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Arizona and the Valley can become sustainable centers, but it's going to take more than federal stimulus dollars and time to transform several factors, according to experts who assembled for a panel Thursday.

Participants in the forum, convened by U.S. Rep. Harry Mitchell, D-Ariz., said a lasting effort will require stimulus money as well as additional changes at the state level to attract new business and to provide better educational standards to supply a green economy with the employees it needs.

"States throughout the West are competing to be the leader in green energy, and they're going to the (mat) to do it, and we need to go to the (mat), too," said Arizona Corporation Commission Chairwoman Kris Mayes.

The forum was the congressman's third in his quest for ways to promote sustainability in the region. This time, the discussion came as Arizona competes for funds from the American Reinvestment and Recovery Act, some of which is earmarked for promoting a greener economy.

Mitchell said money is available through the federal stimulus package, including \$3.2 billion for energy conservation block grants, but securing those grants will be highly competitive. Mitchell called it an "unprecedented opportunity" to move the Valley's economy toward sustainability.

"Creating jobs is important to our economy, but so is creating the right kind of jobs," he said.

The Valley and state will need to find a substitute for their current economic model, said Tim James, a research professor of economics at Arizona State University's W.P. Carey School of Business.

"To a large extent, our economy is built on growth, and growth has died," he said.

The Valley lacks both the work force and the education system needed to take stimulus money and turn it around quickly to give the region's economic stool another leg. Arizona has continually pulled its knowledge workers from other states, and it likely will need to straighten out its education system to provide workers in the future without having to look elsewhere to fill those needs, James said.

The stimulus and the push for green jobs come at a time when the state is grappling with a \$3.3 billion deficit for the upcoming fiscal year. The Legislature already has slashed more than \$1 billion from the current year by cutting funding for a host of programs, including education. It now is deadlocked on a solution for the next year, which starts July 1. Some proposals call for more cuts, while others involve temporary tax increases.

The Legislature is considering four bills that deal specifically with solar technologies, including one backed by the Greater Phoenix Economic Council. Barry Broome, the group's president and CEO, said there is enormous potential for Arizona to become an exporter of green technology and power, primarily because its neighbor California will be looking for more sources to comply with its renewable-energy standards.

Broome also advocates pushing money to groups such as Science Foundation Arizona, which was partially funded with \$25 million from the state's 21st Century Fund and received the rest of its budget in corporate matching funds last year. But the 21st Century Fund was a casualty of this year's budget cuts, and could be for next year as well.

"If four freshman legislators can wipe out the funding for Science Foundation Arizona ... we are really going in the wrong direction," Broome said.

Mick Dalrymple, co-founder of a.k.a. Green in Scottsdale, which specializes in sustainable construction products, said much can be done toward energy efficiency with the stimulus funding, but small businesses likely will not see much aid from the \$787 billion package passed two months ago by Congress.

Instead, those businesses may benefit from people gaining confidence that the economy is turning around and start making purchases again.

"The way that it's going to happen is a psychological shift in America that it's OK to spend money again," he said.

The challenge is that Arizona must move quickly, particularly on the solar front, if it hopes to have any luck in landing companies and manufacturing jobs. The window is open, but it's closing quickly, Mayes said.

"If we don't get them this year and next year, I don't believe we will get them," she said. "They will go to California, they will go to Oregon, where they are offering incentives."