

**FY 2015/16
ANNUAL REPORT**



**ADVANCING
THE STRATEGY,
TARGETING THE
TALENT**

A YEAR IN REVIEW: IMPLEMENTING THE STRATEGIC PLAN.

Through its economic development investments and programs, the City of Scottsdale retains, grows and attracts targeted sources of wealth generation to enhance the community's tax base and quality of life, preserve the natural environment and foster prosperity for all citizens. Made possible by the City Council, City of Scottsdale leadership, and the local business and residential community the following are some of the key economic development department accomplishments in FY 2015/16:

- Participated with material influence in the attraction, retention or expansion of 9 unique businesses representing an estimated 1,183 jobs in the first 12 months of business operations with an average wage of \$67,085 and an overall total of 1,645 jobs over five years.
- Completion of 111 direct business outreach visits, representing more than 3,000 new jobs in Scottsdale in the next three years, with 50 firms registering as talent attraction partners.
- 290 new business development leads were received, generated and responded to and market visits for business attraction executed in Chicago and Austin and twice in San Francisco.
- The department was honored with a Gold Excellence in Economic Development Award for the 2015 South by Southwest Talent Recruitment mission and a Silver Excellence in Economic Development Award for the City of Scottsdale and ASU SkySong partnership from International Economic Development Council (IEDC).
- Four team members have completed required coursework and pursued sitting for professional economic development certification exam, with budget and strategy in place for pursuit of department accreditation in FY 2016/17.

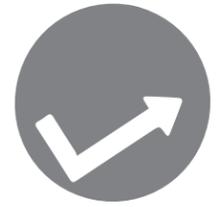
- Expansion in overall marketing reach was accomplished via social media messaging campaigns to promote Scottsdale as a place to live, work and thrive. Results included a 222 percent Twitter engagement increase from the prior year, a 542 percent increase in Facebook likes and a 247 percent increase in YouTube activity with 11,558 total views.
- Provided integral support in outreach to downtown businesses and merchants for Downtown Economic Feasibility Study and downtown parking issues, and created joint tourism, economic development and airport marketing materials distributed to international airport users via U.S. Customs representatives.
- Successful implementation occurred for notable large events such as the Mayor and Council Breakfast and the Third Annual Cure Corridor event, both with sold out attendance. In addition, the team launched numerous new events supporting small business like Weebly Website in a Night, Connect the Tech business series, Business Appreciation Breakfast, and Think Tanks for a total of 19 unique events in excess of 800 guests.
- Fundraising of \$10,000 for phase 1 improvements in Eureka Loft occurred. This resulted in a new reception desk to welcome visitors, a large digital monitor to highlight events and programs, and a sound mitigation panel system to help with noise abatement and aesthetics.



**1,183
NEW JOBS IN
FIRST YEAR OF
OPERATION**



**\$1.5 B
TOTAL
ECONOMIC
IMPACT OF
PROJECTS**



**\$67,085
AVERAGE
WAGE OF JOBS
CREATED OR
RETAINED**

RECOGNIZED FOR EXCELLENCE.

IEDC Gold and Silver Awards

The International Economic Development Council (IEDC) recognized the City of Scottsdale economic development efforts through two awards in 2015. It received a Gold Award in the Business Retention and Expansion category for its 'Work Scottsdale' Talent attraction initiative, and a Silver Award in the partnership with educational institutions category for its collaboration with the ASU SkySong Innovation Center.

AAED Awards of Merit

Two Awards of Merit were received at the Arizona Association for Economic Development 2015 Fall Forum held in Tucson. The merit awards were in recognition for the department's efforts in the 'Work Scottsdale' Talent Recruitment initiative and the Second Annual Cure Corridor Event featuring Elizabeth Holmes of Theranos.



'SWIPING RIGHT' TO ATTRACT NEW BUSINESS.



How do you get new businesses, site selection professionals and talent to think of your community first when considering a relocation or expansion? Look to popular social media dating apps for inspiration.

