

FY 2017/18

Q2 REPORT



A global leader in hybrid cloud data protection, Acronis selected the Quad in Scottsdale for its Arizona inside sales organization location. Average wages at this facility are reported by the company as approximately \$93,000 per year with 25 new jobs created in the first 12 months of operation, and 58 anticipated over five years. At the event ribbon cutting, Acronis also announced plans to invest an additional \$10 million in Scottsdale over several years on research and development activities.



CHOOSE
Scottsdale

CITY OF SCOTTSDALE ECONOMIC DEVELOPMENT

EVENTS AND CELEBRATIONS

This quarter included notable events and celebrations for business and industry alike. On Dec. 8, Scottsdale economic development in partnership with the Scottsdale Area Chamber of Commerce hosted a significant lineup of partners sharing their insights into the future of the Cure Corridor and bio-life science industry. The event featured keynote speaker Andrew Hessel, a futurist and catalyst in biological technologies. Andrew's career has been focused on helping industry, academics, and authorities better understand the rapid changes happening in life science.

The economic development department launched a new "Quarter in 10" program in October aimed at providing up to date information on economic activity taking place in Scottsdale to stakeholders and prospective business. The program, named after it being a quarterly update provided in 10 minutes or less, is designed to allow quick and convenient access to economic activity such as commercial vacancy trends, development activity and company announcements. Quarter in 10 is a simple to use video that can be accessed 24/7 at ChooseScottsdale.com.

The City of Scottsdale was featured in a Nov. 2017 Business Xpansion Journal article titled "Scottsdale, Arizona: A Leading Talent Attraction Community with the Tools to Back it Up." The emphasis for the article was on the wide scale development and implementation of economic development tools such as ScottsdaleSites.com, demographic and cost of living calculator information in combination with a robust talent attraction initiative. Business Xpansion Journal has a circulation that reaches 70,000 corporate executives and site selection experts.



Ribbon cutting event for LimeBike, hosted by the Scottsdale Area Chamber of Commerce at SkySong, the ASU Center for Innovation.

BUSINESS DEVELOPMENT

Scottsdale economic development in partnership with the Scottsdale Area Chamber of Commerce hosted more than 90 area commercial real estate brokers, site selectors and developers at Harley Davidson of Scottsdale in November. This annual event allows the city team to share updates, gain industry insights and further develop relationships with professionals in the real estate community. Nate Nathan from Scottsdale based Nathan & Associates, a commercial real estate advisory group, generously donated the musical talents of Nate Nathan and the MacDaddy-O's for the event.

A celebratory ribbon cutting event was held Nov. 30 by The Hartford Insurance Company, an industry leading provider of property and casualty insurance, group benefits and mutual funds. The celebration marked the opening of its new western regional operations facility at 8888 E. Raintree Drive. The 110,000-square foot facility is currently home to 337 Hartford employees and is projected to grow to 632 by 2022.

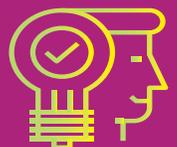
The economic development department worked with regional partner GPEC to welcome Connect Wireless which will occupy 10,000 square feet in downtown Scottsdale with plans to hire more than 30 over the next three years. The Scottsdale office will be home to c-suite executives, finance, human resources and operations jobs functions.

LimeBike, a dockless bike share provider launched Nov. 15 and now has more than 600 bikes in the city. The dockless system relies on GPS and does not require a fixed docking station. LimeBike held a ribbon cutting event at SkySong produced by the Scottsdale Area Chamber of Commerce. Economic development staff, tourism officials and the general public attended the event. The City of Scottsdale has welcomed dockless bike share and prepared a FAQ sheet to help educate local business, residents and visitors on this new private transportation option.

Since the Feb. 17, 2015 approval of the Economic Development Strategic Plan:



\$18.6 M
5-Year Direct Economic Impact



2,952
Jobs in First 12 Months of Operation



260
Business Retention Visits



OFFICE
12.3%
Vacancy Rate
- 2.4%

From Same
Quarter Prior Year



RETAIL
6.2%
Vacancy Rate
- 1.4%

From Same
Quarter Prior Year



INDUSTRIAL
6.8%
Vacancy Rate
+ 0.5%

From Same
Quarter Prior Year

MAYOR AND COUNCIL ECONOMIC DEVELOPMENT BREAKFAST

The 2018 economic development update event was honored to be headlined by keynote speaker Todd Govig of Govig and Associates, a national recruiting firm headquartered in Downtown Scottsdale. Mr. Govig discussed his reasons for a Scottsdale business location in front of an engaged audience of more than 250. The event video is available online.

