

Proposal to Establish an Ad Hoc Committee on Historic, Cultural, and Heritage-Based Economic Development

Submitted to: Mayor Nieves Riedel and San Luis City Council

Submitted by: Jesus Carrillo, Chairman, San Luis Economic Development Commission

Date: March 12th, 2025

Background

Arizona's historic and cultural assets are not just relics of the past—they are **economic engines** that drive job creation, increase property values, boost tourism, and revitalize communities. The San Luis Economic Development Commission seeks to establishing a **Historic, Cultural, and Heritage Economic Development Ad Hoc Committee** for the City of San Luis will leverage these assets into **sustainable economic development**.

Key Economic Indicators Supporting This Initiative

- **Historic state parks alone contribute over \$35.4 million annually** to Arizona's economy, with a significant portion benefiting the retail and hospitality sectors (Arizona State Historic Preservation Plan, 2019).
 - **Heritage tourism and historic preservation significantly contribute to local retail and sales tax revenues.** Visitors drawn to historic districts and cultural attractions spend more at local businesses, boosting the retail economy (Arizona State Historic Preservation Plan, 2019).
 - **Retail spaces in historic areas maintain higher occupancy rates** and attract locally owned businesses, which reinvest more money into the community compared to chain stores (Preservation Phoenix Style Report, 2021).
 - **Historic preservation supports tourism-related businesses**, including hotels, restaurants, and retail establishments that benefit from increased visitor spending (Arizona State Historic Preservation Plan, 2019).
 - **Adaptive reuse of historic buildings attracts entrepreneurs and business owners**, leading to increased retail activity and revitalization of commercial corridors (Preservation Phoenix Style Report, 2021).
 - **Walkable historic districts generate more revenue per square foot than newer commercial developments**, making them strong economic drivers (Preservation Phoenix Style Report, 2021).
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Purpose of the Ad Hoc Committee

The **Historic, Cultural, and Heritage Economic Development Ad Hoc Committee** is proposed to evaluate and implement strategies that leverage San Luis' historic and cultural assets as an **economic development tool**. This initiative aligns with the City's broader goals of downtown revitalization, business attraction, and tourism expansion, while identifying funding sources to support adaptive reuse and business development efforts.

This effort is also aligned with the **San Luis General Plan 2040**, which recommends the following policies:

- **Policy E-2.1:** Promote and support tourism-focused development including medical tourism, accommodations, and the expansion of businesses providing goods and services to visitors.
- **Policy E-4.2:** Continue to explore, identify, develop, and implement economic incentives and programs that advance the City's economic goals and create development and job growth in the targeted economic sectors.
- **Policy E-7.4:** Continue to promote and expand neighborhood services that are provided by the City, such as the existing Community Cleanup program.
- **Policy E-8.2:** Continuously monitor vacant properties, underutilized properties, and aging areas to evaluate their condition and prioritize revitalization efforts.
- **Policy E-8.3:** Prioritize opportunities to redevelop properties that are blighted.
- **Policy E-8.5:** Work with developers and property owners to enhance commercial areas as pedestrian-oriented destinations with pedestrian facilities, such as wide sidewalks and walkways, ample shade, and plazas.
- **Policy E-10.6:** Foster strong relationships and partnerships with community organizations in revitalizing downtown.
- **Policy E-11.4:** Actively evaluate the community's needs related to arts and cultural programs, events, and venues.
- **Policy E-13.3:** Promote the creation of art incubator studios, exhibition spaces, and performance venues.
- **Policy E-14.1:** Pursue Certified Local Government status through the Arizona State Historic Preservation Office.
- **Policy E-14.2:** Develop and adopt a Historic Preservation ordinance for the protection of buildings and structures of historic importance.
- **Policy E-14.3:** Develop and adopt cultural resource protection standards and requirements pertaining to the assessment and treatment of cultural resources within San Luis.

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Objectives of the Ad Hoc Committee

1. Identify Properties for Historic Designation

- Develop an inventory of **historically and culturally significant properties** that could qualify for local, state, or national historic designation, grant funding opportunities, and tax and state incentives for redevelopment.
- Pursue **Certified Local Government (CLG) status** to enhance preservation funding opportunities and strengthen local historic preservation efforts.
- Work with property owners and local organizations to evaluate designation feasibility.

2. Identify Grant Opportunities for Revitalization & Adaptive Reuse

- Compile a list of **grant programs available to the City, local organizations, and private property owners** for historic preservation and adaptive reuse.
- Research state and federal funding opportunities such as:
 - Arizona State Historic Preservation Grant Programs
 - National Trust for Historic Preservation Grants
 - USDA Rural Business Development Grants for historic commercial spaces
 - Private foundations supporting cultural heritage projects

3. Promote Adaptive Reuse for Business Development

- Develop policies and incentives for adaptive reuse projects that repurpose historic properties into:
 - Boutique hotels, restaurants, and cultural centers
 - Arts and entertainment venues
 - Retail and entrepreneurial spaces
- Collaborate with property owners to facilitate redevelopment while maintaining historical characters.

4. Increase Tourism through Historic and Cultural Assets

- Develop marketing strategies to promote San Luis' historic and cultural heritage as a **tourism driver**.
- Communicate with the Arizona Office of Tourism promote San Luis as a destination for culture and heritage.

5. Assess Revenue Generation & Economic Impact

- Evaluate the potential revenue impact of heritage tourism and adaptive reuse investments on the City's tax base, with a strong emphasis on retail sales and local business growth.
- Promote tax incentives and grants, such as **Historic Preservation Tax Credits**, to encourage private investment in preservation projects.

Committee Structure & Responsibilities

- Members to the ad hoc committee will be appointed by the Chairman of the San Luis Economic Development Commission.
- **Proposed/Interested Members:**
 - Salma Marrufo, SLEDC Vice Chair
 - Oscar Franco, Commission Member
 - Linda Padilla, Commission Member
 - Maria Robles, Community Member
 - Edrel Silva, Community Member
 - _____, Property Owner (Waiting on Recommendation)
 - Barry Katz, Broker, Main Street

The ad hoc committee will operate for no more than **24 months** to explore this strategy and will meet on a **necessary basis**. Findings and recommendations will be reported to the City Council within the established timeframe.

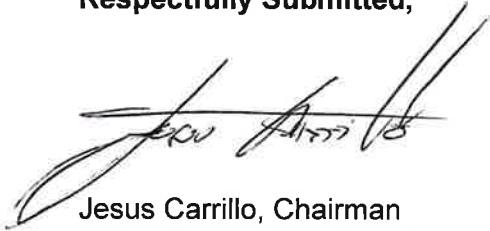
Expected Outcomes & Benefits

- **Job creation** through adaptive reuse projects, tourism growth, and small business development.
- Increased **grant funding** for property revitalization, reducing financial burden on the City and property owners.
- Expansion of the **commercial tax base and increased capital investment** through historic property redevelopment.
- Growth in **heritage tourism**, attracting visitors and increasing local business revenues.
- Strengthened **community identity** and cultural preservation efforts.

Request for Council Approval

The San Luis Economic Development Commission formally requests the **San Luis City Council's approval** to establish the **Historic, Cultural, and Heritage Economic Development Ad Hoc Committee** to advance these objectives. This initiative will support the City's long-term economic development goals while celebrating and leveraging its rich historical and cultural assets.

Respectfully Submitted,

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Jesus Carrillo, Chairman
San Luis Economic Development Commission

A handwritten signature in black ink, appearing to read "Salma Maruffo". The signature is cursive and somewhat compact.

Salma Maruffo, Vice Chair
San Luis Economic Development Commission