A recurring theme throughout the year was the 'Swipe Right Scottsdale' campaign, aimed at educating everyone from brokers, to startup companies, to talented individuals about Scottsdale as an amazing place to live, work and do business. With a fun play on the dating app 'Tinder' popular among millennials, the campaign was highly successful in garnering media attention and getting people talking about Scottsdale as a fun, proactive business environment.

The kickoff of this creative campaign was held at a market visit in San Francisco which attracted more than 75 attendees. The event allowed economic development to share key Scottsdale messages to real estate brokers, startups and companies looking to expand their business. The Jan. 28 event was hosted in partnership with the Scottsdale Area Chamber of Commerce, LevRose Commercial Real Estate and several sponsor supporters. It also generated a strong media buzz in the Phoenix Business Journal.

General outreach to commercial real estate brokers and site selection professionals for lead generation was also top of mind. During the year 105 commercial brokers were directly met with, and 290 new business development leads were received, generated or responded to.

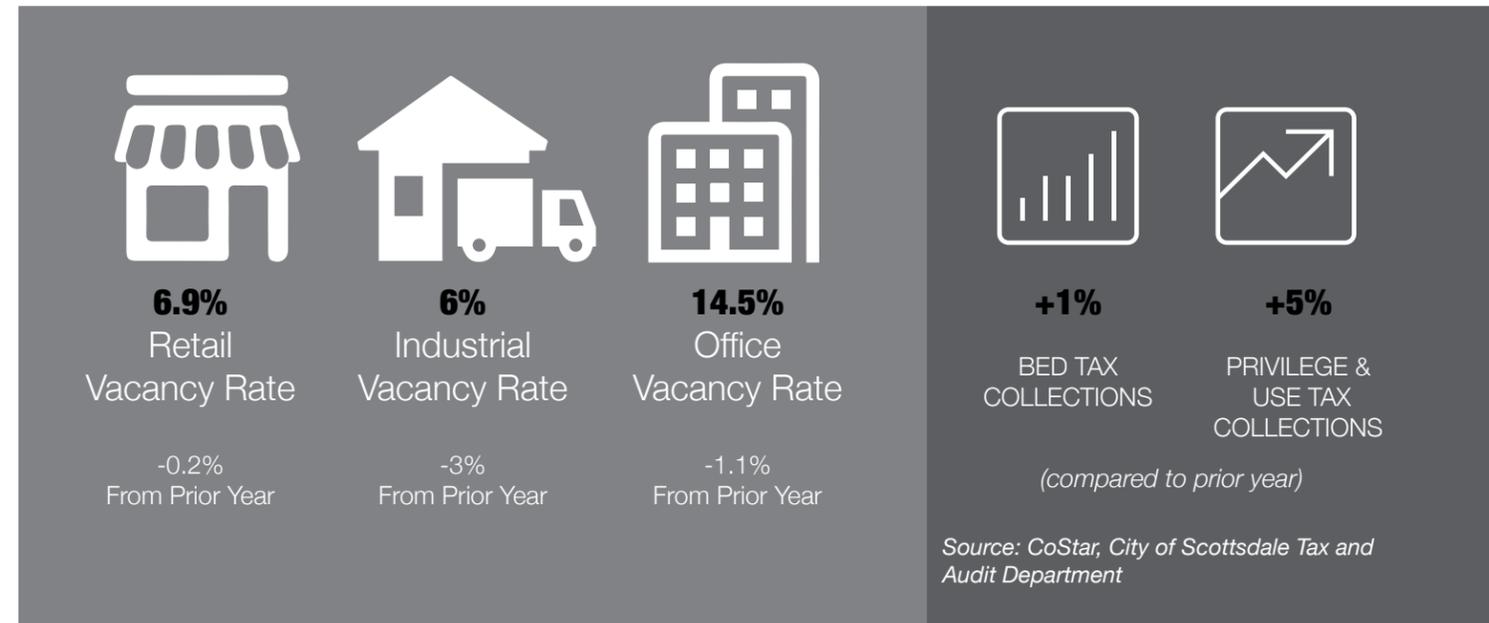
The second annual City of Scottsdale/Greater Phoenix Economic Council commercial broker event was held Aug. 27 at the Scottsdale Fiesta Bowl Museum. More than 60 commercial brokers registered for the biannual event that is designed to share Scottsdale economic development updates and strategize with commercial real estate leaders on ways to bring new business opportunities to Scottsdale.