Economic Development partnered with Arizona@Work to help organize a Job Fair Nov. 7 for Henkel employees affected by the relocation of the company to Connecticut. Nearly 80 employees attended and met with 10 companies actively hiring.

The fall 2017 Small Business Training Series was held at 1951 @ SkySong Tuesday evenings during the month of November with more than 35 series participants. In addition to each session, participants had the ability to receive direct mentoring with Stealthmode Partners, tools and resources from Scottsdale economic development, and instruction from local business experts.

The Downtown Small Business Gathering, produced by the Scottsdale Area Chamber of Commerce in partnership with the City of Scottsdale Economic Development Department was the first of three programs of the year at Western Spirit: Scottsdale's Museum of the West. More than 90 attendees joined the October program where a new video series - Downtown Spotlight - was first announced, and received more than 50 small business applications.

Q2 FY 2017/18 Performance Indicators

Measure	FY to Date	% of Total FY Goal
Number of businesses recruited or retained	5	25%
Number of business retention & expansion visits	42	35%
Number of special events and programs/attendees*	6/682	33/49%
Total new jobs created or retained*	376	25%
New capital investment	\$6,710,000	3%
Average wage of jobs created or retained*	\$52,207	83%
Square footage constructed or absorbed	119,200	24%
Total 5-yr direct revenue impact of projects	\$2,348,481	23%
Total 5-yr economic impact of projects	\$559 M	28%
Total sessions on ChooseScottsdale.com	4,758	37%

Source: City of Scottsdale Economic Development Department internal goals, FY 2017/18 City Budget Book*

Q2 FY 2017/18 Claimed and Assisted Projects

Name	Type/Industry	Location	Sq Ft	Jobs: Year 1	5 Year Direct Revenue
Benchmark Electronics	ASSIST / Advanced Business	4141 N. Scottsdale Rd.	65,000	250	\$232,330
LimeBike	CLAIM / Emerging Enterprise	7224 E. McDowell Rd.	4,200	15	\$104,641
North Central University (exp)	ASSIST / Higher Education	8667 E. Hartford Dr.	28,000	50	\$506,250
West Pharmaceuticals (exp)	ASSIST / Bio-life Sciences	14677 N. 74th Street	66,057	60	\$632,737
Aspire (exp)	CLAIM / ICT	14000 N. Pima Rd.	50,000	68	\$249,647
JDA Software (exp)	ASSIST / ICT	15059 N. Scottsdale Rd.	13,000	0	\$174,055
TOTAL Q2 CLAIM METRICS			56,200	318	\$1,852,552

Companies identified as 'claims' represent new or existing businesses that were retained and expanded with significant assistance provided by the City 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 services of significant levels. Some projects wishing to remain anonymous are not listed but data is included in totals.



Two economic development projects honored with Golden Prospector Awards of Merit

Economic development is running out of trophy display space with the receipt of two awards in October. The department was proud to receive Golden Prospector Awards of Merit from the Arizona Association for Economic Development (AAED) for its annual Broker Appreciation Event and the 'Advancing the Strategy, Targeting the Talent' Annual Report marketing brochure. The awards were presented at the AAED Fall Forum Oct. 27.

Featured Existing Business of the Month: Discount Tire

Discount Tire is one of the oldest companies headquartered in Scottsdale, founded by Bruce Halle in 1960. The company is now the largest independent tire and wheel retailer in the United States and continues to grow at an annual rate of more than 10 percent.

The company headquarters is located in a 160,000 square foot building on Scottsdale Road north of Loop 101. It is responsible for all the company's central operations including information technology, marketing, media and administration.

After receiving copies of the department's talent attraction materials, Grant Willis, technical recruiter for the company wrote: *"I'm loving the relocation guide!!!"*

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CITY OF SCOTTSDALE ECONOMIC DEVELOPMENT



INTERNATIONAL ECONOMIC
DEVELOPMENT COUNCIL



Accredited Economic Development Organization