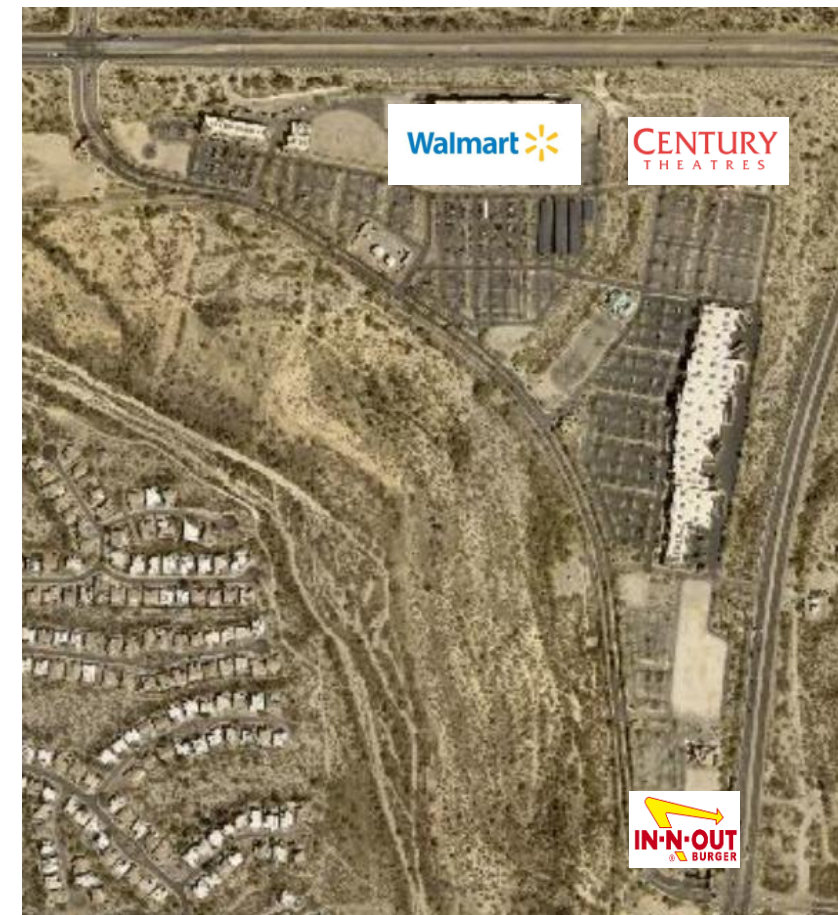
Oracle Crossings
(Magee and Oracle)



Rooney Ranch
(1st and Oracle)



OV Marketplace
(Tangerine and Oracle)



Retail in OV – Regional Centers



Town of Oro Valley

	Oracle Crossings (Magee & Oracle)	Rooney Ranch (1 st and Oracle)	OV Marketplace (Tangerine & Oracle)
Land Area	44 acres	71 acres	117 acres
Annual # of visitors	539K	506K	416K
Population within 3 miles	41,124	28,453	23,660
Pop. w/in 10 miles	447,274	298,431	217,293
Pop. w/in 20 miles	938,376	882,265	830,296
# of households w/in 3 miles	20,551	14,131	12,596
HH income of 70% of visitors	\$87,965	\$78,953	\$104,057