To leverage the amazing Scottsdale event scene for business development, the team conducted a variety of initiatives associated with signature spring events such as the Waste Management Phoenix Open, Barrett-Jackson Auto Show and Cactus League Spring Training. In association with the Arizona Commerce Authority and the Greater Phoenix Economic Council, national business leaders and commercial real estate industry experts were invited to learn more about the business advantages of operating in Scottsdale.

Research for new business lead generation requires significant time and focus. For additional staff support and creative ideas, the department partnered with The Thunderbird School of Global Management's "Organizational Consulting" program.

The goal was to provide students with an introduction to consulting as it is generally practiced across sectors. The Scottsdale project included a multiphase analysis of lead generation initiatives, target sectors, industry benchmarking and recommendations for increasing lead generation effectiveness, ultimately providing the team with a number of well researched leads to pursue over the coming year.

Market visits to Chicago and San Francisco and attendance at site selector roundtable events such as the Penton Media Roundtable helped to expand business development conversations with 15 business prospect meetings and one-on-one meetings with eight national site selectors.



PROVIDING SUPPORT TO GROWING FIRMS.

A top business retention win for the year included the retention of JDA Software Group's Headquarters operations in Scottsdale. JDA has been one of the Phoenix area's most successful technology companies over the past three decades and is one of the largest technology companies headquartered in the greater Phoenix area. After weighing options for relocation in other parts of the country JDA Software Group worked with the Scottsdale economic development team as well as the Arizona Commerce Authority, ultimately choosing to remain in Scottsdale and relocate its corporate headquarters - along with 347 employees - to the Scottsdale Quarter complex.

A primary focus for this fiscal year has also been actively assisting Scottsdale companies in seeking talent. Scottsdale was joined by Vanguard, Digital Air Strike, and Quicken Loans at the South by Southwest Job Market in Austin, Texas, with five more companies offering support as 'virtual partners.'

"We are looking forward to transitioning JDA's corporate headquarters [at Scottsdale Quarter] to a more collaborative and open environment that will foster and encourage JDA's commitment to innovation."

- Baljit S. Dail, CEO and Chairman of the Board, JDA Software Group



Candidates encountered at the 2016 event were more than double the 2015 results, with 146 registered and some employment offers extended.

The team has also served firms through proactive placement of recently laid off employees into Scottsdale firms. In four cases the team was aware of staffing reductions and was able to notify companies seeking applicants of the opportunity. In one case within two hours of the notification, 11 Scottsdale companies had requested copies of resumes of affected employees, with hires confirmed as a result.

Not only have these efforts provided a direct benefit to Scottsdale firms, but it has offered continuity of employment to residents and retention of talent to the region.



500+
RELOCATION
GUIDES
DISTRIBUTED



111
BUSINESS
RETENTION VISITS



>50
TALENT ATTRACTION
PARTNERS ON
WEBSITE



3,000+
NEW JOBS BEING
CREATED BY VISITED
FIRMS IN 3 YEARS

BUILDING AN ENTREPRENEURIAL ECOSYSTEM.

Efforts - and results - have increased dramatically in the area of small business and entrepreneurial support. In fact, Mayor W.J. "Jim" Lane proclaimed Feb. 24 "Made in Scottsdale Day" at an event hosted by website development company Weebly. All small businesses and startups in Scottsdale were invited to learn to create their own website in one evening.

