

FISCAL YEAR 2019/20

Annual Report



CHOOSE
Scottsdale

CITY OF SCOTTSDALE ECONOMIC DEVELOPMENT





MESSAGE FROM THE DIRECTOR

Five years ago, as we embarked on the transformational journey of our 2015 Economic Strategic plan, our strategy was to remain agile in our efforts of continue to make Scottsdale one of the best places to live, work and grow your business. I can happily report, as we enter the beginning stages of drafting our new strategic plan, we are steadfast on our path towards building a strong Scottsdale for tomorrow. In FY 19/20, we entered a phase of growth the city has never seen before. We received countless accolades that echoed the hard work we were achieving in the department. We strengthened relationships that set the foundation for business relocates we had been striving for. We began to see the hard work come to fruition that would gear our organization for long-term growth.

However, the effects of COVID-19 had different plans for us all.

These months required us to be more thoughtful in deploying both our human and financial resources to continue to support and build a healthy and vibrant community. From these times we were able to launch numerous assistance programs that you'll read about in this report. I'm proud of our team and I'm proud of the Scottsdale community for their flexibility and constant ability to pivot when needed. Better days are ahead for us all. In FY 20/21, follow along with us as we are preparing to continue to strengthen our vision of making Scottsdale a premiere business location and helping people #ChooseScottsdale.



Rob Millar
Director

A handwritten signature in black ink, appearing to read "Rob Millar".

AWARDS AND RECOGNITION

GLOBAL BUSINESS CITY OF THE YEAR

The City of Scottsdale was recognized as the Global Business City of the Year at the 2019 Global Chamber “Grow Globally Fair”. The Global Chamber “Grow Globally Fair” is in its 12th year and evolved through a need to recognize and celebrate leaders who lead, excel and push the boundaries in international business. The Global Chamber is connected in more than 525 metros and 195 countries and helps companies export, import and invest globally. Currently there are over 390 internationally owned businesses, such as Israeli-owned IMNA Solutions, operating in Scottsdale.



VOICE OF THE PEOPLE

Scottsdale won the 2019 Voice of the People Award for Excellence in Economy! Our city demonstrates a commitment to best practices in not only listening to our community, but acting on issues and topics that greatly benefit Scottsdale. The VOP Award is only given to top performing jurisdictions that receive the highest ranking from responses received in The National Community Survey. The National Community Survey reports resident opinions and satisfaction with local government and services provided.



IEDC AWARD OF EXCELLENCE

Scottsdale Economic Development brought home the silver! The International Economic Development Council’s Excellence in Economic Development Awards were held in October and was recognized once again for outstanding multimedia promotion of the Cure Corridor, Delivering the Cure. The awards were held at the IEDC’s annual conference which happens to be the largest yearly gathering of economic development professionals from all over the globe.

“BEST PLACE IN AMERICA TO FIND A JOB” FOR SECOND CONSECUTIVE YEAR

For the second consecutive year WalletHub has named the City of Scottsdale as best place in America to find a job. The comprehensive study compared more than 180 US cities across 31 key indicators of job market strength. Job opportunities, monthly average salary, unemployment rate and housing affordability are just a few of the metrics utilized in developing the 2020 list where Scottsdale came out on top. Scottsdale is home to more than 25,000 businesses with nearly 20 percent of Arizona corporate headquarters calling the city home. More than 90 percent of Scottsdale’s software companies are growing with a 10 percent employment growth forecast over the next five years.



ECONOMIC SNAPSHOT

BUSINESS & FINANCE OCCUPATIONS

 **38% over last 5 years**
Estimated increase of 13% over next 5 years

HEALTHCARE PRACTITIONER OCCUPATIONS

 **24% over last 5 years**
Estimated increase of 17% over next 5 years

COMPUTER RELATED OCCUPATIONS



 **27% over last 5 years**
Estimated increase of 14% over next 5 years

MANAGEMENT OCCUPATIONS

 **36% over last 5 years**
Estimated increase of 12% over next 5 years

Source: EMSI Q3 2020 Data Set | economicmodeling.com

SINCE APPROVAL OF ECONOMIC STRATEGIC PLAN:

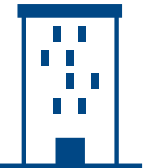


-  **\$49.4 M**
5 year direct economic impact
-  **7,567**
jobs created by companies in first 12 months of their operation
-  **743**
business outreach visits

FY 2019/20 CLAIMED PROJECTS

Company	Industry	Square Feet	Jobs Year 1
Choice Hotels HQ	Hospitality	150,000	170
Infosys	Technology	25,000	200
General Assembly	Education	2,000	2
Kenway Consulting	Advanced Business Services	2,500	5
ThredUp	Retail/Technology	7,800	30
Authentic Vacations	Hospitality	3,882	120
Stream Logistics	Transportation	5,000	13
Indeed Expansion	Technology	15,367	65
Papago Plaza	Redevelopment	479,160	0
Total		690,709	605

Companies identified as 'claims' represent new or existing businesses that were retained and/or expanded with significant assistance provided by the city and/or additional partners during the location decision making process. Real estate development and redevelopment projects in which the department provided substantial assistance are counted as well.