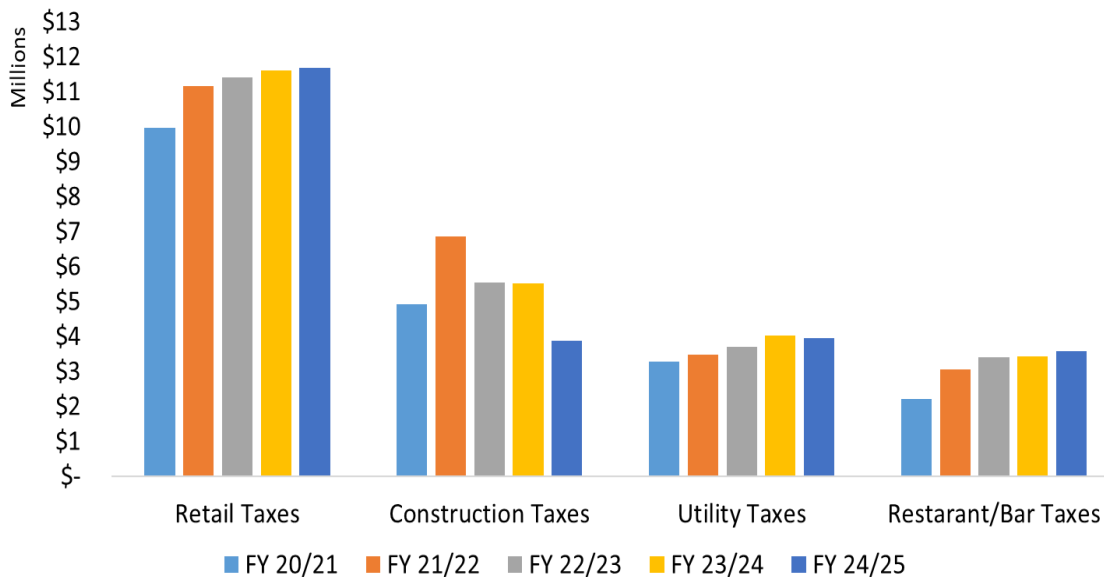
Retail Gap/Leakage: Why is it important?