New programming was launched in the Eureka Loft, offering an eight part educational series called 'Connect the Tech.' The interactive series provided an opportunity for direct mentorship from local industry leaders with presenting firms such as HubSpot, Parchment, WireBuzz, Digital Air Strike, Brockson Capital, Tallwave and Wasabi Ventures. There were more than 100 participants ranging from small-business owners to tech entrepreneurs looking to further engage with the business community.



"It's a great place to start a company. I see Scottsdale shortly becoming a huge startup hub." - Josh Manley, CEO , ReplyBuy, Inc.



>100
PARTICIPANTS
IN CONNECT THE
TECH SERIES



5 million
SOCIAL MEDIA
IMPRESSIONS BY
PHOENIX STARTUP WEEK



\$10,000
RAISED FOR
EUREKA LOFT
ENHANCEMENTS



75
ATTENDEES FOR
'WEBSITE IN A
NIGHT'

Economic development, in partnership with the library staff, raised \$10,000 in sponsor funding to help complete phase 1 enhancements including a new reception desk, TV monitor promoting events and programs and FilzFelt noise reducing panels that also offer a creative aesthetic to the space. Staff is working on a new scheduling and appointment platform that will allow users to see what programs are available and the opportunity to schedule a time with a preferred mentor. This new scheduling tool is planned for launch publicly by Q2 of FY 2016/17.

Supporting the startup ecosystem was also top of mind, with two venues for Phoenix Startup Week 2016 held in Scottsdale. The event resulted in more than 5 million social impressions, and a reach to more than 1 million unique social media accounts. Attendance nearly doubled 2015 figures, 175 speakers provided their valuable insights to attendees and 75 volunteers helped run the programs.

FOCUSING ON RESULTS.



“We are very pleased to call Scottsdale home for our company headquarters. As a leading global company, our new office space is fitting for a business of our stature and will better serve us as we continue to grow and prosper in the international aviation marketplace.” - Russell Ford, CEO, Standard Aero

The department is pleased to not only report strong annual metrics, especially in the areas of number of jobs created or retained and the high wage rates of those jobs, but also huge success in the production of annual signature events and marketing impressions.

Signature events for 2015/16 fiscal year included the October Mayor and Council Breakfast as well as the Third Annual Cure Corridor Event.

The Mayor and Council Breakfast, held at Signature Flight at the Scottsdale Airport, featured keynote speaker Russell Ford, CEO of StandardAero. Standard Aero relocated its headquarters to Scottsdale in FY 2014/15. The room saw a packed crowd of more than 180 guests and impactful sound bytes. A full taping of the event is regularly aired on Channel 11 and available on YouTube.

The third annual Cure Corridor Event, was attended by a sold-out crowd of 240 and featured keynote

speaker Jonathan Fleming of the Network for Excellence in Health Innovation who engaged the audience in his entertaining discussion on the future of venture funding in the bio-life science industry. To encourage audience participation, the team used live Twitter feeds during the question and answer period of the rapid-fire session and encouraged attendees to also tweet comments. Questions posted using hashtags #curecorridor or #scottsdaleecdev instantly fed to the presentation displays during the Q&A period.

Social media responses in 2015 doubled those of 2014, demonstrating the increased popularity of the Cure Corridor and impact of expanded marketing efforts.

In addition, smaller but impactful events such as the January Mayor’s Business Appreciation Breakfast and other industry Think Tank discussions were held with strong attendance and positive business feedback.

Business Development Performance Measures

Measure	Q4 2015/16	FY Total	FY Goal	% of Goal
Number of businesses recruited or retained with City assistance	0	9	15	67%
Number of business retention & expansion visits	38	111	105	106%
Number of special events and programs/attendees*	8/110	19/845	20/750	95% / 112%
Total number of new jobs created or retained*	0	1,183	800	148%
New capital investment into the community	\$ 16,075,000	\$82,015,000	\$100 M	82%
Average wage of jobs created or retained*	N/A	\$ 67,085	\$52,000	129%
Square footage constructed or absorbed	196,000	508,730	500,000	102%
Total 5-yr direct revenue impact of projects	\$ 2,320,120	\$7,277,627	\$15 M	49%
Total 5-yr economic impact of projects	\$ 581,125,547	\$1,715,740,069	\$1.5 B	114%