"BY THE NUMBERS" Q4

 <p>6.6% Vacancy Rate</p> <p>\$26.50 Rental Rate</p> <p>RETAIL</p>	 <p>11.8% Vacancy Rate</p> <p>\$28.51 Rental Rate</p> <p>OFFICE</p>	 <p>3.8% Vacancy Rate</p> <p>\$13.61 Rental Rate</p> <p>INDUSTRIAL</p>
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Source: Costar, July 2020


TOP PRIVATE SCOTTSDALE EMPLOYERS

 **7,078**

 **3,200**

 **2,949**

 **2,500**

 **1,977**

 **1,417**

 **800**

 **719**

GENERAL DEMOGRAPHIC CHARACTERISTICS

	Scottsdale	Arizona	U.S.
Median Age	48.3	37.4	38.5
Median Household Income	\$93,085	\$59,910	\$82,203
Average Household Income	\$139,089	\$83,906	\$90,054
Per Capita Income	\$64,803	\$31,262	\$34,136
Average Household Size	2.13	2.64	2.58
Median Home Value	\$471,255	\$249,960	\$235,127

Source: ESRI Business Analyst Online, August 2020

TOP JOBS IN SCOTTSDALE BY INDUSTRY

Industry	2019 Jobs	2019 LQ	2019 Earnings Per Worker
Health Care and Social Assistance	34,584	1.05	\$69,541
Administrative Support, Waste Management, and Remediation Services	31,380	1.97	\$53,496
Accommodation and Food Services	29,904	1.35	\$30,170
Professional, Scientific, and Technical Services	24,898	1.46	\$90,004
Retail Trade	24,480	0.97	\$42,352
Finance and Insurance	23,816	2.3	\$102,826

Source: EMSI Q3 2020 Data Set | economicmodeling.com

EVENTS AND MARKETING

SEVENTH ANNUAL CURE CORRIDOR

A sold-out crowd was in attendance for the seventh annual Cure Corridor event. Mayor Jim Lane kicked off the event with a nod to all of the bio-life science and healthcare companies within the corridor that are placing Scottsdale on the map as a hub of innovation.

We also debuted the 2019 Cure Corridor video which spotlights all the great accomplishments and successes the corridor is experiencing. Keynote speaker, Dr. Paul Laikind of ViaCyte, took the crowd through a riveting presentation about what his company is doing to find a cure for type 1 and type 2 diabetes.

MAYOR AND COUNCIL BREAKFAST ON ECONOMIC DEVELOPMENT

At the 2019 Mayor and Council Economic Development Breakfast, Mayor Lane welcomed early-morning attendees with compelling statistics and data that help shape our city. Guests learned that Scottsdale was seeing a continued rise in high wage occupations in its target industries and had over \$96 million in new capital investments. As if that wasn't enough, Vice Mayor Linda Milhaven led a fireside chat with our keynote Jake Schwartz, CEO of General Assembly. He closed out the show with a surprise announcement about GA expanding to Scottsdale!

BUSINESS APPRECIATION EVENT

In partnership with the Scottsdale Charros, our department hosted the annual Spring Training Business Appreciation event. Valued members of our business community were treated to a day at the ballpark inside the newly renovated Charro Lodge. The new lodge offers expanded shade and more room to network. The Economic Development team was on hand to welcome our guests and to thank them for having their business in Scottsdale.

Department Goals	FY Total	FY Goal
Number of businesses recruited or retained with City assistance	9	15
Number of business retention & expansion visits	295	90
Number of special events and programs	9	15
Number of special events and program attendees	1,116	1,000
Total number of new jobs created or retained	605	1,200
New capital investment into the community	\$41,450,000	\$50,000,000
Average wage of jobs created or retained	\$79,255.00	\$69,101.00
Square footage constructed or absorbed	690,709	500,000
Total 5-yr direct revenue impact of projects	\$5,064,757	\$10,000,000
Total 5-yr economic impact of projects	\$ 1,092,616,548	\$ 3,000,000,000
Number of total sessions on ChooseScottsdale.com	22,804	17,500

Source: FY 2019/20 City Budget Book

PROGRAMS AND INITIATIVES

GOOD TO GO BANNER

In partnership with the Scottsdale Area Chamber of Commerce, the department launched an initiative to help raise awareness of restaurants as essential businesses that were allowed to remain open to serve residents during the COVID-19 pandemic crisis. Scottsdale Good To Go banners were available free of charge to businesses that remained open to provide services. Participating businesses were able to choose from one of three banner options that fit their services. Those options included announcing their business was open for takeout, delivery or simply just open for business with the latter designed for non-restaurant establishments. To further assist, the City of Scottsdale waived the standard \$30.00 banner permit fee.



BUSINESS FINDER

The Scottsdale Good to Go Business Finder was developed to allow users to locate open businesses. This tool serves as a liaison between consumers and companies in terms of communicating their availability as many businesses have had to shift their operating hours. With the Scottsdale Good to Go Business Finder, users can use their location to scroll open restaurants, retail shops or hotels around them. Over 350 businesses applied to have their business featured on the map. The Business Finder was also featured at this year's ESRI User Conference and showcased in front of 85,000 online attendees.



SMALL BUSINESS ASSISTANCE CENTER

The Scottsdale Small Business Assistance Center (SSBAC) serves as the City of Scottsdale's virtual one stop shop for Scottsdale businesses looking for information on available business support programs and resources during the COVID-19 crisis.

The SSBAC looks to assist Scottsdale businesses with questions regarding Federal, State, and other government funding programs and connect them with critical resources. Businesses can rely on the center to provide the most up to date information on assistance programs, step by step guides and useful webinars. To date, SSBAC has successfully assisted over 300 Scottsdale businesses.





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