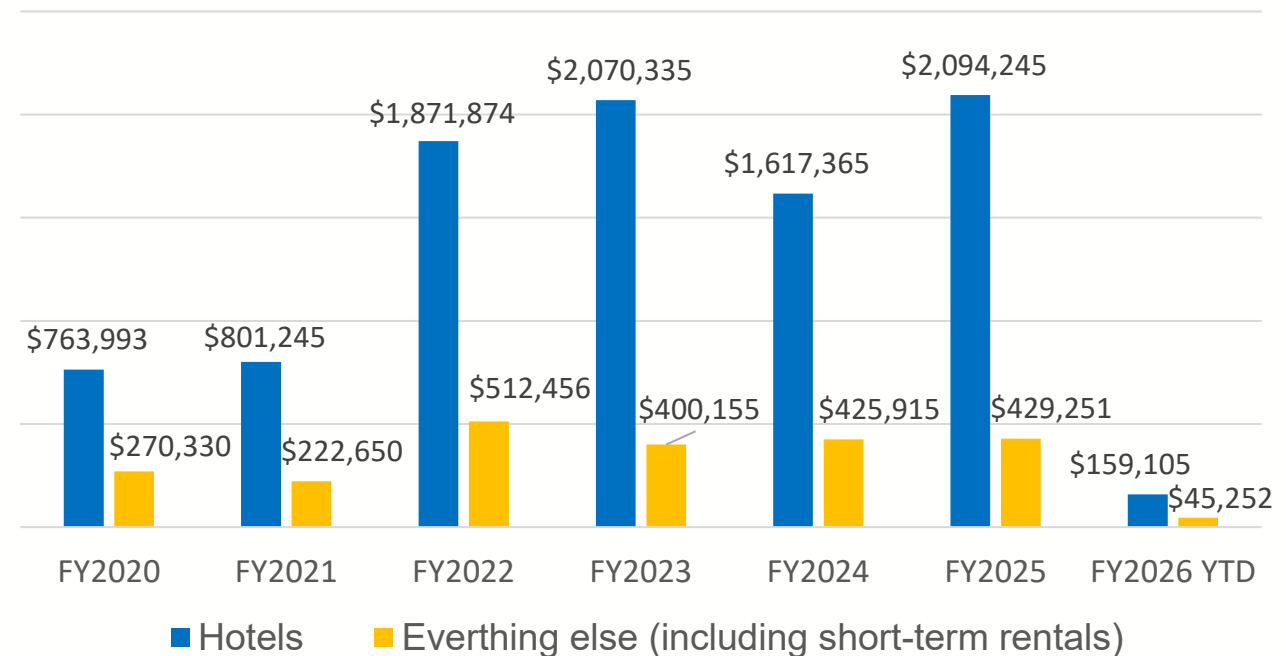
Town of Oro Valley

The Oro Valley Story: The Town of Oro Valley relies heavily on the local retail sales and restaurant sales taxes to support quality of life amenities for residents, **AND** residents are requesting more and higher quality amenities, **BUT** the sales taxes lost from shopping outside Oro Valley town limits the Town's ability to meet these needs. **THEREFORE**, it's imperative that the Town educate residents about the importance of shopping and dining in Oro Valley to change their spending habits.

Sales Tax Activity by Major Sector - FY 20/21 through FY 24/25



Oro Valley Bed Tax Collections



Supply and Demand, Leakage and Surplus



Town of Oro Valley

Table 4. Market Analysis of Lost Revenue by Retail/Restaurant Sector

Category	Demand(\$)	Supply(\$)	Unmet Need(\$)	\$ Loss	Est. Sales Tax Loss
Automobile Dealers	195,848,281	0	195,848,281	100%	\$4,896,207
Clothing Stores	20,648,843	966,022	19,682,821	95%	\$492,070
Gasoline Stations	101,596,062	13,502,332	88,093,730	87%	N/A
Other Motor Vehicle Dealers	21,079,688	2,642,130	18,437,558	87%	\$460,938
Electronic Shopping & Mail-Order Houses/Non-store Retailers	222,344,258	32,399,029	189,945,229	85%	\$4,748,630
Other General Merchandise Stores	125,191,908	27,447,031	97,744,877	78%	\$2,443,621
Limited-Service Eating Places	54,121,884	13,103,593	41,018,291	76%	\$1,025,457
Full-Service Restaurants	52,432,890	12,893,100	39,539,790	75%	\$988,494
Building Material & Supplies Dealers	83,894,282	24,021,410	59,872,872	71%	\$1,496,821
Health & Personal Care Stores	50,724,718	24,794,529	25,930,189	51%	\$648,254
TOTAL TOP TEN CATEGORIES	\$927,882,814	\$151,769,176	\$776,113,638	84%	\$17,200,492
TOTAL ALL CATEGORIES	\$1,185,659,658	\$292,908,016	\$892,751,642	75%	N/A

Top 10 Sources of Leakage by Category



Community Shopping Centers

AZ Pavilions

SWC I-10 and Cortaro Road



Fast Food & Quick Service

McDonald's

3640 W. Tangerine Rd.



Gas Stations & Convenience

Circle K

3880 W. Tangerine Rd



Groceries

Fry's

12100 N. Thornydale Rd.



Restaurants

Guadalajara Grill

7360 N. Oracle Rd.



Home Improvement

The Home Depot

3925 W. Costco Drive



Breakfast, Coffee, Dessert

Dairy Queen

12030 N. Thornydale Rd.



Superstores

Costco

3901 W. Costco Drive



Clothing

Nordstrom Rack

4320 N. Oracle Rd.



Car Shops & Services

Precision Toyota of Tucson

700 W. Wetmore Rd.

Strategies and Recommendations



Town of Oro Valley

Gap Reduction Goal: A percentage reduction of the \$776,113,638 “GAP” by shopper recapture and recruiting specific retail/restaurant businesses to prevent leakage.