Source: City of Scottsdale Economic Development Department internal goals, FY 2015/16 City Budget Book*



Business Retention, Expansion & Attraction FY 2015/16 - CLAIMS AND ASSISTS

The companies below identified as 'claims' represent new businesses which located in Scottsdale or existing businesses that were retained and expanded with significant assistance provided by the City of Scottsdale Economic Development Department and/or additional partners during the location decision making process. Projects denoted as 'assists' represent companies that chose to locate in Scottsdale without material influence from the department, but which have received post-decision assistance and services of significant levels worthy of denoting. Figures and company data below also reflect reverifications and revisions for end of year reporting accuracy.

Name	Type/Industry	Location	Square Feet	Jobs: Year 1	Jobs: Year 5	5 Year Direct Revenue	5 Year Economic Impact
Bridge 2 Solutions	ATTRACTION / Advanced Business Services	14000 N. Pima Road	50,000	225	225	\$1,305,084	\$534,826,887
JDA Software Group, Inc.	RETENTION / ICT	15037 N. Scottsdale Road	55,530	347	347	\$1,154,945	\$416,005,345
Dillon Aero FTZ	EXPANSION / Defense	8009 E. Dillons Way	0	3	3	\$258,872	\$5,168,260
Hertz Rental Facility	ATTRACTION / Auto Retail	7300 E. McDowell Road	1,200	4	6	\$11,186	\$1,755,389
Banner Health	EXPANSION / Bio-Life Sciences	7575 E. Earl Drive	76,000	137	175	\$1,248,500	\$129,435,442
Hyatt Crossroads	ATTRACTION / Hospitality	7500 E. Doubletree Ranch Road	130,000	100	100	\$978,920	\$47,423,199
Hartford Insurance	ATTRACTION / Advanced Business Services	8888 E. Raintree Drive	100,000	337	632	\$1,804,847	\$474,974,861
Kleen Concepts	EXPANSION / Manufacturing	8388 E. Hartford Drive	35,000	10	10	\$201,132	\$28,855,990
Van Tuyl	ATTRACTION / Advanced Business Services	17207 N. Perimeter Drive	60,000	20	147	\$264,016	\$65,872,518
TOTAL CLAIM METRICS			508,730	1,183	1,645	\$7,277,6270	\$1,715,740,069
Trusona	ASSIST / ICT	8767 E. Via De Ventura	3,498	10	30	\$176,175	\$87,156,974
Upward Projects (Postino)	ASSIST / Hospitality	4821 N. Scottsdale Road	2,500	30	30	\$92,580	\$14,523,257
Groupon	ASSIST / ICT	1375 N. Scottsdale Road	100,000	25	150	\$344,790	\$102,773,262
Bolste	ASSIST / Information Tech	15169 N. Scottsdale Road	2,200	50	1,000	\$2,904,612	\$1,267,737,807
Holiday Inn Vacation Club	ASSIST / Hospitality	7677 E. Princess Boulevard	30,900	79	124	\$1,532,906	\$34,781,829
Wasabi Ventures	ASSIST / ICT	4900 N. Scottsdale Road / Virtual	1,000	1	20	\$0	\$0
Ampsy	ASSIST / Emerging Tech	8100 E. Indian School Road #105	1,250	6	60	\$168,622	\$73,021,698
Basis	ASSIST / Education	10400 N. 128th Street	70,377	44	49	\$520,180	\$23,604,486
TOTAL ASSIST METRICS			211,725	245	1,463	\$4,206,959	\$1,568,817,484



“This is a fantastic city in which to do business. Not only is it sophisticated, it is friendly, open and welcoming. It has a can do atmosphere.”

- Dr. Ron Korn, CEO, Imaging Endpoints

TEXT “CHOOSESCOTTSDALE” TO 22828 TO SIGN UP FOR OUR TWICE MONTHLY E-NEWSLETTER.

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