% Recapture	Estimated REV Recapture	Estimated Sales Tax Recapture
1%	\$7,761,136	\$194,028
2%	\$15,522,272	\$388,056
3%	\$23,283,409	\$582,085
4%	\$31,044,545	\$776,113
5%	\$38,805,681	\$970,142

Strategies and Recommendations



Town of Oro Valley



Housing and Retail

Winning Retail Formula:

DU/PopDen + INC\$ = Total Spend

Understanding: 15 acres of RES development

- \$5,079,250
- \$1,555,929

Retail Spending Analysis - New Residential Development

	Apartments		Single Family Homes	
	Dollars	% of Income	Dollars	% of Income
Income & Spending Assumptions				
Required Income	\$74,800		\$129,000	
Total Retail Spending/HH (Excluding vehicles)	\$20,317	27.2%	\$27,297	21.2%
Local-Serving Retail Spending	\$8,915	11.9%	\$11,324	8.8%
Grocery Spending/HH	\$4,378	5.9%	\$5,321	4.1%
Other Non-Grocery Local-Serving Retail Spending/HH	\$4,537	6.1%	\$6,003	4.7%
Regional-Serving Retail Spending/HH	\$8,034	10.7%	\$11,345	8.8%
Restaurant Spending/HH	\$3,367	4.5%	\$4,628	3.6%
New Households	250		57	
Supportable Local-Serving Retail Demand	Demand		Demand	
Total Grocery Spending	\$1,094,510		\$303,303	
Supportable SF at \$500 Per SF in Sales	2,189		607	
Other Local-Serving Retail Spending (excluding Groceries)	\$1,134,231		\$342,155	
Supportable SF at \$300 Per SF in Sales	3,781		1,141	
Restaurant Spending	\$841,780		\$263,821	
Supportable SF at \$500 Per SF in Sales	1,684		528	
Regional Serving Retail Spending	\$2,008,614		\$646,667	
Supportable SF at \$500 Per SF in Sales	4,017		1,293	
TOTAL LOCAL-SERVING RETAIL DEMAND	11,671		3,568	

Sources: U.S. Consumer Expenditure Survey; AZ DOA; Elliott D. Pollack & Company

Town's Role in Filling Empty Storefronts

The Town cannot:

- ▶ Regulate rent prices of tenant space
- ▶ Require a property owner to rent to a specific business

The Town does:

- ▶ Promote OV has a great place to operate a business
- ▶ Assist site selectors with finding available spaces
- ▶ Assist owners in promoting available business spaces
- ▶ Help increase customer base through:
 - Primary employment recruitment and expansion
 - Tourism and Visitor spend

Business Retention Expansion Program



Ways the Town supports small business:

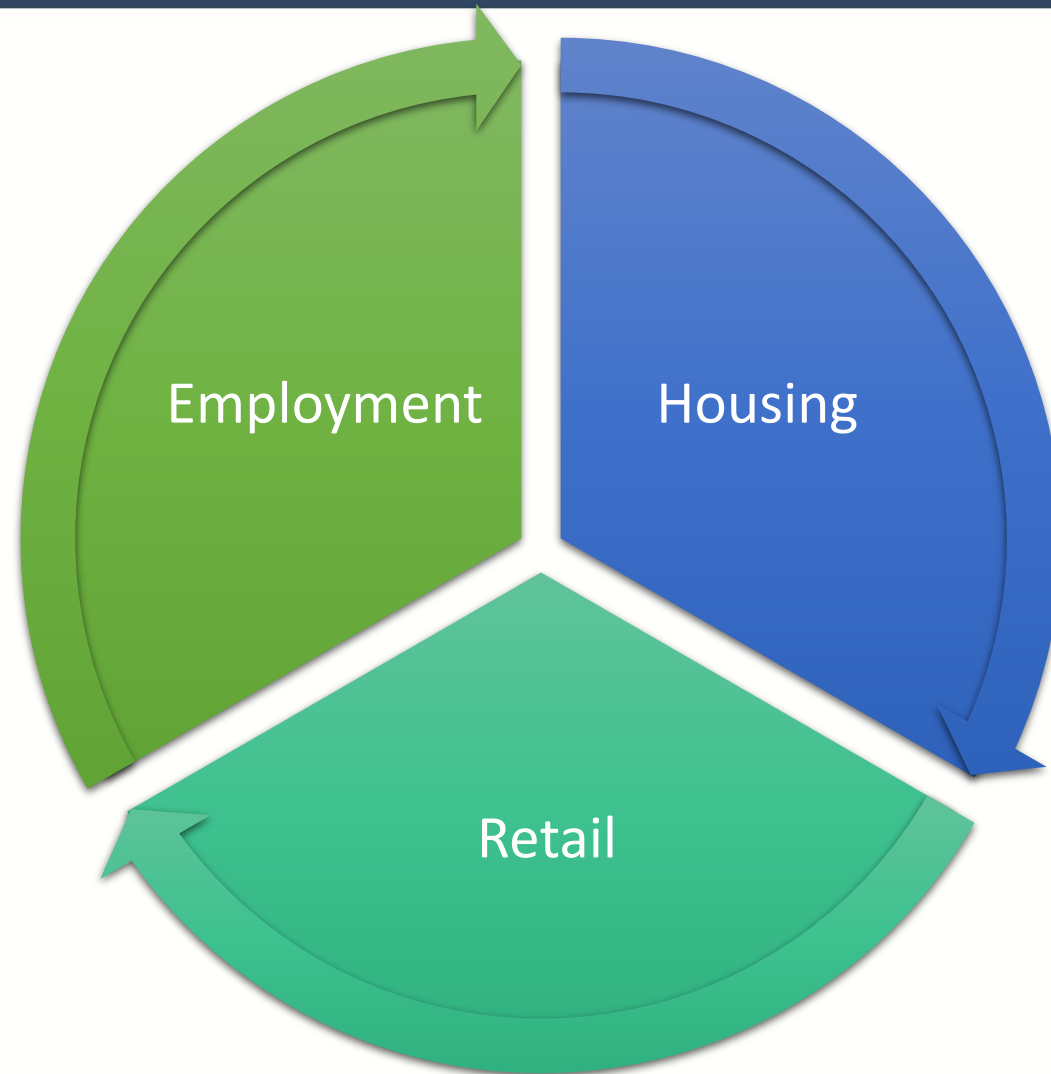
- The Town partners with the Chamber regarding Shop/Dine Local programming.
- Conducts BRE Visits and Surveys that generate topics for the annual business summit.
- During business visits, Town staff respond appropriately and as quickly as possible to any issues business owners or managers bring up.
 - The expectation is that Staff will respond within 2 days, either with a solution or an update on steps would be necessary to resolve an issue.
- Our Small Business Startup classes discuss resiliency as a part of product discovery and encourages knowing the product why before ever jumping into a business.
- Provides Placer.ai reports for expansion and development guidance.
- Free listing on the Oro Valley Business Navigator.



Summary



Town of Oro Valley



chooseorovalley.com



Let's Take a Break

Part 2: Tourism



Town of Oro Valley

Explore Oro Valley – Promoting Oro Valley as a destination



**EXPLORE
ORO
VALLEY**

Explore Oro Valley – Destination Management Plan

- Celebrating what makes Oro Valley special — from our mountain views and outdoor recreation to arts, dining, and culture.
- Supporting local businesses by attracting visitors who shop, dine, and stay here.
- Strengthening the local economy and creating jobs through responsible, year-round tourism.

A photograph of two hikers walking away on a dirt trail in a desert landscape. The hiker on the left is wearing a white shirt and blue shorts, while the hiker on the right is wearing a black shirt and black shorts. They are surrounded by dry brush and tall saguaro cacti under a clear blue sky. The image is partially covered by a dark grey semi-transparent box containing text.

Promote the Town as a destination for
unique and high-quality experiences
that drive tourism, support local
businesses, and expand job
opportunities.



Explore Oro Valley – What We're Doing Now

- Destination Management Plan
 - Resident Survey
 - Marketing & Branding Report
 - Situational Analysis

Resident Survey

- **What we're proud of**
 - Scenic beauty and mountain views
 - Strong sense of safety
 - Outdoor recreation and open spaces
- **Where we see opportunities**
 - More dining variety and nightlife options
 - Expanded arts and cultural experiences
- **What residents want to see**
 - Family-friendly attractions and signature events
 - A stronger mix of locally owned restaurants and shops



Marketing & Branding Report

Understanding how Oro Valley is perceived and where we have room to grow

- **Our Strengths**

- Scenic beauty, wellness and outdoor recreation
- Safe, peaceful, and connected to nature
- Strong foundation: trails, golf, Catalina State Park, Steam Pump Ranch

- **Our Challenges**

- No formal tourism brand
- Risk of being overshadowed by Tucson and Marana
- Seasonal slow periods and low national awareness



SITUATIONAL ANALYSIS

Turning Insights Into Action



CONNECTING THE PIECES

Combined findings from the resident survey, branding report and stakeholder feedback



CLEAR DIRECTION

Identified short-term priorities and long-term opportunities



BALANCED VISION

Created a roadmap that balances resident quality of life with visitor appeal

IMAGERY PHOTOGRAPHY STYLE

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TYPOGRAPHY



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ANTON - REGULAR
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z
"ABC" "pqrstuvwxyz" "1234567890"



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COLOR PALETTE

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#4D4D4D

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CMYK (0, 0, 0, 70)

#638485

RGB (101, 133, 133)
CMYK (0, 23, 0, 48)

#8C8C8C

RGB (140, 140, 140)
CMYK (0, 0, 0, 45)

Telling Oro Valley's story through color, voice and design

- Brand Identity Development
 - Developing a brand identity that's authentic to Oro Valley. Inspired by our landscape, lifestyle and sense of place
 - Formal logo, tagline and brand narrative coming in November

BRAND GUIDELINES

A well-designed logo becomes the cornerstone of visual branding, representing core values

A well-designed logo becomes the cornerstone of visual branding, representing core values

CORE VALUE

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VISIONS

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From brand identity to an inviting, user-friendly, visitor focused website

Website Design & Development



A new Explore Oro Valley website, separate from the Town's municipal website

It will feature:

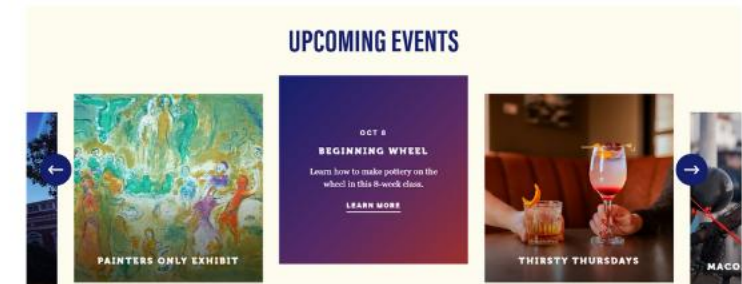
- Things to do, places to stay, restaurants
- Itineraries
- Events and local stories



Clean navigation



Engagement through newsletter signups



Upcoming Events

Ec/Dev Planning and Support Documents

- [Town Council Strategic Leadership Plan](#)
- [TOV Comprehensive ED Strategy](#)
- [ED Commercial Project Status Report](#)
- [Primary Employer Incentive Program](#)

EC/DevD Partners

- [Oro Valley Chamber of Commerce](#)
- [UofA Center of Innovation, Oro Valley](#)
- [Visit Tucson: Oro Valley](#)
- [Sun Corridor, Inc.](#)
- [StartUp Tucson](#)
- [Pima Association of Governments](#)
- [Pima County Community College](#)
- [Oro Valley Business Club](#)
- [Southern Arizona STFA](#)
- [Visit Tucson](#)



chooseorovalley.com

Explore OV

Paul Melcher

Community and Economic Development Director

pmelcher@orovalleyaz.gov

(520) 229-4847

Up Next:



Town of Oro Valley

- ▶ **Tuesday, October 21 from 6-8 PM:** Parks, Recreation, and Trails
- ▶ Please leave your name tag on the table
- ▶ **Please evaluate this class by taking the short survey.**
 - ▶ Survey is also linked on the program webpage



Visit orovalleyaz.gov (search Community Academy) for class resources.
Questions? Contact Milini Simms at msimms@orovalleyaz.gov or 520-229-4836